



Everest Group PEAK Matrix[®] for Multi-Process Human Resources Outsourcing (MPHRO) Service Provider 2022

Focus on Conduent
April 2022



Background and scope of the research

Background of the research

The global Multi-process HRO (MPHRO) market experienced a growth resurgence in 2021. The market has recovered from the short-term disruption and is highly likely to experience growth in future because of the increased push toward large digital transformation initiatives being undertaken by enterprises, need for supporting hybrid working models in the new normal, and the focus on overall experience. These drivers are in addition to the traditional outsourcing drivers including the need for cost takeout, managing transaction volume management, and bringing in domain expertise.

Due to the ongoing talent shortage, there is a push to develop skills and have a future-ready workforce. Buyers are looking for more end-to-end HR outsourcing deals that include talent acquisition and development, keeping employee experience at the core. Buyers are also looking to adopt financial wellness solutions and are looking to have a more local experience for payroll and regulatory and compliance, thus driving the market growth. Apart from the high demand for HR services from the traditional markets of North America and Europe, the emerging Asia Pacific (APAC) and Latin American (LATAM) geographies continue to exhibit strong growth. The service providers, along with continued investments in bringing next-generation technologies, automation, and analytics, have also invested in adding an experience layer to their products and strive to provide a seamless, integrated experience to its users. They have also focused on partnering with their clients and help them throughout their HR transformation journeys, right from designing the solution to implementing it, in order to add business value. The purpose of this research is to understand and assess HRO service providers based on their vision & capabilities and impact on the MPHRO market and position them on the Everest Group PEAK Matrix®.

In this research, we analyze the global MPHRO service provider landscape and its impact on the MPHRO market. In particular, we focus on:

- MPHRO PEAK Matrix® 2022 including service provider capability assessment and Star Performer analysis
- Service provider landscape
- Remarks on key strengths and limitations for each MPHRO service provider

Scope of this report

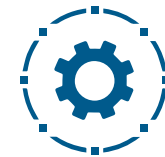


Geography
Global



Service providers

This research covers the following 19 HRO service providers with multi-process capability: Accenture, ADP, Alight Solutions, Ascent HR, Capgemini, Capita, CGI, Conduent, IBM, Infosys, MHR, Neeeyamo, OneSource Virtual, SD Worx, Sopra HR, TCS, Wipro, WNS, and Zalaris



