



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

Focus on TCS  
August 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®.

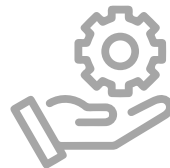
**In the full report, we analyze the global MPHRO provider landscape and its impact on the MPHRO market. In particular, we focus on:**

- [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:

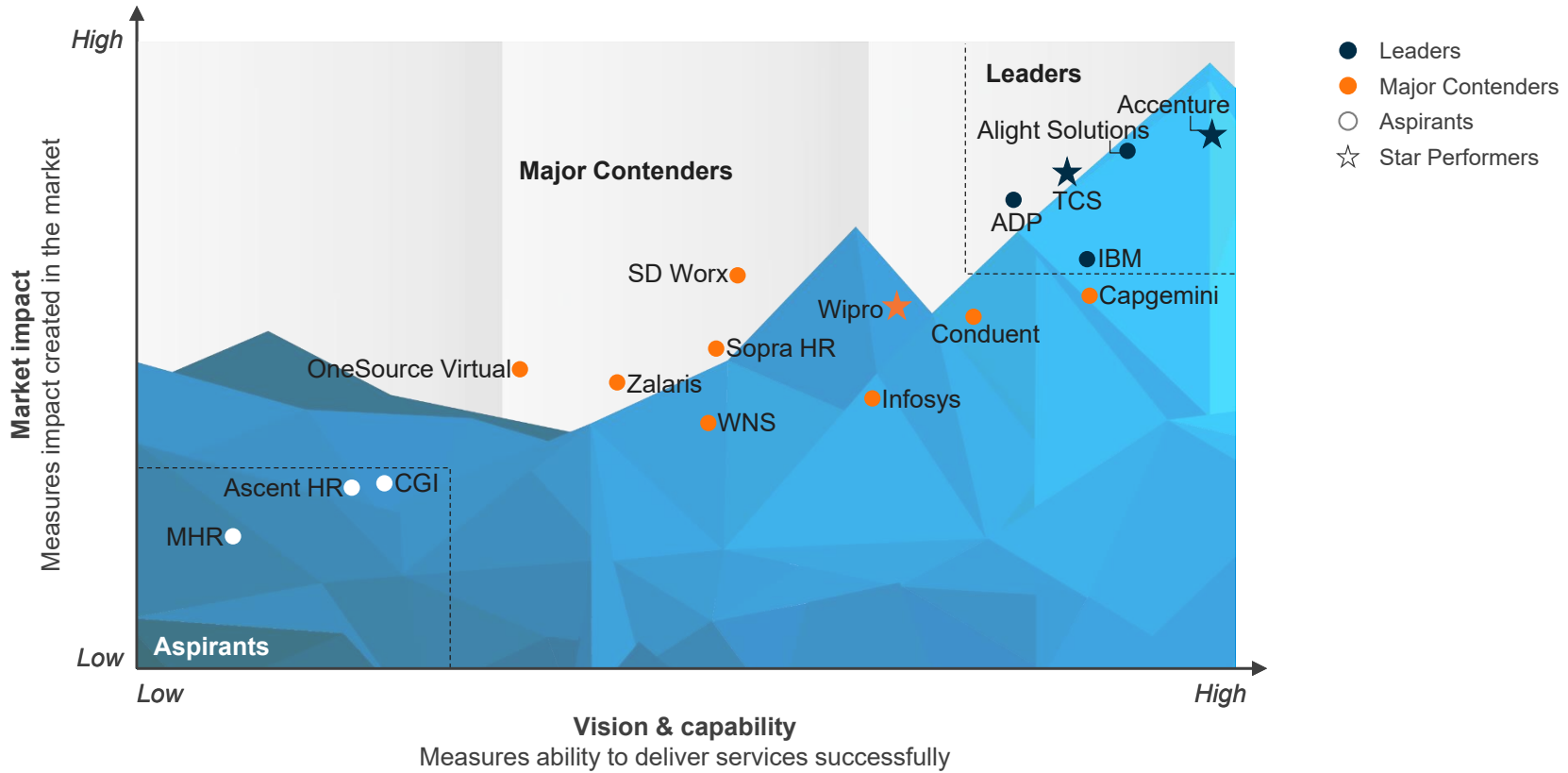
Ascent HR, CGI, and MHR

- 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 | TCS is positioned as a Leader and a Star Performer

