



Everest Group Multi-Process Human Resources Outsourcing (MPHRO) Services PEAK Matrix® Assessment 2023

Focus on Alight Solutions
October 2023



Introduction

Background of the research

In today's Volatile, Uncertain, Complex, and Ambiguous (VUCA) world, organizations are constantly seeking ways to optimize their operations and enhance their overall efficiency. Ongoing talent shortage, surging inflation, recessionary environment, and geopolitical instability, coupled with the volatility that the pandemic left the enterprises in, has increased enterprises' openness to leverage third-party provider support for their HR function. The drive for digital transformation, increasing number of first-time outsourcers, and increasing demand for next-generation technology and high-end HRO work from mature outsourcers is expected to continue driving market growth in 2023.

To meet these evolving demands and be an orchestrator for their clients, providers are continuously enhancing their capabilities by cultivating domain-specific expertise, taking a design thinking approach, developing transformation frameworks and next-generation innovative offerings leveraging automation and analytics, and forging strategic technological and consulting partnerships. The providers have also invested on proprietary Employee Experience (EX) solutions to engage the workforce, along with investing in adding an experience layer to their products and are striving to provide a seamless, integrated experience to its users. The purpose of this research is to understand and assess MPHRO providers based on their vision and capabilities and impact on the market, and to position them on the Everest Group PEAK Matrix®.

In the full report, we analyze the global MPHRO provider landscape and its impact on the MPHRO market. In particular, we focus on:

- [Multi-Process Human Resources Outsourcing \(MPHRO\) Services PEAK Matrix® Assessment 2023](#) including provider capability assessment and Star Performer analysis
- Provider landscape
- Remarks on key strengths and limitations for each MPHRO provider

Scope of this report



Geography
Global



Providers

This research covers the following 17 HRO providers with multi-process capability: Accenture, ADP, Alight Solutions, Ascent HR, Capgemini, CGI, Conduent, IBM, Infosys, MHR, OneSource Virtual, SD Worx, Sopra HR, TCS, Wipro, WNS, and Zalaris



Services
MPHRO services

MPHRO PEAK Matrix® characteristics

Leaders

Accenture, ADP, Alight Solutions, IBM, and TCS

- Leaders have established themselves as front-runners and continue to consistently deliver end-to-end HRO services to their clients. They have brought in innovative solutions to cater to current economic conditions along with talent shortages and cost pressures
- They leverage deep domain expertise, superior technology capabilities (augmented by heavy investments in next-generation technologies), innovative engagement models, end-to-end digital transformation, and consulting experience to differentiate themselves in the market

Major Contenders

Capgemini, Conduent, Infosys, OneSource Virtual, SD Worx, Sopra HR, Wipro, WNS, and Zalaris

- Major Contenders' coverage of the HR value chain is not as comprehensive as that of Leaders, although they have consolidated their capabilities in specific areas of the value chain through investments in people, process, and technology
- These providers focus on developing digital and next-generation capabilities to serve their clients better. While they have been building strong capabilities for both transactional and judgment-intensive HR processes, some of the providers' expertise in the latter is still relatively untested