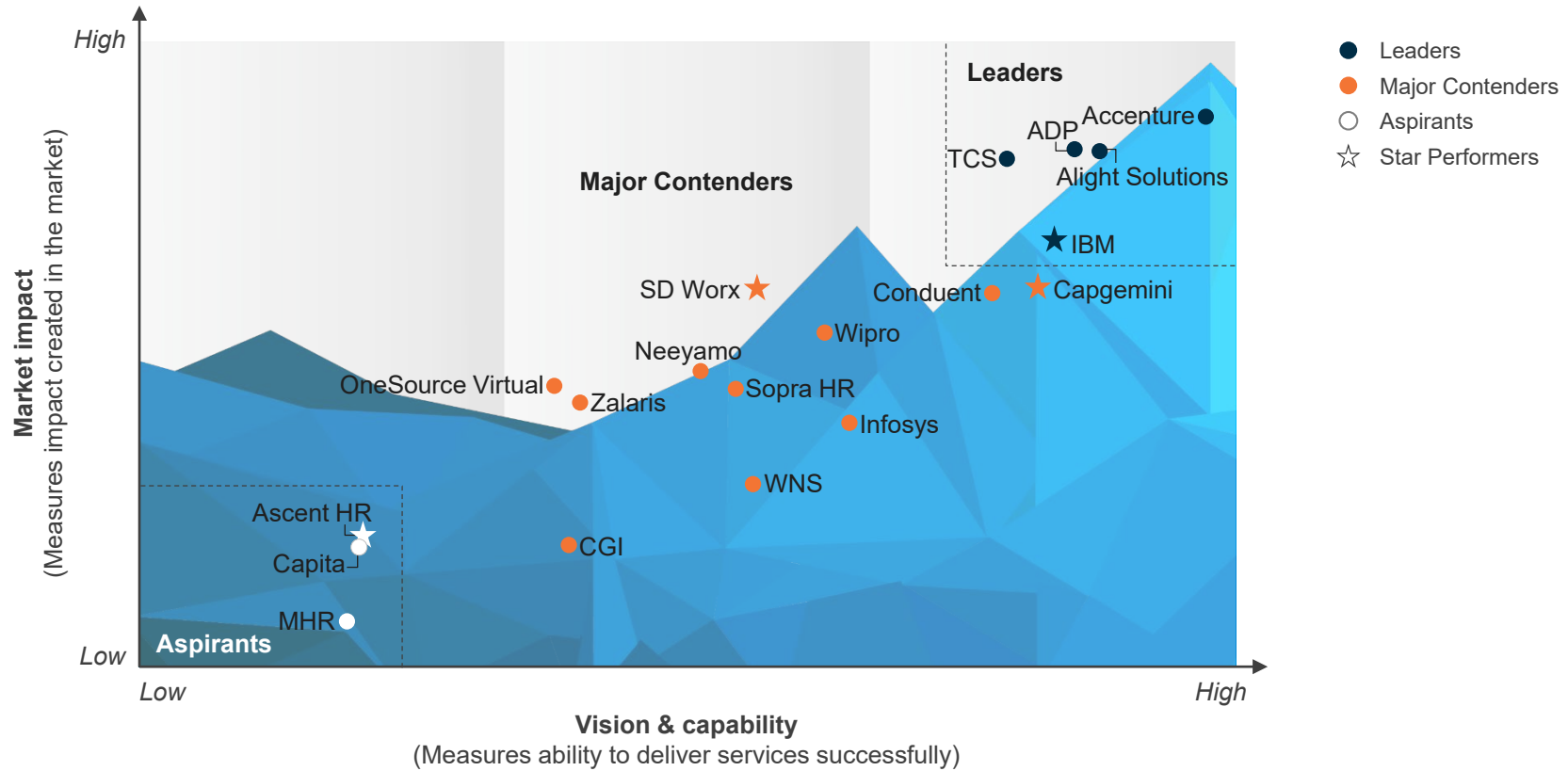
Services
MPHRO services

Everest Group PEAK Matrix®

Multi-Process Human Resources Outsourcing (MPHRO) Services PEAK Matrix® Assessment 2022 |

Conduent positioned as Major Contender

Everest Group Multi-Process Human Resources Outsourcing (MPHRO) Services PEAK Matrix® Assessment 2022¹



¹ Assessments for Capita, CGI, MHR, and Zalaris exclude service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with MPHRO buyers.

Source: Everest Group (2022)

Conduent | MPHRO profile (page 1 of 4)

MPHRO service capability and strategy

Company mission/vision statement

Conduent delivers mission-critical, technology-enabled HR services and solutions for businesses and governments that improve business processes throughout the employee life cycle from recruit to retire – providing advisory, technology, and administration solutions. Conduent leverages technologies such as automation, cognitive, and blockchain across its portfolio of industry and horizontal solutions.

Key leaders:

- Cliff Skelton, CEO
- Michelle Hernandez, General Manager, Human Capital Solutions

Headquarters: Florham Park, New Jersey, United States

Website: www.conduent.com

Key clients: BBVA, Visa, ADT Security Services, Movistar, Havaianas and General Motors

Current MPHRO market segment focus

- **Buyer segment:** Targets higher end of mid-market and large-market segments
- **Geography:** Primarily focus on North America and Europe

Conduent supports both SaaS-based cloud HR technologies (SAP/Success Factors, Workday, Oracle Cloud, and ServiceNow) as well as on-premise ERP technologies (PeopleSoft, SAP, Oracle, etc.)

Technology supported						
Workday	SAP SuccessFactors	Oracle Cloud HCM	SAP on-premise	Oracle/ Peoplesoft on-premise	Proprietary solution	Others
✓	✓	✓	✓	✓		✓

Total HRO delivery FTEs = 5,600		
Offshore ¹	Nearshore ¹	Onshore
Not disclosed	Not disclosed	Not disclosed

¹ FTEs located in offshore (India, China, and Southeast Asia) or nearshore locations (Eastern Europe and Latin America) and delivering services for North America and Western Europe
 Note: Small-market includes 1,000 to 3,000 employees managed. Mid-market includes 3,000 to 15,000 employees managed. Large market includes over 15,000 employees managed

