

The Journey to Digital World Class[®] Starts Here



The Hackett Digital World Class Matrix[™]
Multi-Process Human Resources Outsourcing (MPHRO)
Solution Provider Perspective
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May 2024

Key insights



MPHRO market overview

MPHRO market growth and factors

- Potential high-growth segment in the business process outsourcing market.
- Driven by cost reduction, business enablement, increased employee experience, regulatory compliance needs, and cloud-based platforms.
- Influenced by AI's use to automate HR tasks.

Geography and industry

- Geographical presence and local support are key factors in buying decisions.
- Most MPHRO services are delivered via a local and global approach.
- Multiple contracts are common for leveraging local culture and regulations.

HR process selection

- MPHRO service usage is fragmented, often contracting for single, discrete services.
- The ideal scenario is consolidating services with a single provider.

Degree of change

- MPHRO service providers' ability to incorporate digital technologies into efficient service delivery mechanisms is in early stages.



MPHRO buyers

- **83%** of MPHRO service providers operate in high complex to moderate HCM landscapes.
- **87%** of buyers believe their MPHRO service providers bring digital and thought leadership.
- **64%** of buyers agree that their MPHRO service provider exceeded or fully met expectations on digital solutions and thought leadership.
- **67%** of MPHRO buyers agree that their current MPHRO service provider meets the expectations with desired operational changes.
- **Cost reduction and transformation capabilities** are high priorities for MPHRO service buyers.
- **Service value and service experience** lead across HRO towers.



MPHRO solution providers

- The MPHRO market reflects **maturity with well-established providers** demonstrating value across multiple dimensions.
- Global complexities and risks drive buyers to **modernize HR platforms for standardized, compliant, and automated processes.**
- MPHRO solution providers **differentiate through scope, scale, industry capabilities,** and digital technology adoption.
- Significant value delivered by providers includes **cost savings, improved integration, and enhanced employee experience.**

Why are the Hackett Digital World Class Matrix™ findings so crucial?

The multi-process human resources outsourcing (MPHRO) marketplace reflects a maturity in capability with the presence of well-established providers who have all demonstrated value across several dimensions. However, many customers do not take full advantage of the solutions available, which gives the impression of overall market immaturity. An opportunity exists for MPHRO to play an increasingly important role in supporting and enabling client organizations to deliver increased value and insight from their HR function.



- Global complexities, risks and challenges in a mature, yet evolving MPHRO market continue to focus buyers on modernizing their HR platforms to drive standardized, compliant and automated processes with enhanced employee experiences.
- Established and emerging MPHRO solution providers continue to differentiate themselves based on a mix of factors, including scope, scale, industry capabilities, employee experience, functionality, transaction channel coverage, culture and price.
- The Hackett Digital World Class Matrix analysis demonstrates that significant levels of value are being delivered by these provider solutions and that the provider landscape has many qualified service providers capable of delivering significant value in the form of:
 - Cost saving and improved efficiency
 - Improved levels of integration between human capital management (HCM) and third-party solutions
 - Increased use of digital technologies, such as advanced analytics (AA), robotic process automation (RPA), intelligent automation (IA), artificial intelligence (AI) and machine learning (ML)
 - Higher levels of employee satisfaction and ease of adoption
 - Significantly improved internal controls and reporting capabilities
 - Meeting regulatory and compliance requirements
- Although solution provider plans are evolving at different rates, their MPHRO capabilities are expanding rapidly with examples of embedded intelligence in virtual assistance, knowledge-based support of questions and employee self-service.
- The Hackett Group's research and deep experience in managing complex, global MPHRO deals shows that the selection of the right provider(s) is based on aligning the capabilities and characteristics of prospective partners to each client's unique business objectives and needs. Such objectives and needs include geographic and process scope, industry sector, anticipated value realization, existing partner relationships (client-provider), current maturity, investment appetite and cultural fit.

Executive summary

The MPHRO market is undergoing the most significant change it has experienced in recent years. Adoption of innovation enhanced through digital applications, ease of integration in third-party solutions to existing human capital management (HCM) platforms, and IA and AI culture are all driving enhanced value offerings that service providers can take to their clients.



Technology advancements

- A great deal has changed since human resources organizations signed their first-generation contracts with MPHRO service providers. Business conditions are now more volatile, HR processes that are candidates for outsourcing are more targeted and digital transformation is a top priority.
- Innovative use of intelligent automation and AI technology, such as machine learning (ML), deep learning and generative AI (Gen AI), provides recommendations such as for improved match rates in most MPHRO processes.
- Business process management, process mining, workflow tools, inbuilt robotic process automation (RPA) and automation tools top the digital transformation agenda.
- Native integration with communication tools or email systems and customization features further support decision making and task resolution – and are easier for IT to integrate.
- Adoption of cloud-based, core HCM application suites is growing rapidly.



Improved workflow and stakeholder experience

- **Cost reduction and increased capacity:** These are most important factors driving MPHRO decisions. However, while cost reduction remains a priority, other drivers, such as business process transformation and service quality improvements, are becoming more important.
- **Cost savings:** MPHRO service providers deploy their best practice toolkits to drive improved efficiency, accuracy and speed of financial and accounting processes.
- **Agility/scalability:** MPHRO enables companies to scale their HR functions up or down as needed, without incurring additional costs.
- **Access to expertise:** Companies outsourcing HR functions gain access to specialized expertise and knowledge that they themselves may not have in-house, such as business transformation and change management.



Increased focus on regulations and compliance

- MPHRO service providers are familiar with the latest regulations and standards, helping companies stay compliant.
- Service providers bring a better understanding of country-specific regulations and a more standardized approach to local requirements.
- To remain compliant in the face of increasing regulatory and disclosure requirements (e.g., environmental, social and governance [ESG], taxation, healthcare, immigration).

Executive summary (cont.)

The MPHRO market is mature in capability with the presence of well-established providers. Top enterprises seek agility, protection and resilience in service relationships. Demand for custom reporting and analytics is increasing and buyers seek providers with digital transformation capabilities. Challenges include budgets, data management, time constraints and resistance to change.



Business environment

- The MPHRO marketplace reflects a maturity in capability with the presence of well-established providers who have all demonstrated value across several dimensions.
- We have found few examples of MPHRO customers outsourcing five or more HR process areas to one supplier, which we expect will change as suppliers with make contract consolidation more attractive.
- To withstand the many factors that affect their business environment, top enterprises are, for example, looking for greater agility and protection in their service relationships.
- The Hackett Group research shows enterprises moving away from “lift and shift” to simply move work to an outsourcing provider to a model of analyzing and targeting those HR processes that make the most business sense to outsource.