Aspirants

Ascent HR, CGI, and MHR

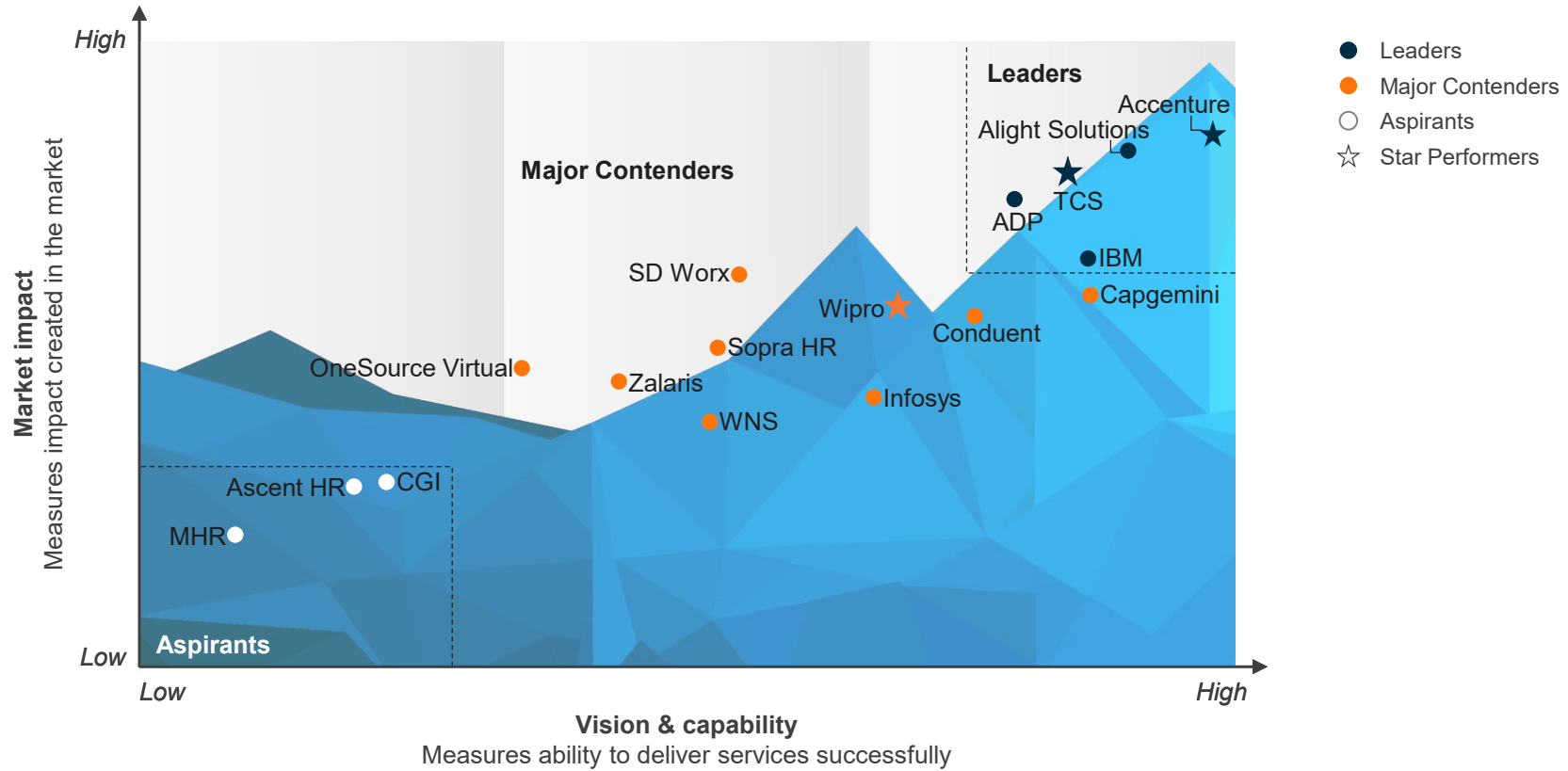
- Aspirants focus primarily on transactional HR processes. While they continue to strengthen digital capabilities, their current set of capabilities, and limited scale may not be best suited to handle end-to-end requirements for large organizations
- Their current emphasis is on differentiating themselves through developing innovative technology solutions and partnerships with other global providers to win more clients

Everest Group PEAK Matrix®

Multi-Process Human Resources Outsourcing (MPHRO) Services PEAK Matrix® Assessment 2023 |

Alight Solutions is positioned as a Leader

Everest Group Multi-Process Human Resources Outsourcing (MPHRO) Services PEAK Matrix® Assessment 2023¹



¹ Assessments for CGI, MHR, and OneSource Virtual 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 (2023)

Alight Solutions profile (page 1 of 4)

MPHRO service capability and strategy

SERVICE SUITE

Company mission/vision statement

Alight Solutions is a cloud-based human capital technology and services provider that offers health, wealth, and well-being decisions for 36 million people and their dependents. Its Alight Worklife® platform combines data and analytics to deliver a seamless user experience and offers personalized, data-driven health, wealth, pay, and well-being insights. Alight employs 16,000 people to serve its clients across 180+ countries, including over 70% of the Fortune 100 companies.