Recent HRO-related developments/investments	
Areas	Developments/investments
M&A/ partnership	<ul style="list-style-type: none"> • Expanded GTM partnership with Deloitte - HRO-in-a-box, People Analytics, HCM & Employee Engagement Solutions Implementation and Talent Management (Content) • Partnership with Cielo for a mobile recruitment platform • Partnered with Ascender, SD Worx, Ultipro, ADAM, and ADP to expand its global payroll capabilities • Partnered with Truven and Innovu to develop analytics offerings for health benefits • Partnered with Deloitte for business consulting and technology
Digital HR related	<ul style="list-style-type: none"> • Leapest by EdCast: partnership with application for supplier management capability to execute supplier management services • Training Orchestra: integrated with Conduent Learning Administrative Services (LAS) to execute the resource management portion of learning operations services • Conduent custom configuration of the Now Platform ITSM technology to enable Conduent LAS
Others	<ul style="list-style-type: none"> • Significant investments related to the modernization and enhancements for Conduent platforms (employee experience, mobile, recordkeeping systems, workflow and automation, case management, analytics, and AI). These also include partnerships with Microsoft, Google, IBM Watson, and various other technology partners. • Partnership with RPA vendor Automation Anywhere

■ Not offered
 ■ Offered on a stand-alone basis
 ■ Offered as MPHRO solution

Benefits	■	Compensation	■	Contact center	■
Employee data management	■	Employee relations	■	Global mobility	■
HR strategy	■	Learning	■	Payroll	■
Performance and succession	■	Recruitment	■	Regulatory and compliance	■
Rewards and recognition	■				

Conduent | MPHRO profile (page 2 of 4)

MPHRO client portfolio

MPHRO experience

Total number of current MPHRO clients as of Q32021 - 18

Recent MPHRO transactions

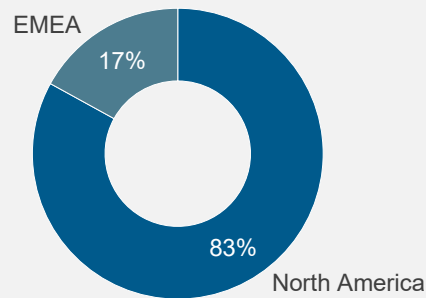
Conduent expanded its go-to-market partnership with Deloitte - HRO-in-a-box, People Analytics, HCM & Employee Engagement Solutions Implementation and Talent Management (Content)

Major MPHRO clients

- A global pharmaceutical company
- A global manufacturing company
- A fast-growing digital healthcare provider
- One of the top five leading US airlines
- A global hospitality and travel firm

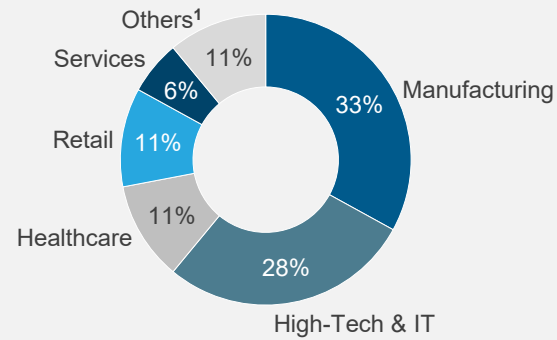
MPHRO geography mix by signing region

100% = 18 deals



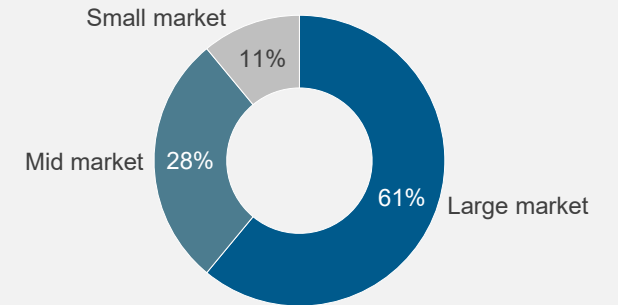
MPHRO industry mix

100% = 18 deals



MPHRO buyer size mix¹

100% = 18 deals



1 Others includes hospitality & travel and freight, transportation & logistics

Note: Small-market includes 1,000 to 3,000 employees managed. Mid-market includes 3,000 to 15,000 employees managed. Large market includes over 15,000 employees managed

Conduent | MPHRO profile (page 3 of 4)










Key MPHRO delivery locations



Conduent | MPHRO profile (page 4 of 4)