HR function is evolving

- Demand for custom reporting and enhanced analytics capability for employees is increasing.
- There is a growing need to understand client-specific business improvement drivers, such as cost reduction, service experience, service value and transformation capabilities.
- During due diligence, buyers struggle with evaluating providers that are new to the market, have poor brand recognition and cannot present relevant use cases to make informed business decisions.
- There is an increased expectation of IA and AI capabilities to support complex processes and functions.
- New HR adjacent/bolt-on solutions are reaping benefits across MPHRO towers.



Enterprise priorities

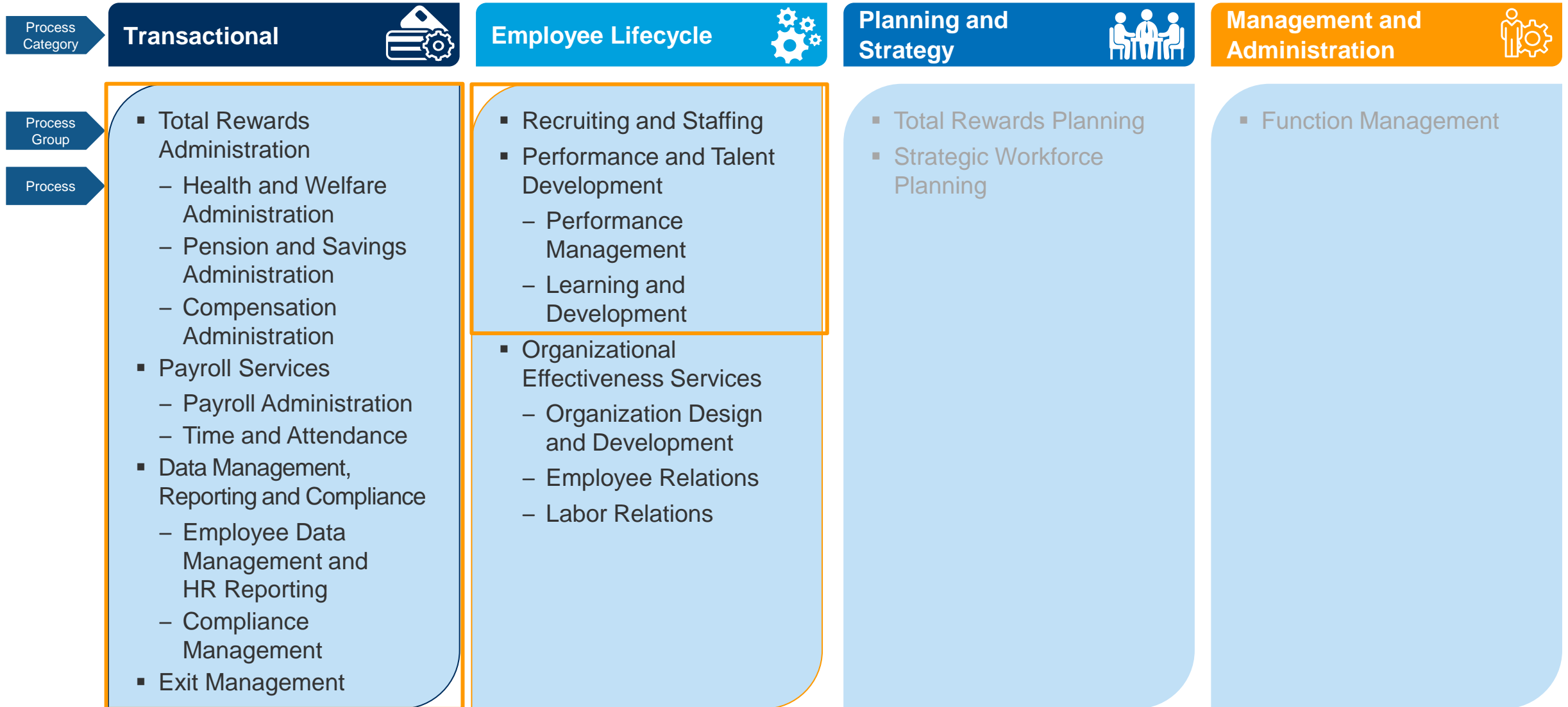
- Buyers are looking for service providers to implement accessible bolt-on solutions and drive a comprehensive digital transformation mandate that includes process and/or policy change.

Challenges for the digital transformation agenda include:

- Insufficient budgets and/or unrealistic project timeframes.
- Inconsistent data management across operational compliance reporting.
- Lack of time to partner with the business due to daily transactional work volumes and/or responsibilities.
- Shortage of experienced talent to leverage technology and solve business problems.
- Preference for status quo ways of working and/or internal resistance to change.

The Hackett Group's HR taxonomy | Scope

Scope for the MPHRO Hackett Digital World Class Matrix™ Study



Study Focus

Note: Descriptions are located on the next page.



Market

Overall

- The MPHRO market is a potential high-growth segment within business process outsourcing, driven by factors like cost reduction, business enablement, increased employee experience, regulatory compliance needs and increasing adoption of cloud-based platforms. It is influenced further by the increasing use of AI to automate HR tasks like payroll processing and candidate screening, further streamlining MPHRO services.

Geography and Industry

- Geography and industry affect key buying decisions. Geographical presence and local support to adhere to local compliances are major differentiators.
- Currently, most MPHRO services are delivered via a local and global approach. Most client organization buyers focus on dual contracts that include a primary service provider offering a global presence with a secondary local service provider to leverage the expertise with local culture and regulations to ensure smoother implementation and compliance.

HR Process Selection

- MPHRO service usage is fragmented with many clients contracting for single, discrete, tactical services and not leveraging the full multi-process/transformational capability of their service providers. This approach can create complexity and inefficiency. The ideal scenario lies in consolidating services with a single provider, whenever possible.

The Degree of Change

- This inaugural edition of Hackett's MPHRO Digital World Class Matrix explores capability and value realization. The "digital promise" from MPHRO service providers has consistently been outlined in their briefings, Feedback from clients and Hackett's wider experience indicates that the ability of MPHRO service providers to incorporate these technologies into efficient and cost-effective service delivery mechanisms is still in its early stages of growth. However, this is accelerating at pace to meet market demands.



Solution provider focus areas

Digital Solutions, Analytics and AI

- Companies continue to accelerate their digital transformation journeys to maintain competitiveness, agility, resilience and effectiveness in delivering value to their customers, partners and stakeholders.
- Buyers are seeking to understand the capability of their strategic MPHRO relationships, and the MPHRO market more broadly, to support and enable their digital journey.
- Companies are seeking to engage with service providers that not only offer deep end-to-end process domain and industry knowledge, but also demonstrate robust digital solutions leveraging automation, AI, advanced analytics, cloud, consulting-led transformation and nimble change management capabilities to drive innovation and digital transformation.

