

# Everest Group PEAK Matrix™ for Insurance Application Services

Focus on NIIT Technologies  
July 2018



# Introduction and scope

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Everest Group recently released its report titled “[Insurance Application Services: Digital Enablement Spend Fuels Market Growth – Services PEAK Matrix™ Assessment 2018](#).” This report analyzes the changing dynamics of the insurance application services landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group updated its classification of 24 service providers on the Everest Group PEAK Matrix™ for insurance application services into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of insurance application service providers based on their absolute market impact and vision & capability. Everest Group also identified six service providers as the “2018 Insurance Application Services Market Star Performers” based on the strongest forward movement demonstrated on the PEAK Matrix year-on-year.

Based on the analysis, **NIIT Technologies emerged as a Major Contender and Star Performer**. This document focuses on NIIT Technologies’ insurance application services experience and capabilities and includes:

- NIIT Technologies’ position on the Insurance Application Services PEAK Matrix
- Detailed insurance IT application services profile of NIIT Technologies

Buyers can use the PEAK Matrix to identify and evaluate different service providers. It helps them understand the service providers’ relative strengths and gaps. However, it is also important to note that while the PEAK Matrix is a useful starting point, the results from the assessment may not be directly prescriptive for each buyer. Buyers will have to consider their unique situation and requirements, and match them against service provider capability for an ideal fit.

# Background, scope, and methodology for Insurance Application Services PEAK Matrix™ assessment 2018

- Evolving nature of consumer demands, complexity of regulatory landscape, and the threat from next-generation insurance technology firms (InsurTechs) are the key challenges being faced by insurers
- Service providers are responding to these demand themes by collaborating with insurers to build and evaluate Proof-Of-Concepts (POCs), develop customized solution offerings, and test use cases in innovation labs / Centers of Excellence (CoEs)
- In this report, we studied the vision and capability of 24 IT service providers for insurance Application Services (AS). We also evaluated the market impact generated by each IT service provider
- Service providers were positioned on Everest Group's proprietary PEAK Matrix™ to identify Leaders, Major Contenders, and Aspirants. Providers with maximum momentum in 2017 are rated as Star Performers

## Scope of this report



### INDUSTRY

Life, Annuities, and Pension (L&P); Property and Casualty (P&C); and reinsurance



### MARKET SEGMENT

IT services



### GEOGRAPHY

Global



### SOURCING MODEL

Everest Group's proprietary database of 500+ active, multi-year IT Outsourcing (ITO) contracts within insurance (updated quarterly) and operational capability of 25+ insurance AS service providers (updated annually through service provider RFIs)