Everest Group assessment – Major Contender

Measure of capability:  Low  High

Market impact				Vision & capability				
Market Adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services	Innovation and investments	Delivery Footprint	Overall
								

Strengths

- Conduent, a US-based headquartered provider of HR, learning, retirement, and health and wellness administration services, is a Major Contender on the MPHRO PEAK Matrix®
- It aims to improve the clients' RoI for the existing cloud HCM investments and its offerings across the hire-to-retain value chain are well received by clients. A majority of its portfolio is large market clients in North America and Europe
- Conduent has a technology-agnostic approach. It can build and deliver end-to-end HR services on leading platforms such as Oracle HCM Cloud, SAP SuccessFactors, and Workday and bring together HCMs and ERPs
- It has recently started offering HRO-in-a-box services that are a one-stop approach to help them rapidly deploy and scale HR and key HCM processes for its clients
- The provider has made significant investments in improving its proprietary technologies. It has recently introduced a new user interface for health and benefit services in the Life@Work to help its clients provide employees health snapshot and visibility into all their contributions in a single window
- Conduent's existing partnerships with Cielo, Automation Anywhere, and ServiceNow are a testament to its efforts to bring in more automation and improve engagement layer
- It has taken its partnership with Deloitte a step further to offer a broader set of offerings to its clients including people analytics solutions, HCM, and employee engagement solutions implementation and content for talent management