Software Integration Capabilities

- The growth and availability of HCM software tools such as Dayforce, Oracle Cloud, SAP SuccessFactors and Workday increase the complexity of the human capital management landscape in which the MPHRO provider operates.
- However, the seamless integration of the MPHRO and HCM relationship plays a critical role in driving efficient and effective workforce management. By strategically leveraging both approaches, organizations can improve their HR operations, gain valuable insights and ultimately achieve their business goals.

Customer Service

- Solution providers are focused on providing end-to-end transformation rather than focusing on isolated, transactional HR deals such as payroll processing and benefits administration.
- HR processes to outsource are more targeted, rather than previous "lift and shift" agreements that merely moved work to a lower cost location.



Implementation experience

Model

- Leading MPHRO service providers offer an integrated suite of MPHRO services and well-defined playbooks for implementation.
- Most leading MPHRO providers are tool-agnostic; the client organization can continue to use their existing HCM and add on additional functionality to support the outsourcing of HR services as needed.

Pre-implementation

- Buyers expect a high-quality level of implementation support from MPHRO solution providers.
- There is a focus on defining goals, challenges and expectations for outsourcing HR functions, identifying desired outcomes and metrics for success.
- Many buyers are seeking use cases and/or experience in their respective business models as a prerequisite for shortlisting solution providers.
- Enterprises should establish a plan for mapping and migrating existing HR to the MPHRO provider's systems, ensuring data integrity and security throughout the process.

Timeline

- Implementation timeline depends on which of the service towers are being outsourced. Transition planning from concept and design to implementation and stabilization differs with the complexity of the client process, process maturity and infrastructure.
- Detailed planning should consider change management, which should not be underestimated and should be planned well in advance of any implementation and/or transition.



Value realization

Digital Solution and Transformation

- MPHRO providers are leveraging data analytics to provide clients with valuable insights into their workforce and improve decision-making. Moreover, it will also result in streamlining analytics and provide data-driven insights for strategic decision-making.
- AI, and specifically generative AI, will play a critical role in MPHRO automation, particularly in areas like recruitment and talent management. The MPHRO industry is expected to see continued growth in automation, with new technologies and solutions emerging rapidly.
- Buyers are focusing on real-time data monitoring and task allocation supported by AI and predictive analytics to achieve operational efficiencies.

Access to Levers for Change

- Buyers' proactive approach to implementing operational changes with their service provider yielded positive results.
- Effective executive sponsorship ensures alignment with strategic goals and provides resources and support for the project.

Reduced Costs

- Buyers generally outsource their transactional HR functions to enhance their core functions. With outsourcing, they can control the overall cost and resources to focus on the core functional areas.

MPHRO | Priority and achievement of goals

Multi-Process Human Resources Outsourcing

- Our research indicated that in MPHRO deals, cost reduction and transformation capability were the key requisites for the MPHRO buyers.
- However, when we looked at the expectations in a quantifiable aspect, service value and service experience lead across the HRO towers.
- Despite cost reduction being a high priority, there is an equally significant emphasis on the value and experience derived from the services provided. This suggests that while cost savings are important, they cannot come at the expense of service quality or customer satisfaction.
- The expectation for service value and service experience to be quantifiable implies that there are specific metrics or key performance indicators against which these aspects will be measured. This could include factors such as employee satisfaction ratings, turnaround time for HR processes and accuracy of payroll processing.

Average target expectations per business-case drivers from MPHRO service providers

	Cost reduction	Service value	Service experience	Transformation capability
Total rewards administration	26%-50%	51%-75%	51%-75%	26%-50%
Payroll services	51%-75%	76%-100%	76%-100%	51%-75%
HRIT, analytics and management	51%-75%	76%-100%	51%-75%	51%-75%
Compliance management	51%-75%	76%-100%	51%-75%	51%-75%
Exit management	51%-75%	76%-100%	76%-100%	51%-75%
Talent management administration	51%-75%	51%-75%	76%-100%	51%-75%

Business-case expectations from service providers by MPHRO buyers

Defining Digital World Class® performance

How to read the Hackett Digital World Class Matrix™

DIGITAL WORLD CLASS®

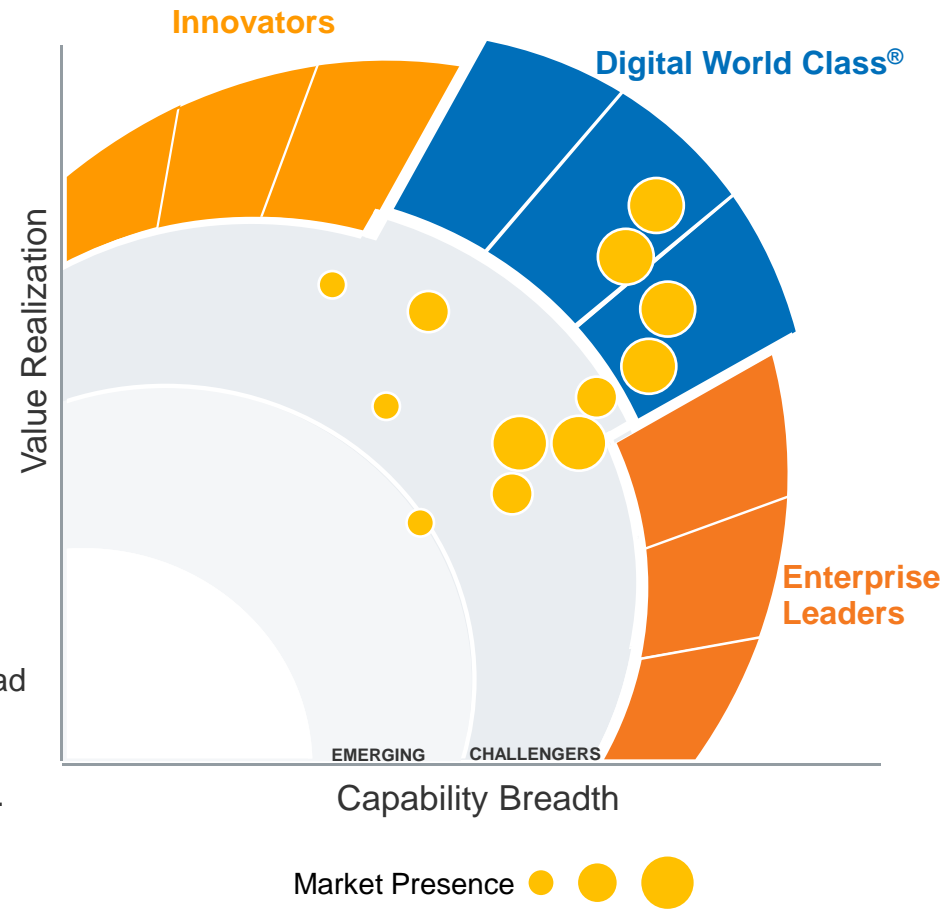
- These companies provide top performance in business value and operational excellence and support multiple customers in attaining Digital World Class performance.
- These companies have an expanded mix of solution capabilities and are achieving high customer satisfaction ratings in value realized.