Headquarters: Lincolnshire, Illinois

Website: www.alight.com

Key leaders

- **Stephan Scholl**, Chief Executive Officer
- **Cesar Jelvez**, Chief Professional Services and Payroll Officer
- **Luca Saracino**, SVP Commercial Worldwide Payroll

Key partners

- Workday
- SAP
- Oracle

Current MPHRO market segment focus

- **Buyer segment²:** targets midsize², and large² segments
- **Geography:** focus on NA, EMEA, APAC, and LATAM markets

Current MPHRO technology strategy

Alight Solutions offers cloud-based services augmented with proprietary and point solutions to help clients maximize their investments in the cloud. It is committed to building out its own IP to fill the gaps that cloud players do not cover (such as benefits, global payroll, integrated portals, chatbots, and analytics).

Total HRO delivery FTEs = 7,500

Offshore ¹	Nearshore ¹	Onshore
2,400	2,700+	2,300+

¹ FTEs located in offshore (India, China, and Southeast Asia) or nearshore locations (Eastern Europe and Latin America) and delivering services for North America or Western Europe

² Small includes 1,000 to 3,000 employees managed. Mid-size includes 3,000 to 15,000 employees managed. Large includes over 15,000 employees managed

Suite of HR services offered

	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution
Benefits			
Employee data management			
HR strategy			
Performance and succession			
Rewards and recognition			
Compensation			
Employee relations			
Learning			
Recruitment			
Contact center			
Global mobility			
Payroll			
Regulatory and compliance			

Recent HRO-related developments/investments

Development	Developments/Investments
M&A/ Partnership	<ul style="list-style-type: none"> • Alight's acquisition of NGA Human Resources was completed in 2019, expanding Alight's breadth of services and international footprint • It teamed up with Benify to provide global benefits technologies and global rewards statement capabilities and can now provide benefits administration services globally • Alight has recently launched an Employer of Record (EoR) solution in partnership with G-P to help organizations scale operations easily into new regions • Recently, Alight has announced an extended partnership with Workday to provide an integrated HCM and payroll experience in 180+ countries • In 2022, Alight announced its earned wage access and pay card solution – Alight Digital Wallet – as well as the international payments services called Alight Payment Services
Digital HR-related	Alight offers BPaaS solutions that help clients that have invested in an ERP realize its maximum potential through transformation, enablement, optimization, and application support

Technology supported

Workday	SAP SuccessFactors	Oracle Cloud HCM	SAP On-premise	Oracle/Peoplesoft On-premise	Proprietary solution	Others
✓	✓	✓	✓	✓	✓	✓

Alight Solutions profile (page 2 of 4)

MPHRO client portfolio

MPHRO experience

Total number of current MPHRO clients as of Q4 2022 – 114

Recent MPHRO transactions

Alight’s MPHRO growth has continued in both the large-market and mid-market segments over the past 12 months, including a global financial services company with over 50,000 employees, multiple other financial institutions, a Europe-based manufacturing company, a healthcare company, and a warehousing/logistics company.

Major MPHRO clients

Some of the clients that Alight supports have over 50,000 employees and are located across the globe. This includes:

- Five financial institutions
- Two multinational consumer goods companies
- Two public sector organizations
- Two global construction and mining companies
- Two healthcare companies, a retail company
- A global hotel chain
- An insurance provider
- A manufacturing company
- A multinational conglomerate

Low (<10%) Medium (10-20%) High (>20%)

MPHRO industry mix		
BFSI	High (>20%)	Energy and utilities
Healthcare	Medium (10-20%)	Media
Public sector	Low (<10%)	Manufacturing
Others ¹	Low (<10%)	Services ²
		CPG and retail
		Hi-tech and telecom

MPHRO geography mix by signing region		
North America	High (>20%)	Europe
Australia	Low (<10%)	New Zealand
MEA	Low (<10%)	Rest of APAC
		United Kingdom
		Latin America

MPHRO buyer size mix ²		
Small market	Low (<10%)	Midsize market
		Large market

¹ The Others segment includes apparel, construction & real estate, hospitality, mining, and transportation