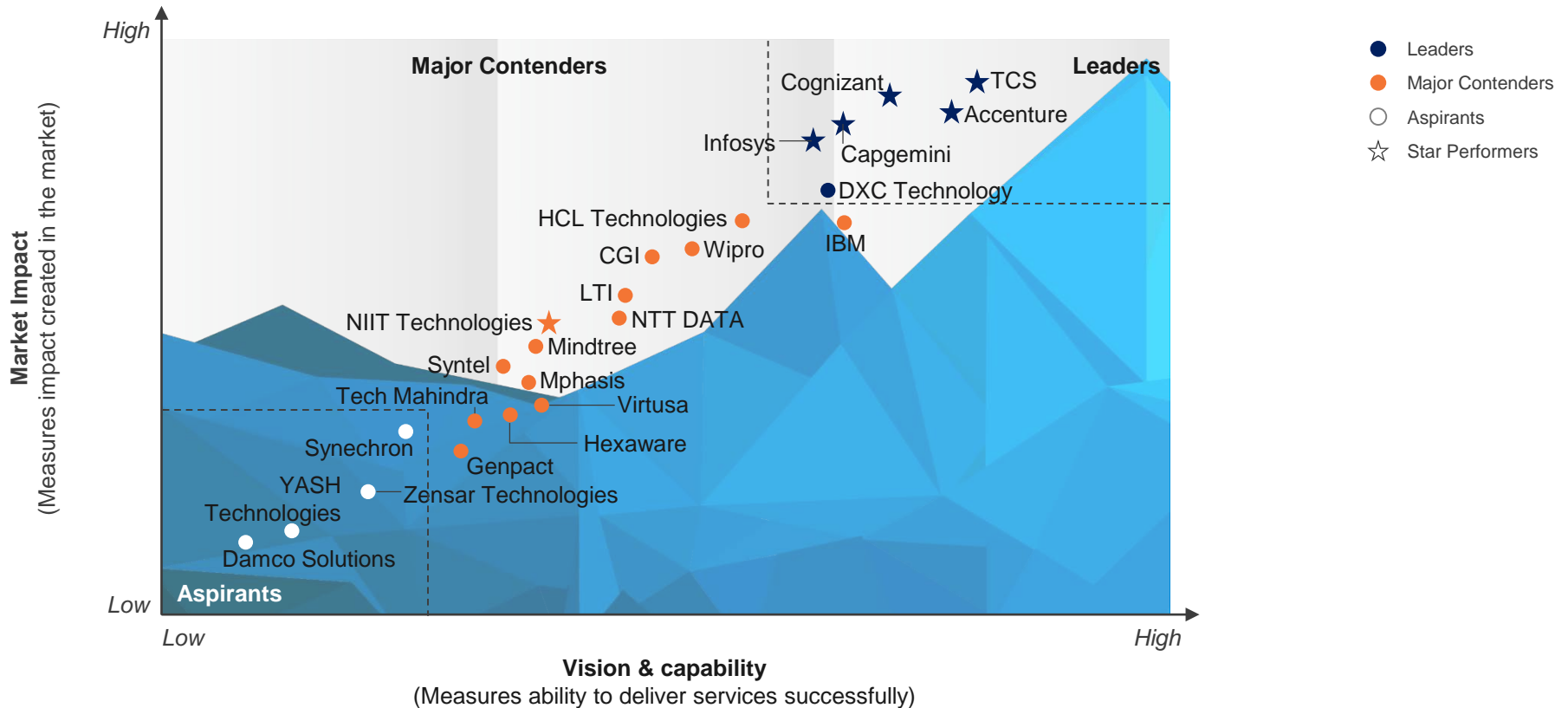
## Service providers covered in the analysis



# Everest Group PEAK Matrix™

Insurance Application Services: Digital Enablement Spend Fuels Market Growth – Services PEAK Matrix™ Assessment 2018 PEAK Matrix™ | NIIT Technologies positioned as a Major Contender and Star Performer

## Everest Group Insurance Application Services: Digital Enablement Spend Fuels Market Growth – Services PEAK Matrix™ Assessment 2018<sup>1</sup>



1 PEAK Matrix™ specific to IT Application Services for the insurance sector (L&P, P&C, and others including reinsurance and Takaful Islamic insurance)

Note: Assessment for CGI, Damco Solutions, DXC Technology, IBM, Mindtree, Synechron, YASH Technologies, and Zensar Technologies excludes service provider inputs, and is based on Everest Group's proprietary Transaction Intelligence (TI) database, service provider public disclosures, and Everest Group's interactions with insurance buyers

Source: Everest Group (2018)

# NIIT Technologies | Insurance AS profile (page 1 of 4)

## Overview

**NOT EXHAUSTIVE**

NIIT Technologies witnessed market-leading growth rate in its insurance IT business, fueled by its insurance platform expertise across P&C, L&P, and reinsurance LOBs. This growth has helped the firm enhance its market perception beyond being a niche player in the insurance domain to that of a commendable alternative for insurers' modernization needs. Consistent market success via the addition of multiple new logos and considerable revenue additions to its insurance practice have helped NIIT Technologies position itself as a Star Performer in the insurance AS market.