INNOVATORS

- Innovators are delivering superior value realization to clients; however, they have limited scope and software/service features.
- While the companies in this space are focusing on a narrower scope, they are well-regarded by industry experts and users.

ENTERPRISE LEADERS

- Enterprise leaders focus on building strong, broad function-level capability through operational excellence within their platforms and flexibility in software and services for end-to-end processes.
- Enterprise leaders have a wide breadth in capability but have opportunities to improve delivery against key process performance metrics.



CHALLENGERS

- Challengers are progressing toward delivering greater value realization and capability breadth.
- Capabilities and value realization are not yet fully established within the challenger's toolkit.

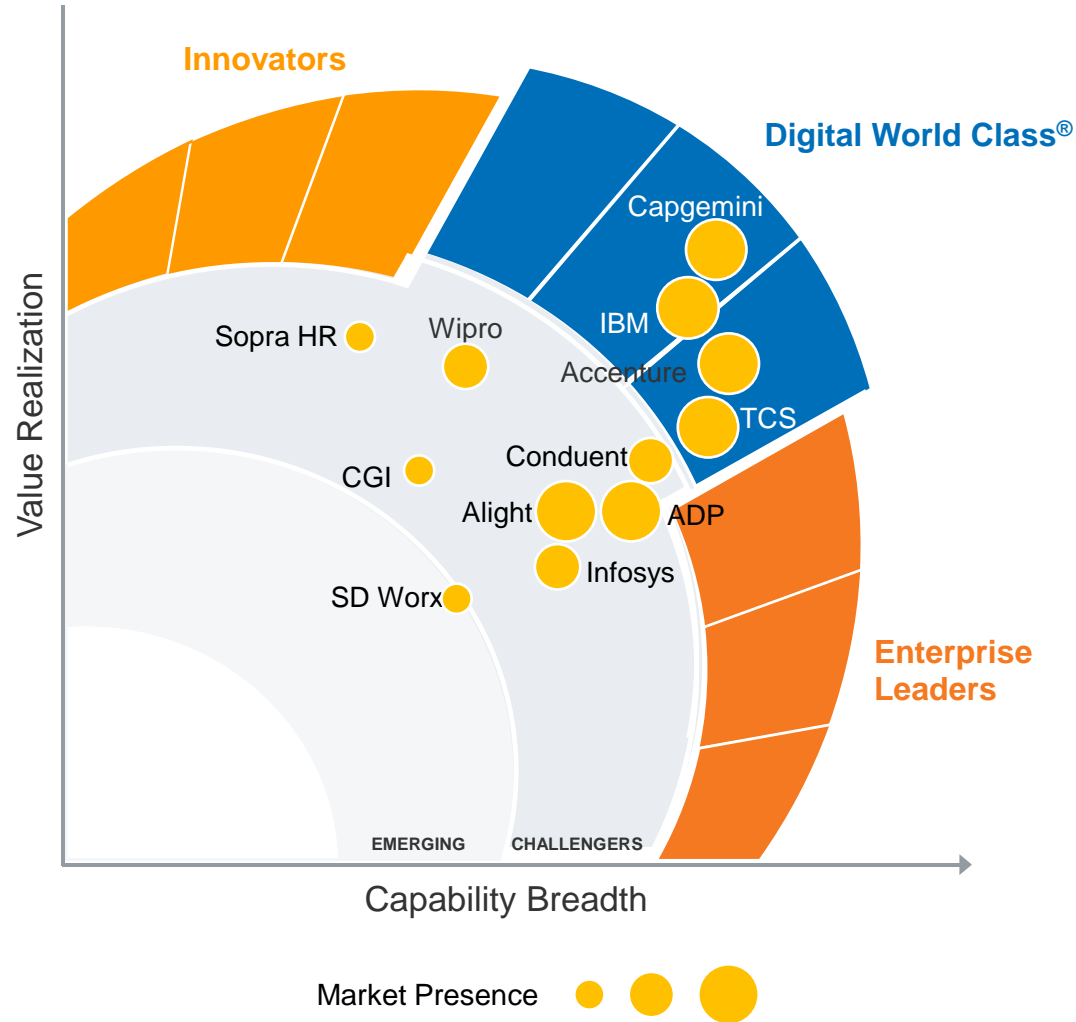
EMERGING

- Emerging providers are still developing and defining their capabilities and go-to-market strengths.
- Emerging providers possess limited market share but display a vision for growth.

MARKET PRESENCE

- Market presence is determined through the number of years in the MPHRO market, and the revenue generated for MPHRO services delivered.

Multi-Process Human Resources Outsourcing (MPHRO) Hackett Digital World Class Matrix™



Market presence is determined by MPHRO revenue and the number of years in this marketplace

- Those with a larger market presence (bubble size) are driving more revenue and have typically been in the MPHRO marketplace longer.

Capability breadth measures the scope and meticulousness of solution features and functions

- While all solutions can deliver powerful MPHRO functionality, not all have the same level of capability breadth. Those landing further to the right on the matrix generally have an advanced understanding of MPHRO requirements and data management needs and a strong integration within, and across, MPHRO processes.

Value realization measures the ability of solution providers to positively impact their client's key MPHRO performance metrics

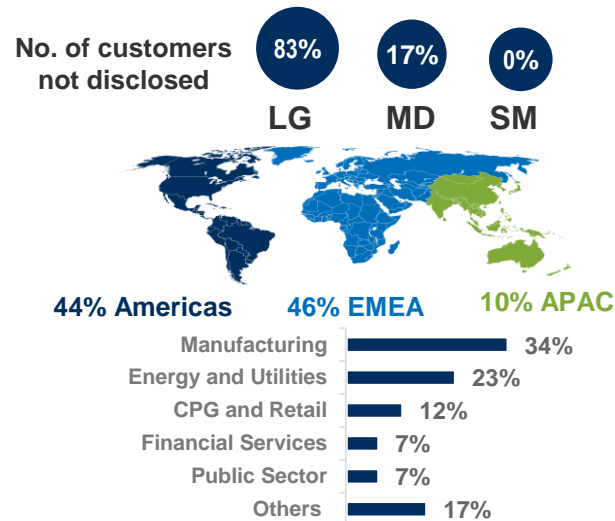
- Service providers higher on the matrix distinguished themselves with strong adoption levels, experience and skills, handling volumes across multiple transaction channels, data management, integration, automation levels and spend visibility.
- Usability, navigation, ease of adoption, intuitiveness and overall employee experience were additional areas of differentiation.