² Small segment includes 1,000 to 3,000 employees managed. Mid-size includes 3,000 to 15,000 employees managed. Large includes over 15,000 employees managed

Alight Solutions profile (page 3 of 4)










Key MPHRO delivery locations



Alight Solutions profile (page 4 of 4)

Everest Group assessment – Leader

Measure of capability:  Low  High

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

Strengths

- Alight Solutions, a US-headquartered provider, has a strategy to support client employees from hire-to-retain with its health, wealth, and payroll services and leverages its platform – Worklife™ to offer the same
- It has expanded Worklife™ into international markets, in addition to Alight Payroll, to offer its global buyers an EX-layer on top of all its products and provide personalized and predictive suggestions
- While historically Alight has been more focused on mid-sized and large-sized buyers (>3,000), it has recently made significant investments to enhance the accessibility of global payroll for small multinational companies with >=1,500 employees
- It has invested to develop a platform-agnostic approach to offer services on top of multiple platforms
 - Acquired NGA HR to strengthen Alight’s global payroll capabilities and added a SuccessFactors practice to the existing Workday practice
 - Partnered with Drivestream to provide Oracle cloud-based offerings
- Alight’s recent strategic partnership with G-P, a global Employer of Record (EOR) provider, will enable it to expand its global presence and provide clients with a comprehensive solution for compliant and accelerated growth in over 180 countries
- The provider has expanded its partnership with Workday and enables enterprises to replace fragmented processes with a unified global solution, enhancing employee experiences, automating workflows, and offering a comprehensive feature-set for HR and payroll management
- Alight’s acquisition of Reed Group strengthens its HR services portfolio and will be helpful for buyers looking for robust leave management solutions

