



A Buyers' Guide to EXL Services

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Hema Santosh
Principal Data Analyst
hema.santosh@hfsresearch.com

EXL: Quick Primer

EXL was incorporated in 1999, with its headquarters in New York and a strong delivery base in India. EXL went public and was listed on NASDAQ in 2006.

The service provider specializes in operations management and analytics with an industry-specific delivery model in Healthcare, Retail, BFS, Travel & Leisure, Pharmaceuticals, and Insurance. Stand out services for EXL include industry-specific work in Insurance and Healthcare, and from a horizontal perspective, F&A.

Over the last couple of years, EXL has moved up the value chain from offering middle- and back-office processes to end-to-end work that is evolving with both new and existing clients.

The service provider is continuously recognized for its account management team's approach to facilitating collaborative engagement to improve process and service delivery.

EXL's integrated offerings strategy of combining Operations Management, Analytics, and Automation solutions is helping it drive deal size expansion up to 2 to 5 times higher than the original appetite.

After the data breach episode a few years ago that cost EXL its biggest client in the insurance vertical, it has put in place very strong frameworks and measures to maintain client data confidentiality and has overcome the loss by winning new clients in the same vertical.

Consulting remains a very small portion of revenues, but is becoming more applicable to the aim to take more end-to-end process ownership and move from FTE/transaction-based to more outcome-driven work.

Other Quick Facts about EXL are:

Total number of employees: 27,350 As of March 2017

Geographic Presence (Estimated):

- USA and Canada: ~2,100 (9%)
- UK and Ireland : ~300 (1%)
- Europe: ~500 (2%)
- Philippines: ~4,000 (15%)
- Latin America:~600 (2%)
- India: 19,350 (71%)

Strategy

- EXL is re-shaping its senior management and consulting pipeline.
- The service provider is in the process of reviewing its current contracts for non-strategic work, focusing on engagements providing clients with end-to-end outcomes. It aims to improve its current client relationships through broader consulting capabilities and tie this into its sales processes as well.
- Platform capabilities are helping EXL move toward subscription-based fees, especially in the Healthcare and Insurance sector. The subscription/transaction-based pricing portfolio is set to increase further as EXL is aggressively pushing this model in its renewals and new contracts approach.
- EXL is preparing for the future of business process outsourcing by investing squarely on improving C-suite interactions and improving Digital capabilities. A recent example is that of opening a new Digital Experience Center (DEC) in New Jersey, USA, in May 2017, where EXL channelizes efforts to engage with senior management teams by spending days on site to ideate new strategies and prototype new products.
- Recently, EXL has been competing aggressively with big competitors on larger deals.
- Continued focus on an industry-specific approach as can be seen from EXL's launch of CareRadius 3.1, and the acquisitions of LISS Systems and Overland Solutions.
- EXL is focusing on industry specific work, reducing its reliance on pure horizontal deals
- Target clients with revenue ranging from \$1B–\$100+ B, but EXL has recently expanded this focus to include smaller Fintech organizations that will need to scale in future.
- Looking at bolt-on acquisitions: capabilities focused on Analytics, Health, and Insurance or scale-focused such as Europe, US, and India.
- Automation capability is helping in onshore expansion and providing access to opportunities such as front-end customer acquisitions.
- Salesforce directive is to aggressively look for more large end-to-end deals.
- EXL will continue to make investments in capability and technology to raise the overall value of its service offerings.

Strengths

- A sustainable double-digit top-line growth.
- Strong analytics capability that can be embedded in service delivery or can stand alone to address readmissions reduction.
- Onshore expansion by opening two delivery centers in the United States, and announced the acquisition of Health Integrated (expected to close early 2018).
- Automation capability CareRadius, specially for Healthcare, which was developed in-house, and a partnership with Automation Anywhere puts EXL in a strong RPA champion's league.
- Platform-based technology enablement capabilities, specially in the Insurance and Healthcare verticals.
- Clients have praised EXL's ability to deliver point innovation within contracts through dedicated process experts.
- Proven ability to scale on F&A contracts.
- Framework-based approach through EXLerator across BPO offerings allows for rapid and standardized implementations.
- Clients have complimented the account management team's ability to incorporate feedback into operations and the quality of service delivery in meeting SLAs and KPIs.
- Consulting-led approach to contracts results in ongoing innovation. EXL reduced year-end closing time from 2 weeks to 2 hours for one of its clients.
- Healthcare clients appreciate EXL Healthcare Academy, which focuses on leadership development as well as clinical and upskilling.