For additional details on the MPHRO providers and the full research report contact advisor@thehackettgroup.com regarding the Executive Advisory Membership Program.

COMPANY OVERVIEW

Capgemini offers a range of human resource outsourcing services to help businesses optimize their HR operations and achieve various goals. The company leverages cloud, data, AI, connectivity, software, digital engineering and platforms to address the entire breadth of business needs.

FOUNDED:	1967
HEADQUARTERS:	Paris, France
OWNERSHIP:	Public



REPRESENTATIVE CLIENTS*

- Global consumer packaged goods client
- Global CPRD (Clinical Practice Research Datalink) client
- Technology retailer

*Capgemini has not disclosed its client names.

VISION

“Our vision is to partner with clients to transform and manage their business by unlocking the value of technology. We drive clients’ transformation toward the connected enterprise, the ecosystem orchestration that brings together all stakeholders and technologies, to achieve business and enterprise-level tangible business outcomes.”

KEY MPHRO CAPABILITIES

- Operational scalability:** Features a global delivery model with built-in flexibility to scale HR services up or down, aligned to changing organizational conditions and priorities
- Cloud enablement:** Provides the capability to migrate legacy HR systems to integrated cloud-based HCM technology, improving agility and employee experience
- HR analytics:** Has advanced reporting bolstered by predictive modeling, benchmarking, analysis of trends and visualization of insights from HR data
- Case management:** Has inbound/outbound contact center capabilities combined with digital channels to handle employee inquiries, provide guidance and resolve issues
- HR systems integration:** Provides expertise with leading platform integrations between payroll, timekeeping, talent management, and core HR systems

KEY MPHRO SERVICE OFFERINGS

- Digital employee operations:** HR services across hire to retire delivers consumer-grade experiences via self-service, chatbots and AI-enabled HR contact centers
- HR transformation services:** HR operations maturity assessments, target operating model design, digital HR optimization to transform HR operations, HR analytics
- Learning and development:** Training programs, skills development initiatives and career planning support
- People experience:** Technology and process expertise elevates people experience

MISSION

“Our mission is to unleash human energy through technology for an inclusive and sustainable future. We aspire to harness the power of technology to empower individuals and organizations, while promoting sustainability and inclusivity. Capgemini helps clients to ‘Get the Future They Want.’”

KEY MPHRO DIFFERENTIATORS

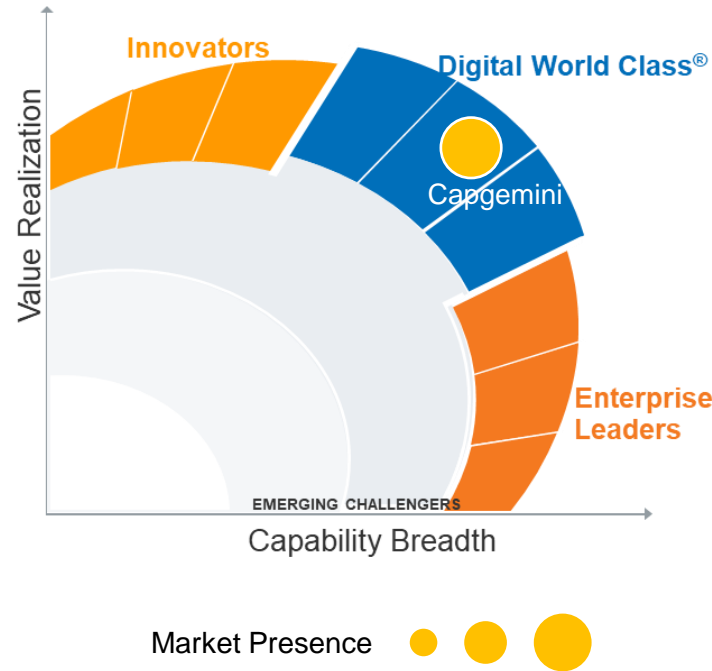
- Frictionless HR:** Framework aimed at creating easy, consumer-grade user experiences by seamlessly connecting systems across HR services
- Intelligent process automation:** Coupling IPA methods combining traditional automation with AI/machine learning, automating transactional activities to boost HR productivity
- Applied innovation:** Global platform dedicated to rapidly piloting and iterating solutions leveraging emerging AI, automation and immersive experiences
- Co-innovation partnerships:** Collaborative approach driving cutting-edge solutions with clients, addressing business challenges in a tailored fashion
- Employee-centric:** Supports business growth and resilience through scalable HR operations

HACKETT COMMENTARY

Capgemini’s comprehensive suite of HRO solutions, strong digital technology, and transformational capability supported by mature next-generation technology partnerships, and an ability to integrate HR outsourcing with other business process outsourcing services for both existing and new clients presents a compelling value proposition and has secured them MPHRO market leadership and “Digital World Class” status in our study.

HACKETT VALUE PLACEMENT

- MPHRO is an integral part of Capgemini’s overarching solution under intelligent business operations
- Infuses AI into processes to deliver next-generation, frictionless use of dashboards across all MPHRO in-scope services
- Data-powered insights fuel transformation; Capgemini helps clients drive transformation with data-driven process improvement that leverages intelligent automation tools, such as process mining, robotic process automation and AI
- Capgemini has the capability to deliver outstanding services coupled with analytics
- Greater integrity of the transactional processes and throughput for clients
- Use of digital tools, intelligent automation and AI to deliver client-enhanced services is part of its DNA
- Capgemini exceeded client expectations in digital solutions and transformation, access to levers for change, employee data changes, exit efficiency and talent management change levers



HACKETT CAPABILITY PLACEMENT

Hackett Assessment

- Capgemini has the market presence, optimized processes and experience to deliver MPHRO services needed by the global customers they serve
- According to our research and interviews with customers, many of them use MPHRO services across at least three HR process areas
- The scope of MPHRO services provided is among the top-performing MPHRO providers we researched







HACKETT MPHRO SERVICE CAPABILITY ASSESSMENT

Global size and complexity of clients	●
Transformation/change management capabilities	●
Implementation services	●
Customer satisfaction	●
Total rewards administration	◐
Payroll services	◐
HRIT, analytics and management	●
Exit management	●
Talent management administration	●
Advanced technologies	●