Everest Group Multi-Process Human Resources Outsourcing (MPHRO) Services PEAK Matrix® Assessment 2023<sup>1</sup>



<sup>1</sup> 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)

# TCS profile (page 1 of 4)

## MPHRO service capability and strategy

**SERVICE SUITE**

**Company mission/vision statement**

TCS provides IT services, business solutions, and outsourcing services. TCS' Cognitive Business Operations (CBO) is the integration of Business Process Services (BPS), IT infrastructure services, and application management services, and is used to help enterprises reimagine business operations by leveraging digital and cognitive technologies such as AI, automation, ML, and analytics, while adopting agile practices.

**Headquarters:** Mumbai, India

**Website:** [www.tcs.com](http://www.tcs.com)

**Key leaders**

**Ashok Pai**, Global Head, Cognitive Business Operations

**Key partners**

- EY
- BDO
- JBA
- ServiceNow
- UI Path
- Eightfold.ai
- SAP SuccessFactors
- Workday
- Oracle Cloud

**Current MPHRO market segment focus:**

- **Buyer segment<sup>2</sup>:** targets midsize<sup>2</sup>, and large-market<sup>2</sup> segments
- **Geography:** has a global focus with clients in North America, Europe, the Middle East, Africa, Asia Pacific, and Latin America; with new centers in Europe (Poland) and LATAM

**Current MPHRO technology strategy:**

- TCS Cognix™ for human resources is designed to bring a paradigm shift in the way enterprises access, engage, and harness organizational talent with next-generation technologies. Cognix™ for HR is powered by MFDM™ and integrates and orchestrates multiple digital technologies such as AI/ML, advanced analytics, intelligent automation, and platform solutions to deliver future-ready and hyper-personalized HR services
- Cognix™ leverages the HR domain capability of TCS and contextualizes solutions to industries and knowledge from an expanse of HR operations to realize a configurable enterprise. It helps enterprises ensure resilience, adopt new business models with agility, embrace a culture of continuous innovation, deliver an enriched experience, and gain exponential business value

**Total HRO delivery FTEs = 11,000-12,800**

Offshore <sup>1</sup>	Nearshore <sup>1</sup>	Onshore <sup>1</sup>
~9,000-10,000	~1,500-2,000	~1,500-2,000

<sup>1</sup> 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

<sup>2</sup> Midsize market includes 3,000 to 15,000 employees managed. Large market 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	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution
Employee data management	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution
HR strategy	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution
Performance and succession	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution
Rewards and recognition	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution
Compensation	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution
Contact center	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution
Employee relations	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution
Global mobility	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution
Learning	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution
Payroll	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution
Recruitment	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution
Regulatory and compliance	Not offered	Offered on a stand-alone basis	Offered as an MPHRO solution

**Recent HRO-related developments/investments**

Development	Developments/Investments
M&A/ Partnership	<ul style="list-style-type: none"> <li>• Partnership with EY for seamless experience in payroll processing with 45+ languages support</li> <li>• TCS has leveraged its partnership with Josh Bersin Academy to bring in industry thought leadership along with experience and learning from driving similar large global transformations for large enterprises</li> </ul>
Digital HR-related	<ul style="list-style-type: none"> <li>• TCS has made investments in the next-generation of 70+ Cognix™ unique value builders to address the whitespaces in the HRO space. These are powered by AI and ML</li> <li>• TCS iON's cloud-based solution is modular, scalable, and configurable, giving businesses and educational institutions the benefits of increased efficiencies, faster go-to-market, predictability of technology as well as spending, and better business results</li> </ul>
Others	As a part of the talent enhancement initiatives, TCS has enabled 100% agile certification for all service delivery associates and invested in Agile Ninja Coaches for training and enabling associates for new-age design thinking.