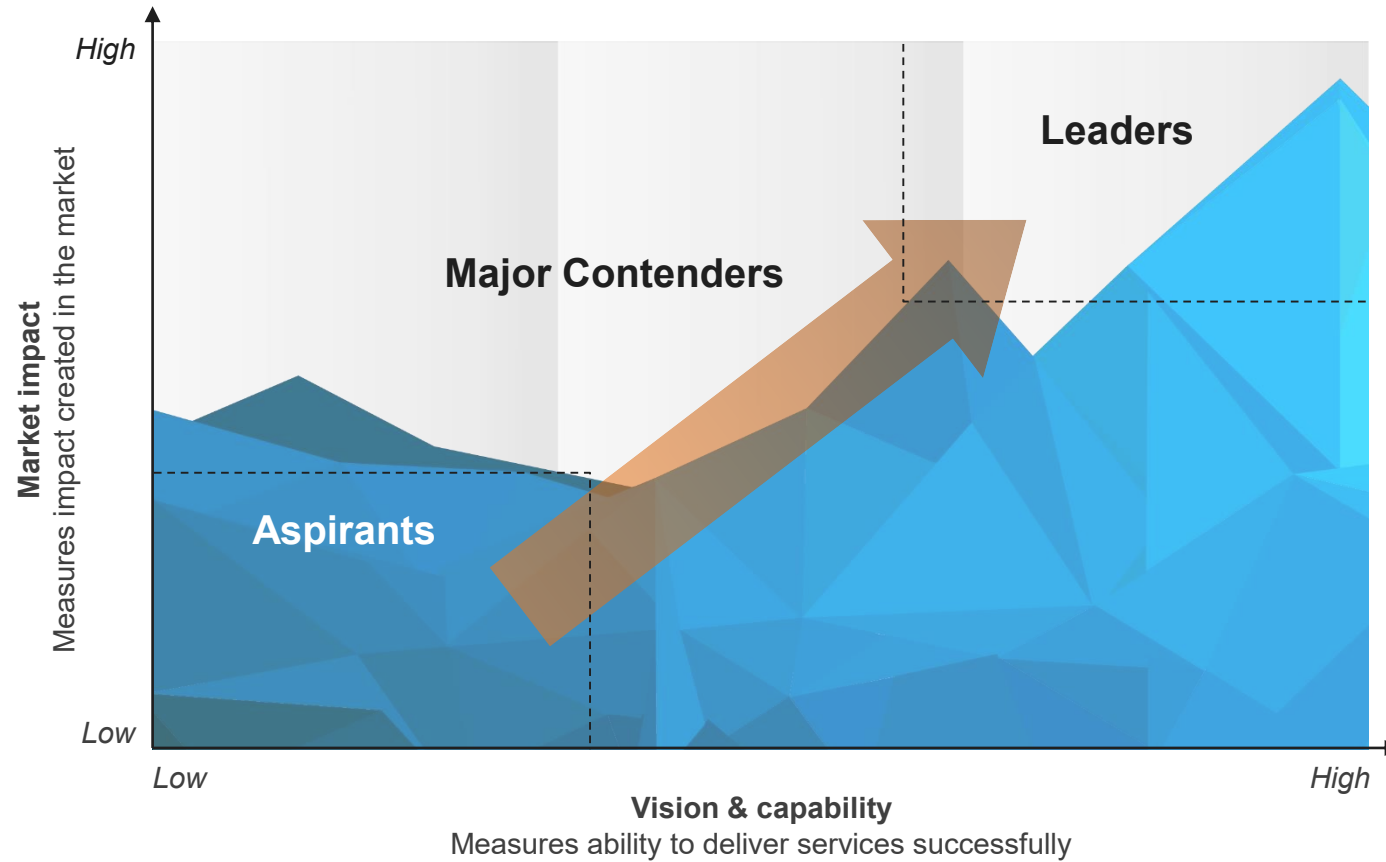
Limitations

- While Alight can offer administrative services in learning and recruitment, such as catalog management and admin reporting, clients looking for end-to-end services in these areas with the capability to upskill/reskill or recruit employees as part of the engagement can assess its capabilities
- While it has capabilities across the consult-to-operate spectrum, it can work toward bringing in more end-to-end deals in its portfolio to enable HR transformation and provide greater value to its clients
- Alight Digital Wallet solution, consisting of a financial well-being offering, is currently restricted to the US and the UK; however, it has a strong roadmap to bring these solutions to other geographies