● Leading ● Advanced ◐ Challenging ◑ Emerging – Not Available or not evaluated

HR Business Process Outsourcing Overview

Key findings, what matters to enterprises for business process outsourcing (BPO)

 Outcomes	Outsourcing meets business expectations for most value drivers. The focus is shifting from cost-reduction-related factors to improving overall operational performance, but more work is needed to ensure that customer experience and value realization from business process transformation are aligned to business expectations. Looking forward, business process transformation and scalable capacity will overtake cost reduction as key decision drivers.
 Commercials	Traditional full-time-equivalent-based pricing models remain the primary commercial mechanism for partnerships, but there is a projected increase in outcome-oriented pricing models. FTE-based models offer greater transparency but do not reflect the increasing demand for business outcome-based relationships that link suppliers' objectives to those of their clients.
 Value promised	Digital transformation factors continue to gain importance in future business process outsourcing (BPO) relationships with a strong emphasis on accelerating digital transformation efforts at scale. Data-driven insights and the acceleration of digital transformation are overtaking traditional transactional platform rationalization in importance.
 Value delivered	Digital transformation performance is falling short of business expectations. As the maturity of smart automation and advanced analytics solutions implementation grows, we expect their true potential will be unlocked and enterprise expectations will be met or exceeded.
 Key success factors	Supplier personnel quality has become the most important critical success factor for client-provider partnership success. This reflects the critical role that outsourced service operations play in delivering high quality, cost-effective and compliant services and the increased demand for talent that can deliver business insights to drive informed decision making.
 Unlocking innovation	Benchmarking outsourcing contracts helps enterprises secure improved pricing, service performance and enhanced renegotiation leverage. Benchmarking is projected to increase in the next 12 months, especially for factors such as digital/automation levels, pricing/rates and the broader ability of the partnership to support the enterprise digital agenda.

Human resources | Percentage of process outsourced

- A significant portion of HR processes is outsourced in both peer and world-class organizations
- **In the context of onboarding:**
 - It suggests that a considerable portion of onboarding processes may also be outsourced; this could include tasks such as paperwork processing, compliance management, technology integration and potentially the management of certain onboarding programs
- **In the context of offboarding:**
 - The higher outsourcing percentage among world-class organizations may suggest they are more likely to leverage external service providers or services for handling various aspects of exit management, including offboarding
 - Offboarding tasks within the exit management process could include conducting exit interviews, facilitating knowledge transfer, managing the return of company assets and handling administrative procedures related to the departing employee

OUTSOURCING LEVEL BY HR PROCESS

Process	Peer	Digital World Class
Health and Welfare Administration	58.3%	80.4%
Pension and Savings Administration	53.3%	56.3%
Payroll Administration	31.5%	46.1%
Learning and development	23.9%	28.8%
Recruiting and Staffing	31.6%	24.3%
Exit management	10.6%	21.7%
Compensation Administration	15.9%	19.2%
Time and Attendance	9.1%	17.3%
EE Data Management and HR Reporting	8.6%	15.6%
Compliance Management	10.8%	13.6%
Total Rewards Planning	19.2%	8.7%
Organization Design and Development	7.7%	8.3%
Strategic Workforce Planning	6.4%	6.3%
Employee Relations	6.8%	4.3%
Labor Relations	9.2%	3.8%
Management & Administration	3.3%	1.8%

Most outsourced HR work is labor- and knowledge-intensive

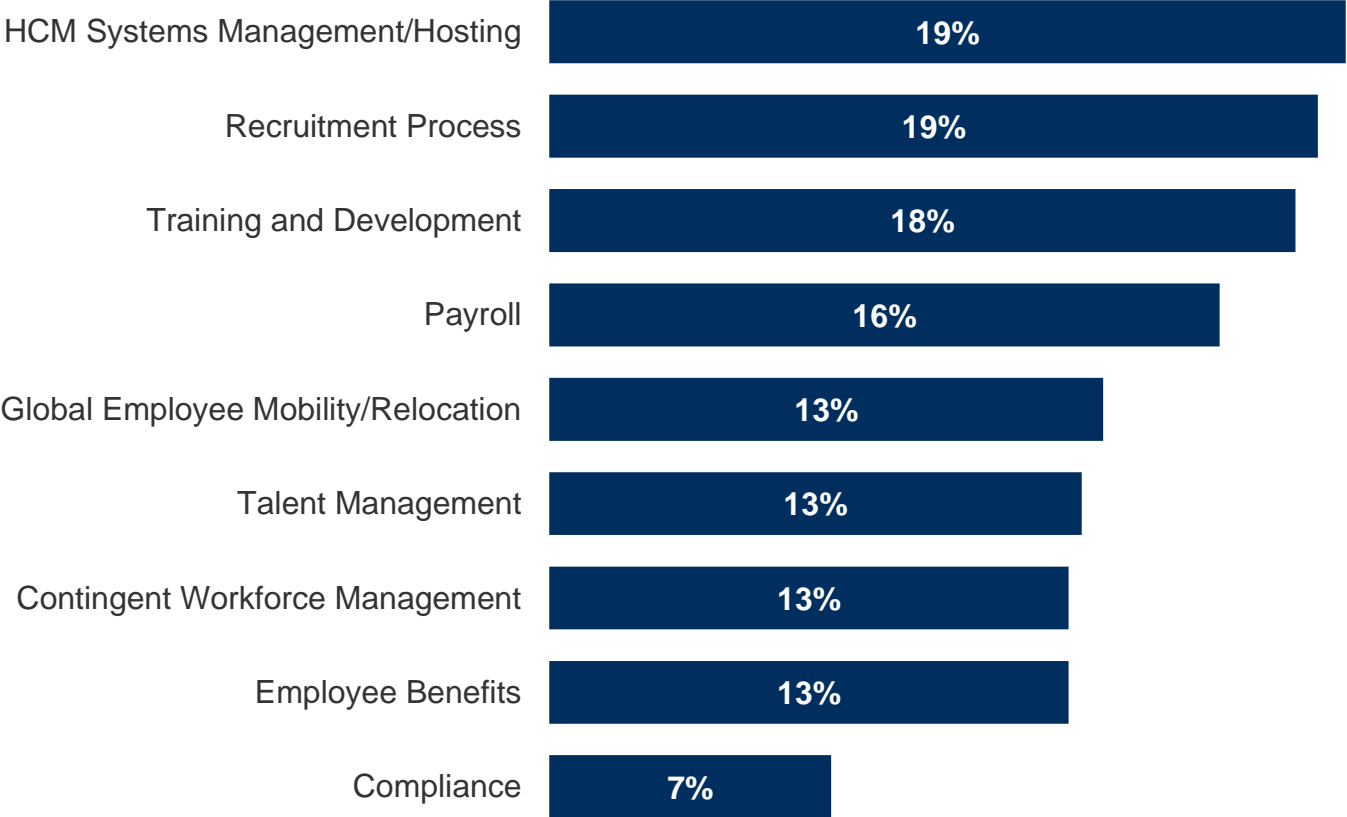
This suggests opportunities for greater efficiencies and reduced costs where the outsourced work is routine or where delivery of expertise can be digitally-enabled