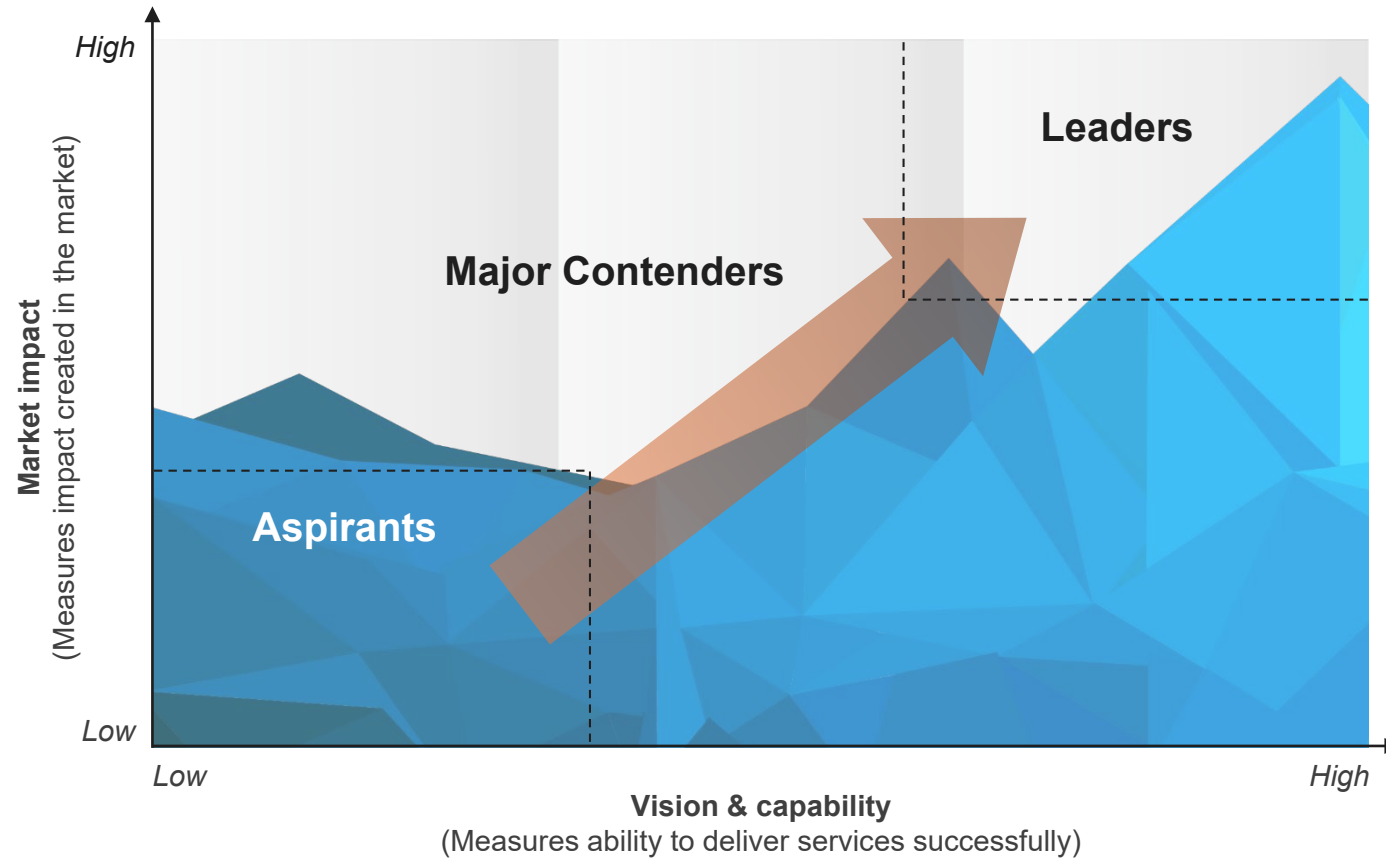
Limitations

- Clients outside North America or Europe should carefully evaluate its capabilities as most of their signed clients are based in these regions
- Though Conduent offers next-generation technologies, automation, and analytics, clients looking to outsource higher-order HR processes beyond transaction-intensive ones should carefully evaluate its capabilities as their expertise in this area is relatively untested
- Clients have cited that Conduent can focus on improving their speed-to-market in terms of operationalizing their investments

Appendix

Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision & capability

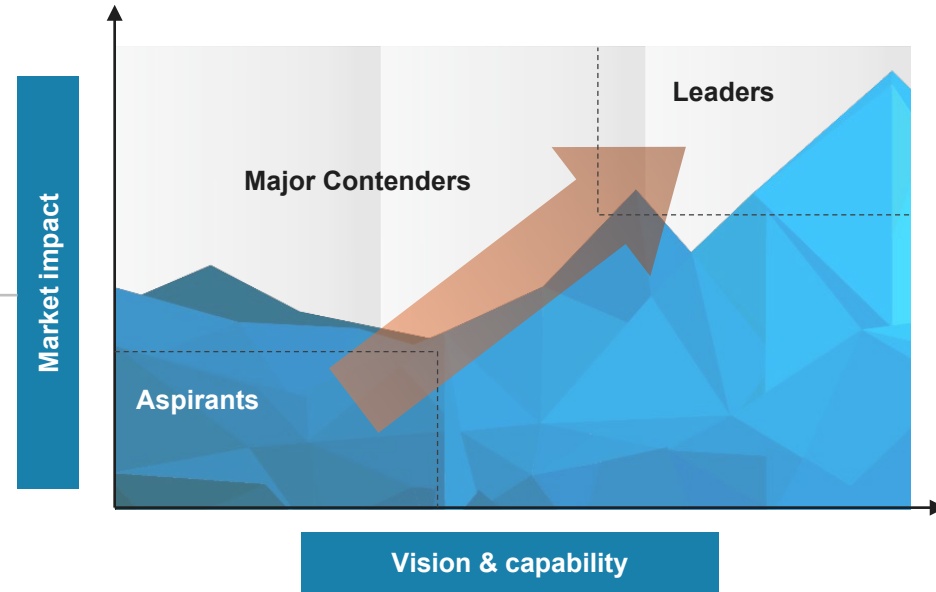
Everest Group PEAK Matrix



Services PEAK Matrix® evaluation dimensions

Measures impact created in the market – captured through three subdimensions

- Market adoption**
Number of clients, revenue base, YOY growth, and deal value/volume
- Portfolio mix**
Diversity of client/revenue base across geographies and type of engagements
- Value delivered**
Value delivered to the client based on customer feedback and transformational impact