Appendix

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

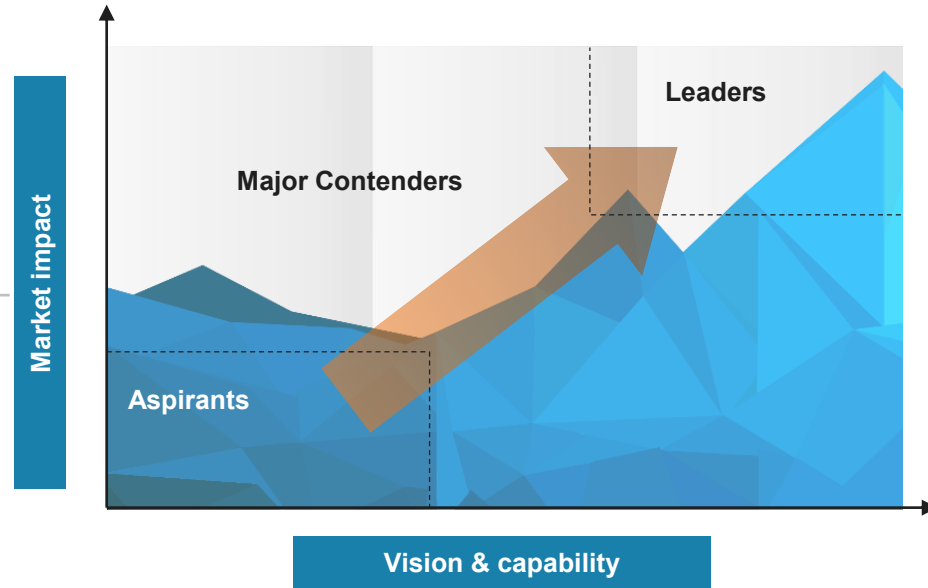
Everest Group PEAK Matrix



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



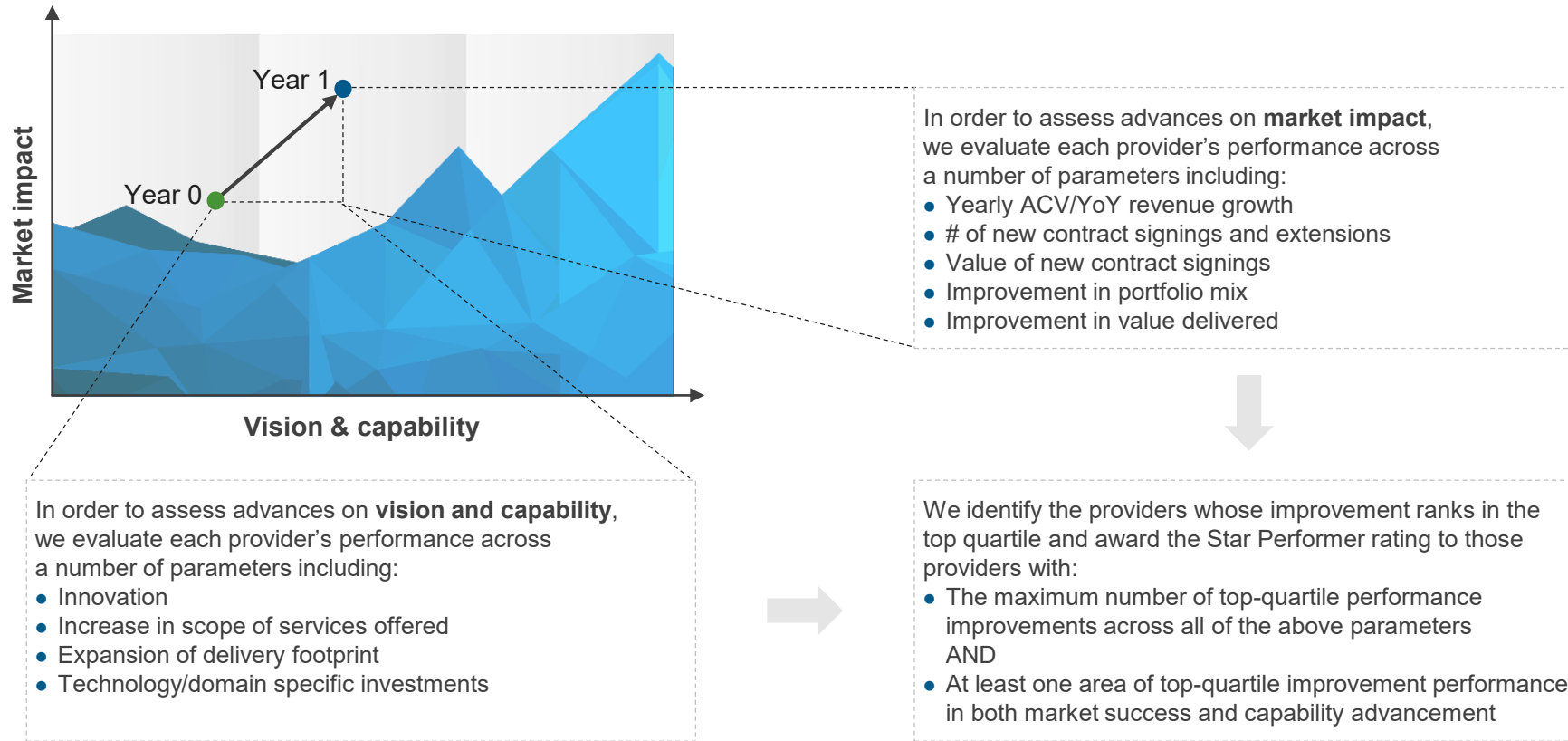
Measures ability to deliver services successfully. This is captured through four subdimensions

- 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 takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results 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 the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?

A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

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

- Enterprise participants receive summary of key findings from the PEAK Matrix assessment
- For providers
 - The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries
 - In addition, it helps the provider/vendor organization gain brand visibility through being included in our research reports

What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?

- Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:
 - Issue a press release declaring positioning; see our [citation policies](#)
 - Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR
 - Use PEAK Matrix badges for 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 Everest Group; please contact your CD or [contact us](#)

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

PEAK Matrix assessments are designed to serve enterprises' current and future needs. 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 and to serve enterprises' future expectations.



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