**Technology supported**

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

# TCS profile (page 2 of 4)

## MPHRO client portfolio

**MPHRO experience:**

Total number of current MPHRO clients as of Q4 2022: ~250-275

**Recent MPHRO transactions:**

- US-based digital and workplace printing solutions company
- American corporation that designs, manufactures, and sells airplanes, rockets, and satellites
- Finnish MNC in telecommunications, information technology, and consumer electronics

**Major MPHRO clients:**

- A LATAM-based cement manufacturing company with a global presence in 50+ countries
- American corporation that designs, manufactures, and sells airplanes, rockets, and satellites
- US based digital and workplace printing solutions company

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

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

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

MPHRO buyer size mix <sup>2</sup>					
Small market	Medium (10-20%)	Midsize market	High (>20%)	Large market	High (>20%)

<sup>1</sup> The others segment includes logistics, publishing & media, and real estate

<sup>2</sup> Small-market segment includes 1,000 to 3,000 employees managed. Midsize market includes 3,000 to 15,000 employees managed. Large-market includes over 15,000 employees managed

## TCS profile (page 3 of 4)










### Key MPHRO delivery locations



# TCS profile (page 4 of 4)

## Everest Group assessment – Leader and Star Performer

Measure of capability:  Low  High

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

### Strengths

- TCS, a global provider of end-to-end HR transformation services with its headquarters in India, leverages its strong digital ecosystem, consulting and global delivery capabilities, and partnership ecosystem to serve its clients
- It continues to enhance TCS Cognix™ for HR to offer its clients an accelerated digital transformation of HR operations and has brought in 70+ value builders that are pre-configured to address specific business problems
- TCS has a continued focus on catering to its clients' needs around employee engagement and wellness
  - Partnered with YVA, an AI-driven EX platform, to offer a corporate health tracker and recommendation system delivering real-time dashboards and reports
  - Partnered with WellRight to offer an employee wellness platform and Xoxoday, a rewards and incentive platform, to democratize payouts via branded currency for tax benefits
- The provider has strengthened its payroll offering by partnering with EY and leveraging their Interact Payroll platform, enabling a seamless payroll experience with access to pay slips and tax documents in 48 languages
- TCS is one of the few providers that have expertise in handling large and complex projects and has a balanced client portfolio across all major geographies and industries with a significant focus on the APAC, LATAM, and MEA regions, besides North America and the UK
  - It has expanded its onshore/nearshore presence by opening delivery centers across Monterrey, Bulgaria, Mesa, Mexico City, Guatemala, and Warsaw
- Clients have highlighted its process improvement, technological capabilities, and efficiency as key strengths