AUTOMATION LEVEL OF OUTSOURCED WORK BY HR PROCESS



HR organizations expect double-digit productivity improvement across most areas outsourced

PROJECTED PRODUCTIVITY IMPROVEMENT OVER THE NEXT TWO TO THREE YEARS*



*Productivity improvement: The change in number of staff hours or FTEs required to execute a baseline volume of work, compounded over the two- to three-year period.

Appendix (FAQs and process definitions)

The Hackett Digital World Class Matrix™ frequently asked questions

How are solution providers selected for participation?

- Solution providers are included if they meet the inclusion criteria for the study, which is determined by The Hackett Group analysts and subject matter experts during the initial scoping and design phase.

Are solution providers able to decide if they are included or excluded from the Hackett Digital World Class Matrix?

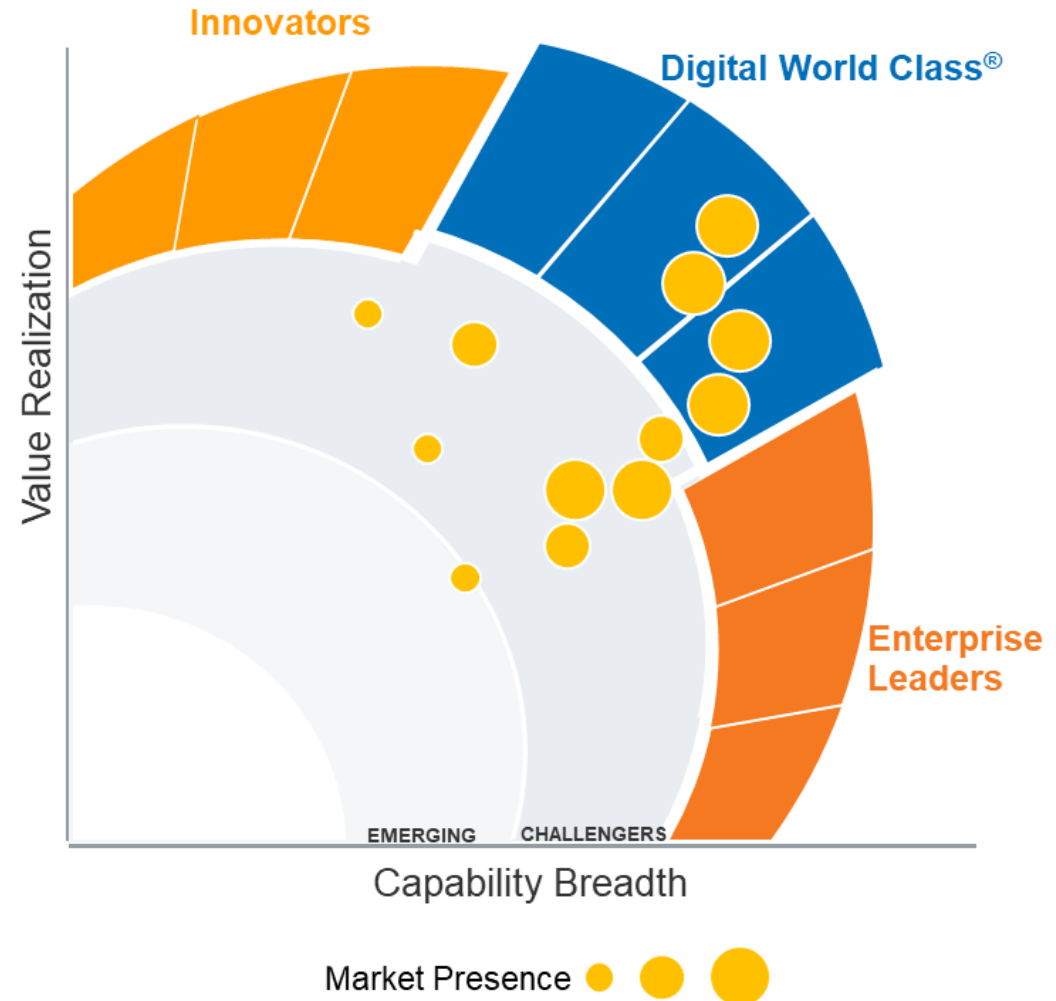
- No, solution providers cannot choose to be included or excluded from the Digital World Class Matrix study. However, solution providers may choose not to directly participate in the process or provide information to The Hackett Group. The Hackett Group encourages participation but does not reward or penalize solution providers based on their level of participation.

Does The Hackett Group share individual responses from customer references, surveys, interviews or solution analysis?

- No, all responses from customer references, surveys, interviews, solution provider content, and other sources of data collection are kept confidential, and aggregated into the overall analysis.

How often are Hackett Digital World Class Matrixes updated?

- Studies are typically refreshed between 12 to 24 months. However, a specific study's refresh is highly dependent upon the related marketplace's evolution velocity.



The Hackett Digital World Class Matrix™ frequently asked questions

Are there different levels of solution provider participation?

- Yes. Some providers have supplied all requested information, while some only provided partial information and The Hackett Group gathered the remaining information from our sources. For others, The Hackett Group gathered all the evaluation information from our sources.*

What criteria were used to rate the MPHRO solution providers?

- For capability breadth, the following criteria were used:
 - Capabilities: Customer base/market capability, portfolio of client deals across multiple HR processes, digital and innovation capability, data management and reporting
 - Provider demographics: Revenue, number of employees and geographic coverage
- For value realization, the following criteria were used:
 - Subject matter expert performance evaluation
 - Value realized – Customer experience/speed to value and performance metrics
 - Customer complexity
 - Customer implementation complexity
 - Breadth of provider functionality
- For market presence, the following criteria were used:
 - Revenue specific to the study focus
 - Years in the marketplace specific to the study focus

• *Ratings for the following MPHRO service providers exclude their direct input and are based on The Hackett Group's applied knowledge, public disclosures, and The Hackett Group's interview and/or survey responses from MPHRO buyers: Accenture, ADP, Alight, Capgemini, CGI, IBM, Sopra HR, and Wipro

• **Nonparticipating solution providers have not provided any direct input. Hybrid solution providers have provided direct input either from requests for information or vendor responses only. Our analysis is based on The Hackett Group's applied knowledge, public disclosures, and The Hackett Group's interview and/or survey responses from solution provider buyers.