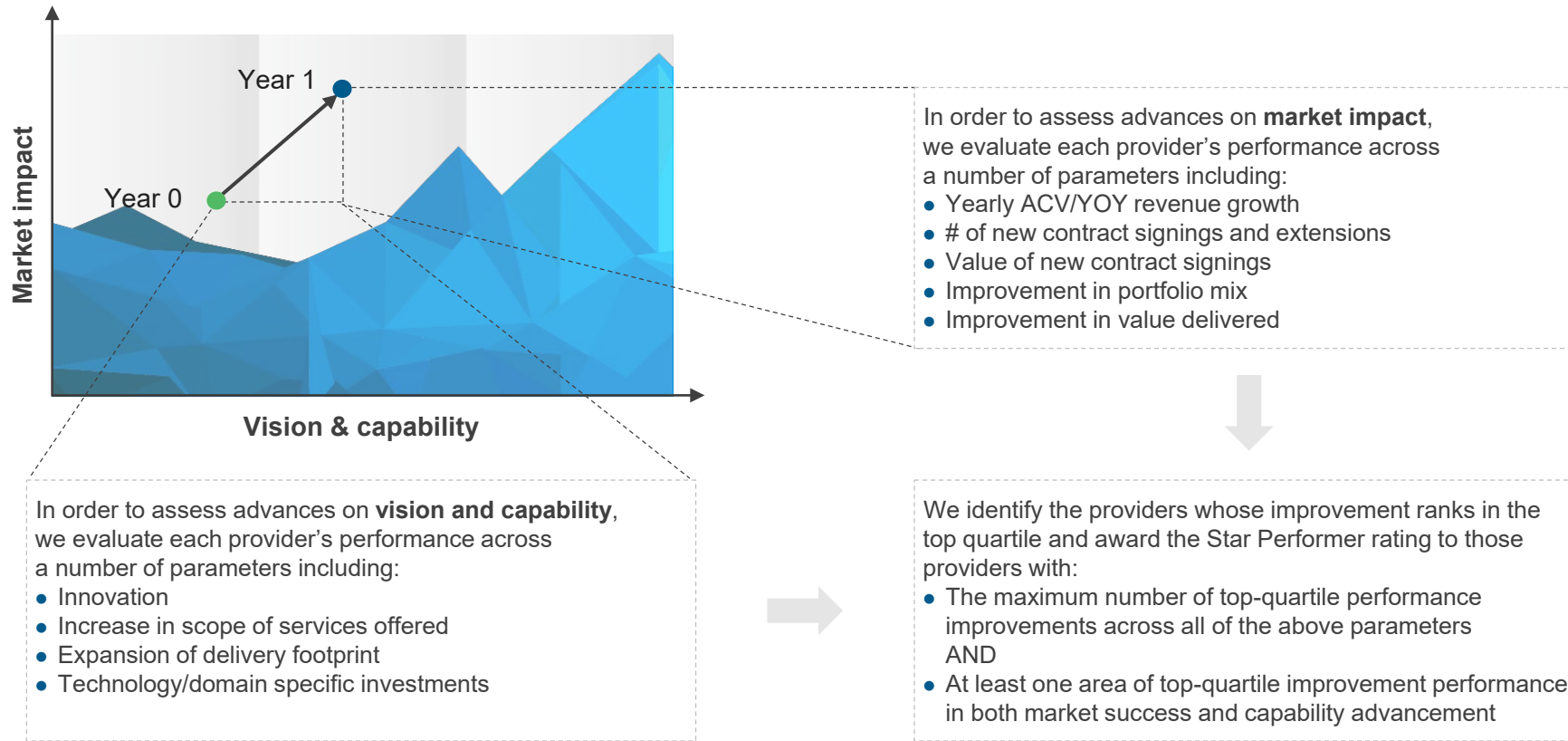
Measures ability to deliver services successfully. This is captured through four subdimensions

- Vision and strategy**
Vision for the client and itself; future roadmap and strategy
- Scope of services offered**
Depth and breadth of services portfolio across service subsegments/processes
- Innovation and investments**
Innovation and investment in the enabling areas, e.g., technology IP, industry/domain knowledge, innovative commercial constructs, alliances, M&A, etc.
- Delivery footprint**
Delivery footprint and global sourcing mix

Everest Group confers the Star Performers title on providers that demonstrate the most improvement over time on the PEAK Matrix®

Methodology

Everest Group selects Star Performers based on the relative YOY improvement on the PEAK Matrix



The Star Performers title relates to YOY performance for a given vendor and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.

FAQs

Does the PEAK Matrix® assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?

No. The PEAK Matrix highlights and positions only the best-in-class providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?

A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender,” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

What is the process for a provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?

- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
 - Issue a press release declaring their positioning. See [citation policies](#)
 - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
 - Quotes from Everest Group analysts could be disseminated to the media
 - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

Does the PEAK Matrix evaluation criteria change over a period of time?

PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises



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