### Limitations

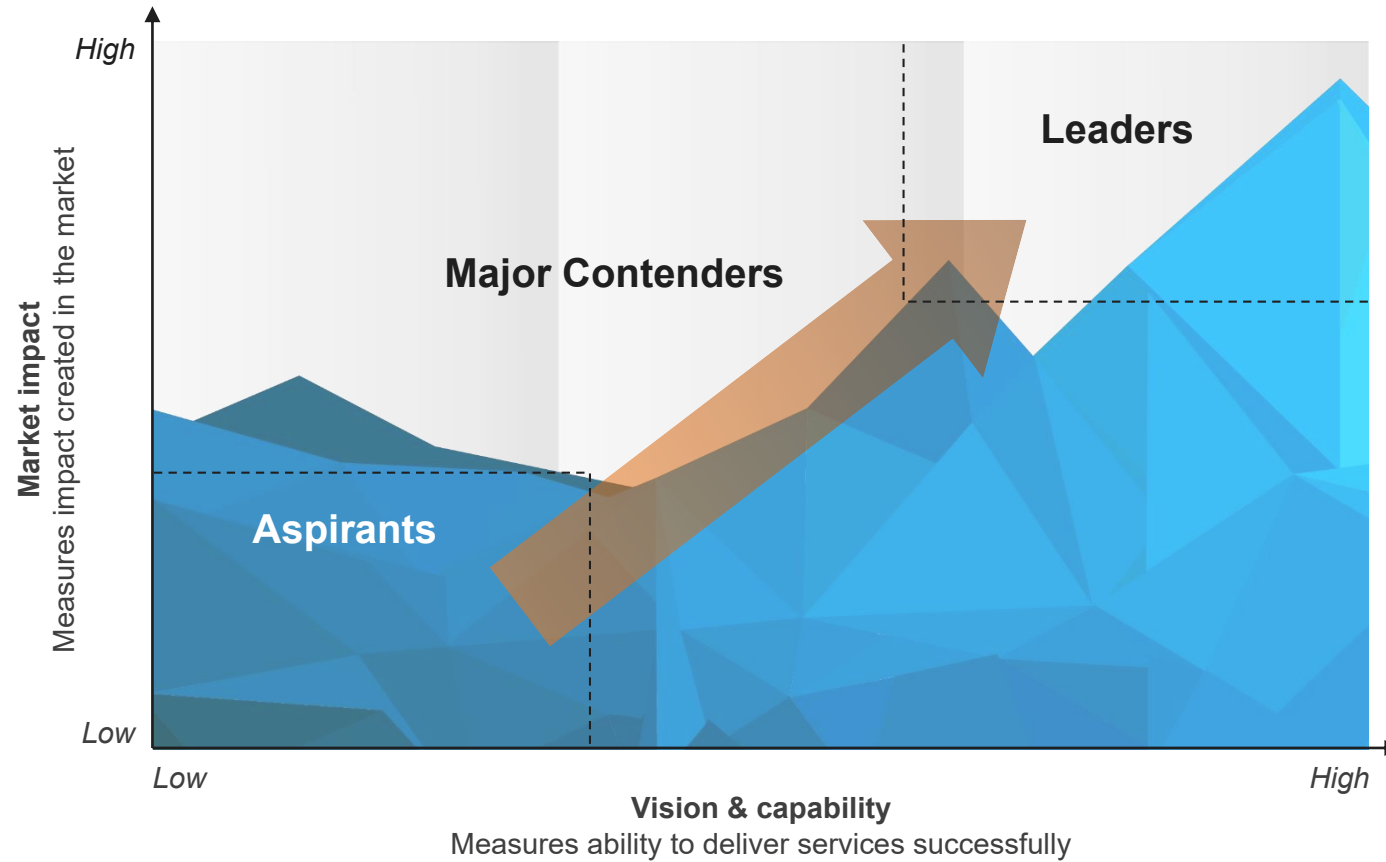
- Small-sized clients (<3,000 employees) might want to carefully evaluate TCS' capabilities as the majority of its deals are skewed toward the midsized and large-sized buyers (>3,000)
- Its experience in serving the global mobility and regulatory and compliance requirements of its clients is relatively limited. Clients looking for these services should ensure further due diligence on its offerings
- Referenced buyers have cited the need for an improvement in stakeholder management and their ability to manage complex payroll