### Strengths

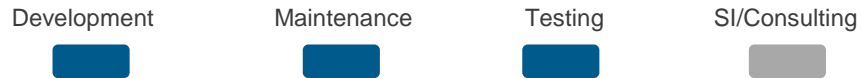
- Strong growth momentum, fueled by an uptick in demand for Duck Creek services
- Experience in third-party policy administration product implementations, strategic partnerships, and investments in insurance-specific accelerators and tools contributed to its market success
- Clients value its openness to engage through flexible engagement models, ability to provide value-added services, and strong relationship management capabilities

### Areas of improvement

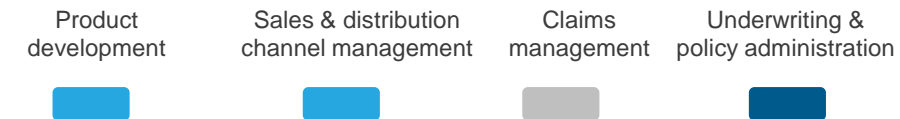
- Should look to enhance its breadth of vertical offerings and expand its services portfolio beyond few core areas to capture greater mindshare for large scale engagements
- Delivery presence in nearshore locations lags that of its peers
- Clients cite inconsistent quality of offshore resources and over-reliance on select management team members as key areas of improvement

Revenue contribution ■ (>20%) ■ (10-20%) ■ (<10%)

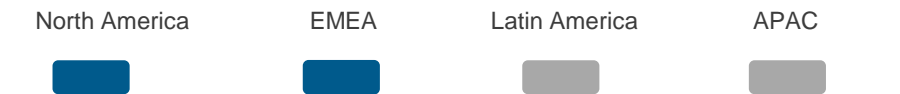
#### Application services scope



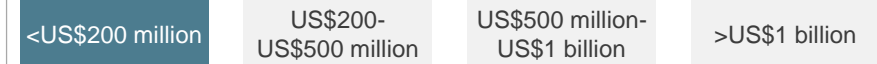
#### Adoption by value chain



#### Adoption by geographic focus

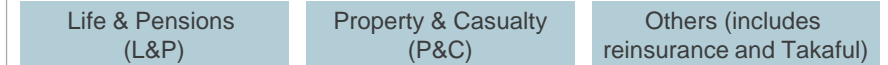


### Insurance AO revenue



Revenue contribution ■ (>40%) ■ (10-40%) ■ (<10%)

### AO services revenue by line of business<sup>1</sup>



### AO services revenue by buyer size<sup>1</sup>



<sup>1</sup> As per Everest Group estimates  
Source: Everest Group (2018)

# NIIT Technologies | Insurance AS profile (page 2 of 4)

## Case studies and solutions

**NOT EXHAUSTIVE**

### Case study 1: Integration of multiple PAS for a not-for-profit fraternal benefit organization

Business challenge	Client wanted to consolidate multiple L&A Policy Administration Systems (PAS) to a Single Insurance Platform (SIP)
Solution and impact	<ul style="list-style-type: none"> <li>Designed a unique methodology for package implementation, policy conversion, and testing</li> <li>Leveraged expertise on Wealth Management Accelerator (WMA) platform and source legacy systems</li> <li>Implemented automated testing suite for functional and regression testing</li> <li>Consolidated four million contracts on a single platform</li> <li>Reduced cycle time by 19% and increased application performance by more than 43%</li> </ul>

### Case study 2: Integration of Salesforce.com with legacy system for a leading provider of retirement products and services in the United States

Business challenge	Client wanted to integrate Salesforce.com to their legacy system to improve customer satisfaction, data insights, and overall CRM landscape
Solution and impact	<ul style="list-style-type: none"> <li>Integrated Salesforce.com with customer legacy systems, life insurance products, and in-house &amp; third-party applications</li> <li>Integrated Pershing's online account opening solution, content management systems such as Doc-Archive and Bench Marketing Zone (BMZ)</li> <li>Created 360° view of client portfolio and provided insights through customized reports, real-time snapshots, and dashboards</li> </ul>