How does The Hackett Group build market intelligence reports?

- For each solution provider participating in a particular study, we gather the following information**:
 - Solution provider buyer survey
 - Solution provider strategy session
 - Buyer reference checks
 - Client survey and/or interview
- Our client survey collects data from solution providers' clients about:
 - Performance, based on approximately 10 key metrics relevant to the offering category.
 - Experience, through related questions on customer satisfaction, value, etc.
- Using this collected information and applied knowledge from internal and external subject matter experts, we compare aggregated client survey responses against our benchmarking data to measure performance relative to each other and to that of Digital World Class® organizations.

The Hackett Group's MPHRO primary process definitions

Scope	Description
Total rewards administration	<ul style="list-style-type: none"> • Administration of health and welfare benefits, pension and savings benefits and compensation in accordance with organizational policies, government regulations, labor contracts and insurance contracts. Also includes administration of relocation and expatriate programs.
Payroll services	<ul style="list-style-type: none"> • Administration of employee payroll, time and attendance, absence and leave management policy in accordance with organizational policies, government regulations and labor contracts.
Data management, reporting and compliance	<ul style="list-style-type: none"> • Development, administration, and execution of employee data structures and transactional changes. Management and execution of internal and external reporting requirements, including standard and ad hoc reporting. • Process of ensuring compliance with regulations and controls (policy, financial, operating, immigration, data processing and administrative) imposed by regulatory organizations. Also, the process of monitoring global laws and regulations and all associated communications.
Exit management	<ul style="list-style-type: none"> • Administration and execution of exit management activities in accordance with organizational policies, labor contracts and government regulations. Exit management tasks include voluntary and involuntary terminations as well as retirements.
Recruiting and staffing	<ul style="list-style-type: none"> • Administration and execution of hiring activities (including referrals) in accordance with organizational policies, labor contracts and government regulations.
Performance and talent development	<ul style="list-style-type: none"> • Activities that ensure the skills, knowledge, abilities and performance of the workforce meet current and future organizational needs. • Administration of employee performance management programs in accordance with organizational policies, labor contracts and government regulations.

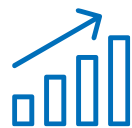
Note: For further details and scope, please refer to the [Appendix](#).

Executive Advisory Membership Program

- The Hackett Group is excited to present our exclusive Executive Advisory Membership Program. It boasts a group of over 1,000 members focused on driving transformative change and achieving Digital World Class® benefits.
- Our advisory service provides clients with unlimited access to Hackett's market-leading intellectual property and research, along with the personalized touch of a dedicated advisory team to help you realize your specific goals.
- The Hackett Group's Executive Advisory Membership Program combines an easy-to-use benchmarking platform and member portal with best practice research, case studies, diagnostics tools and advice from experienced advisors.



Strategic Insight



Targeted Improvement



Accelerate Benefits



Risk Mitigation



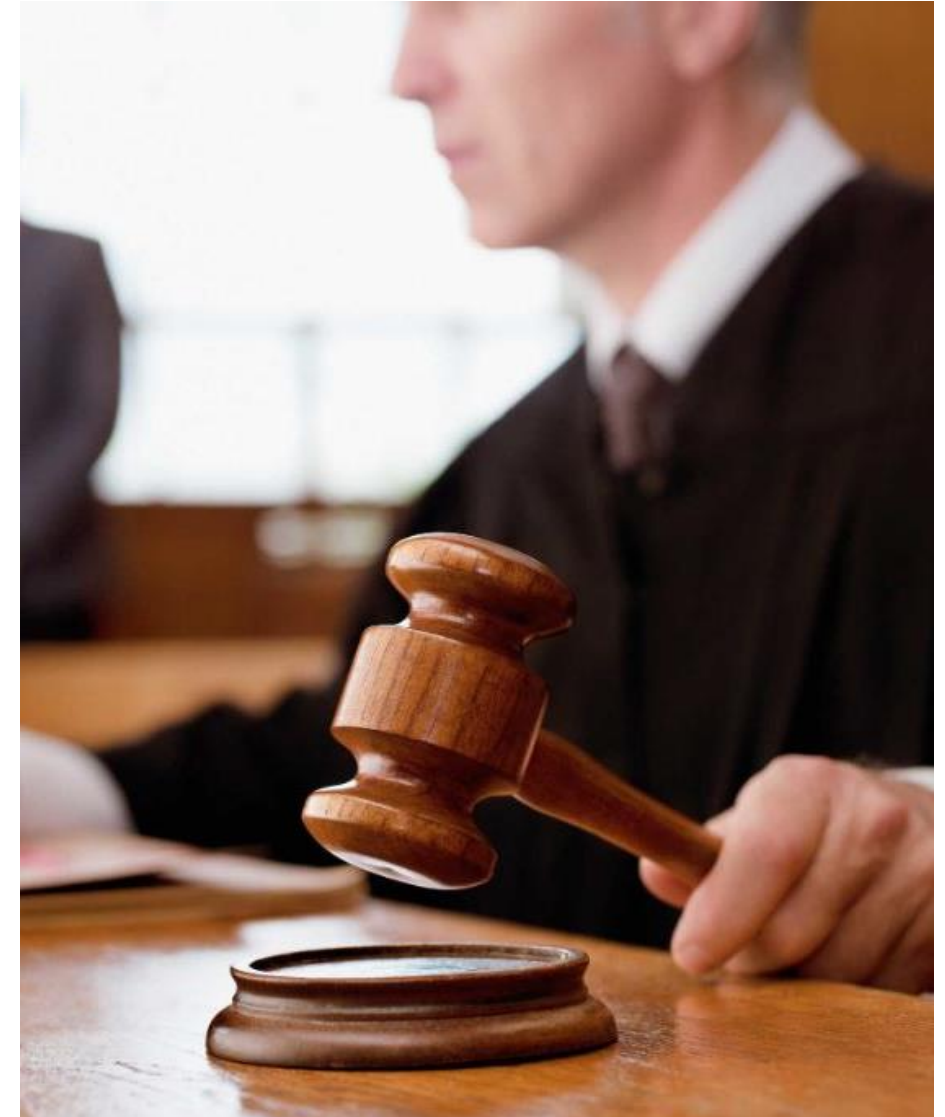
Manage Change

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