# Appendix

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

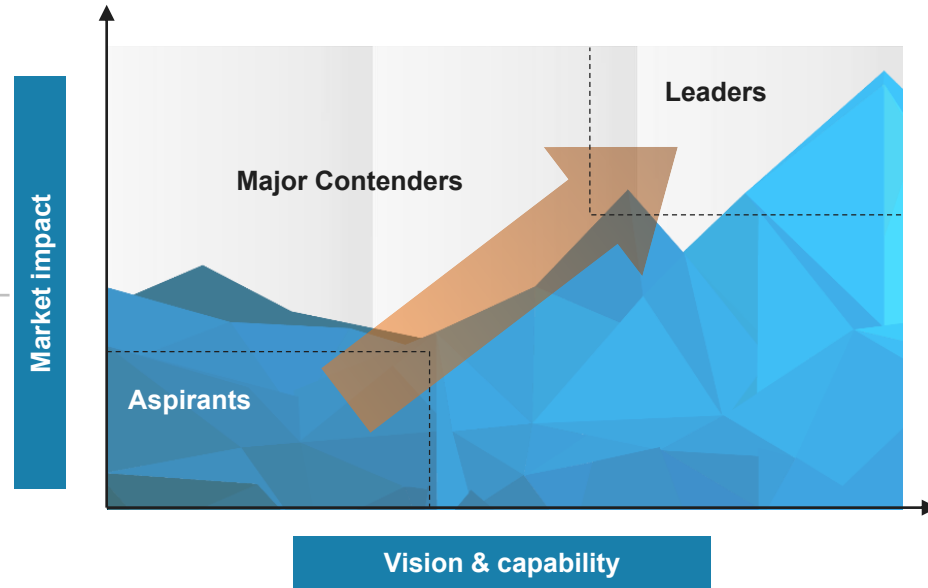
Everest Group PEAK Matrix



# 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



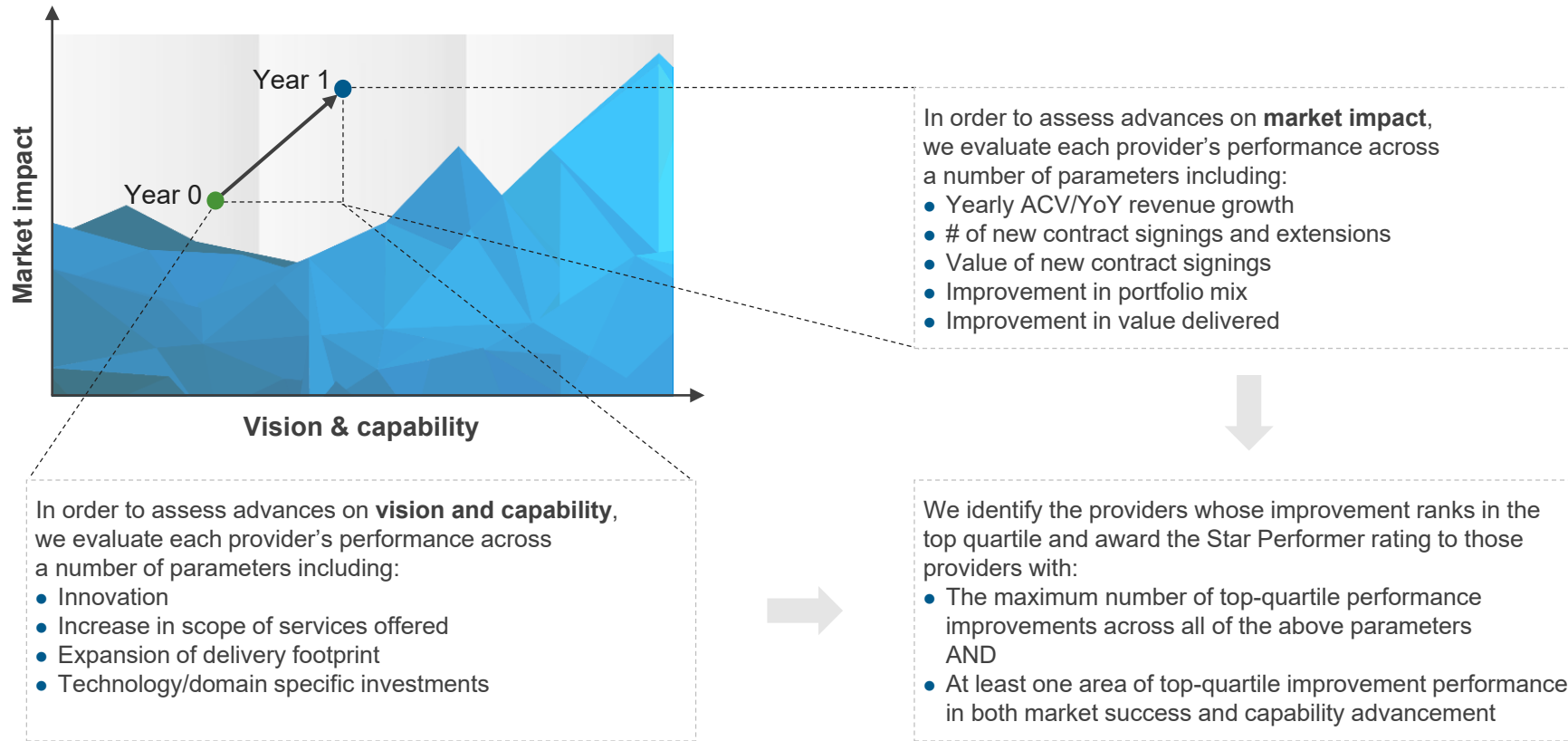
Measures ability to deliver services successfully. This is captured through four subdimensions

- 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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