### Key proprietary solutions

Domain	Details
L&P insurance-specific	<ul style="list-style-type: none"> <li>Legacy rescue: Provides end-to-end strategic consulting for legacy system support and maintenance services</li> <li>Smart QX: An automated functional and regression testing solution for insurers</li> <li>Microservices-based enterprise integration platform</li> <li>Smart support &amp; maintenance for L&amp;P platforms</li> <li>Business-driven incremental L&amp;P platform migration</li> </ul>
P&C insurance-specific	<ul style="list-style-type: none"> <li>Consumer broker and agent experience platform</li> <li>AdvantageSuite navigator: A comprehensive insurance platform that helps to write large commercial risks</li> <li>AdvantageSuite acumen: Comprises pre-packaged analytics packs for data management capabilities across the entire suite of products</li> <li>AdvantageSuite exact: A catastrophe exposure management system that offers insurers the ability to visualize and manage risk exposure</li> <li>Incessant Insurance Risk Management Suite (IIRIS): Risk management suite to help general/P&amp;C insurers to overlay data on to google maps to understand risk exposure levels</li> </ul>
Other key solutions	<ul style="list-style-type: none"> <li>TRON: An integrated enterprise automation platform which brings cognitive technologies to make fast and effective changes. It contains in-built-in ML and AI features</li> <li>TESS: RPA-based business process automation platform</li> </ul>

Source: Everest Group (2018)

# NIIT Technologies | Insurance AS profile (page 3 of 4)

## Investments and partnerships

**NOT EXHAUSTIVE**

### Partnerships with leading industry-specific core product vendors

Domain	Details
L&P insurance-specific	Salesforce, Arago, Appian, Pega, Mulesoft, Sitecore, UI Path, Datamatica, and AWS
P&C insurance-specific	Duck Creek Technologies, Salesforce, Arago, Appian, Pega, Mulesoft, Sitecore, UI Path, Datamatica, and AWS

### Key alliances/partnerships/M&As

Investment name	Type of investment	Details
Arago	Partnership (2018)	AI-based BPA solutions
Amazon Web Services	Partnership (2017)	Cloud-based insurance solutions
Sitecore	Partnership (2017)	Multi-channel customer experience portal
Salesforce	Partnership (2017)	CRM
RuleTek	Acquisition (2017)	Architecture services company specializing in providing architectural leadership to Pega Smart BPM projects
UI Path	Partnership (2016)	RPA-based BPA solutions
MuleSoft	Partnership (2016)	Integration software for connecting applications, data, and devices
Incessant Technologies	Acquisition (2016)	Digital integration and Agile delivery of enterprise BPM solutions

### Other key investments (e.g., setup of new delivery centers / CoEs / innovation labs, and trainings/certifications)

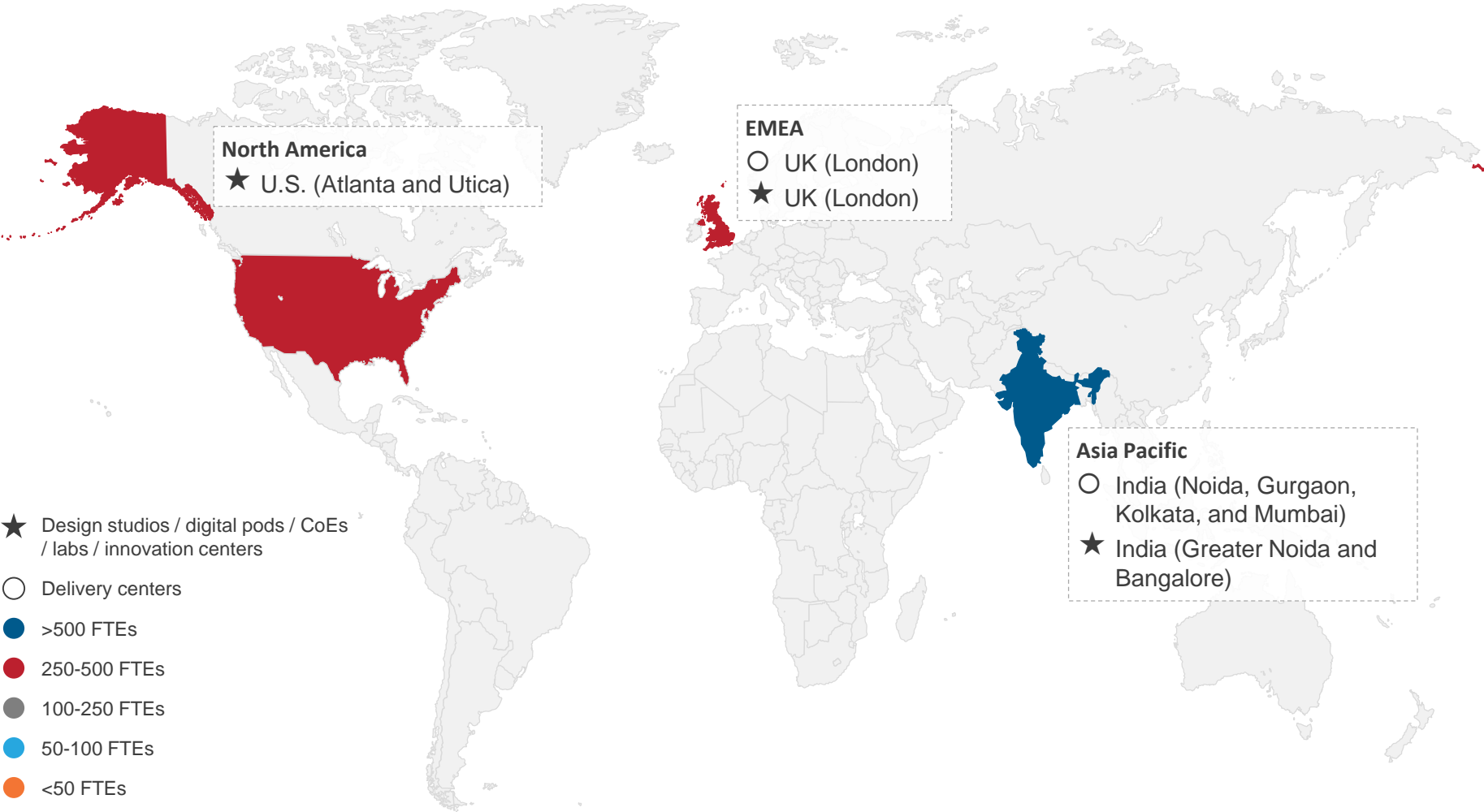
Investment type	Details
Design Studios	Set up design studios in Greater Noida (India), Atlanta (the United States) and London (the United Kingdom)
Innovation lab	Established an innovation lab in Bangalore (India), London (the United Kingdom), for financial services and insurance, to create a robot that allows underwriters to check sanctions on any of their insureds at the stage of quotation processing
Certifications	LOMA(20), CPCU – INS (45), DCT (97), AWS (35), Salesforce (25), Mulesoft (8), and Site Core (10)

Source: Everest Group (2018)

# NIIT Technologies | Insurance AS profile (page 4 of 4)

## Delivery footprint – Key delivery centers and innovation hubs

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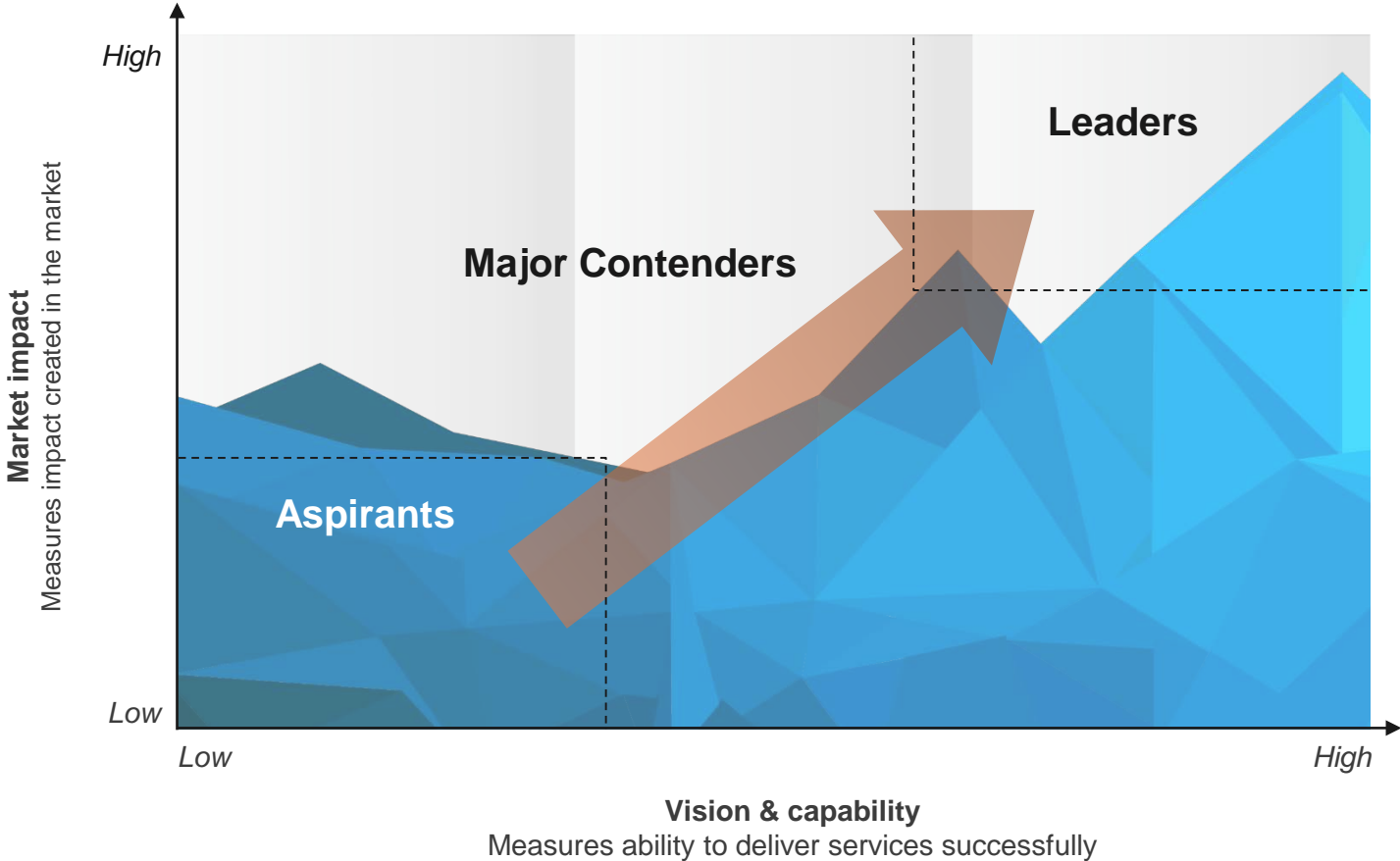
Source: Everest Group (2018)



# Appendix

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

Everest Group PEAK Matrix



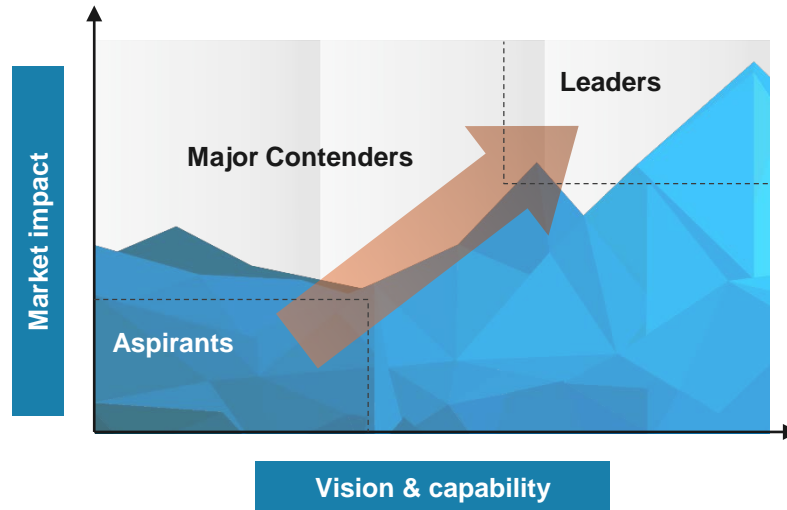
# Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions

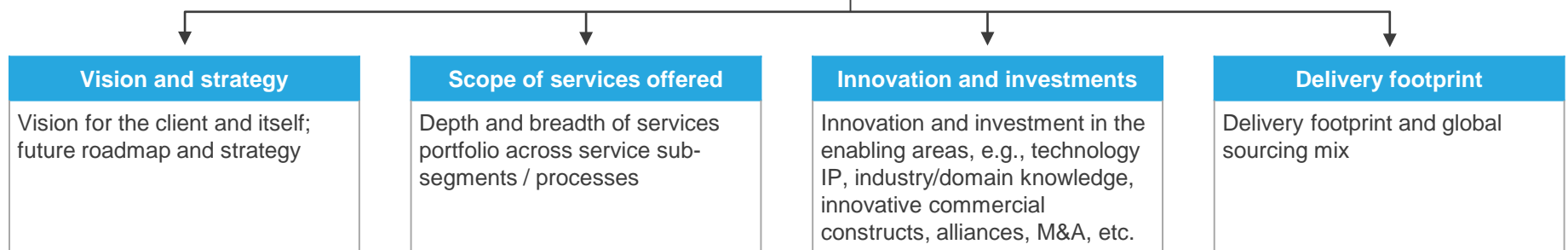
**Market adoption**  
No. of clients, revenue base, and YOY growth, deal value/volume

**Portfolio mix**  
Diversity of client/revenue base across geos and type of engagements

**Value delivered**  
Value delivered to the client based on customer feedback and transformational impact demonstrated through case studies



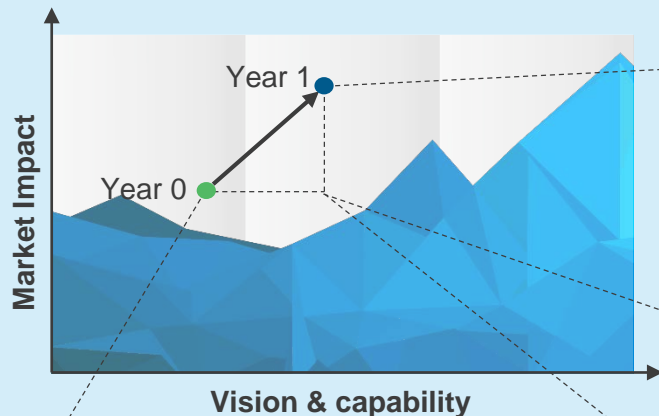
**Vision & capability**  
Measures ability to deliver services successfully. This is captured through four subdimensions



# 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



In order to assess advances on **market impact**, we evaluate each service provider's performance across a number of parameters including:

- Yearly YOY revenue growth
- Number of new contract signings and extensions
- Value of new contract signings
- Improvement in portfolio mix
- Improvement in value delivered

In order to assess advances on **vision and capability**, we evaluate each service provider's performance across a number of parameters including:

- Innovation
- Increase in scope of services offered
- Expansion of delivery footprint
- Technology/domain specific investments

We identify the service providers whose improvement ranks in the top quartile and award the Star Performer rating to those service providers with:

- The maximum number of top-quartile performance improvements across all of the above parameters AND
- At least one area of top-quartile improvement performance in both market success and capability advancement

**Star Performers are identified by top quartile performance improvement on the X and Y axes for each segment**

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

## **Does the PEAK Matrix™ assessment incorporate any subjective criteria?**

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service 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 service 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 service 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



## About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at [www.everestgrp.com](http://www.everestgrp.com).

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