Weaknesses

- Penetration outside the Healthcare and Insurance verticals—EXL needs to shift to other industry-specific messaging and brand awareness initiatives.
- Although growing presence onshore, operations management delivery capabilities are still concentrated in India, with smaller centers in the Philippines, South Africa, and Colombia
- While quality of overall experience with EXL is high, it lacks “middle management”—professionals in between consultants and staff. For example, HfS heard about pockets of challenges in project management, communication, and competitive pricing for specialized skills. EXL needs to create leveraged models that mix capability and skill levels to create the right blend of experience and price.
- Multiple clients mentioned that they would like EXL to share more about its vision with them, not just for EXL as a whole and its analytics business, but also its strategy for growth and value creation within the engagements.
- EXL's brand awareness remains low-key, without as much interaction, for example, in social media and industry conferences.
- EXL shies away from challenging clients in the engagement. Clients mention an initial reluctance to say no and deliver bad news.

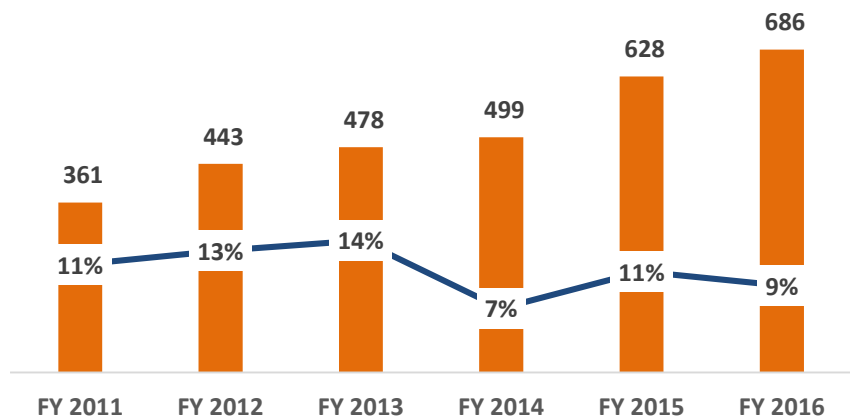
Clients*

EXL has a number of customers across public and private enterprises. The following is a quick representation of its clients mentioned in the public domain.

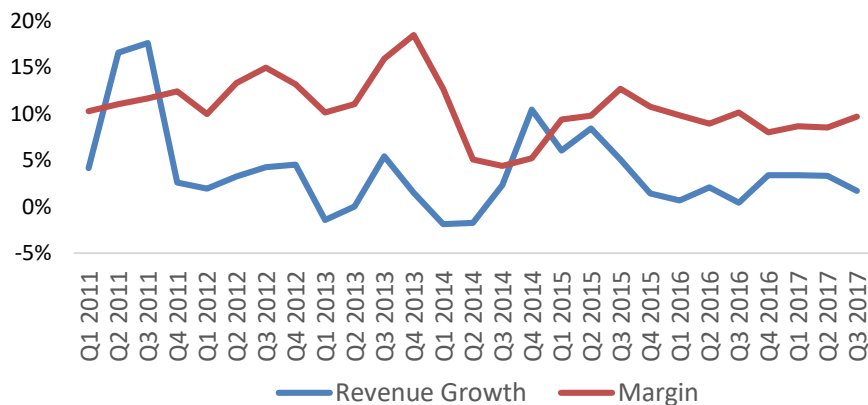


EXL Financial Performance

Revenue (US\$ Millions) Operating Margin % by Financial Year*

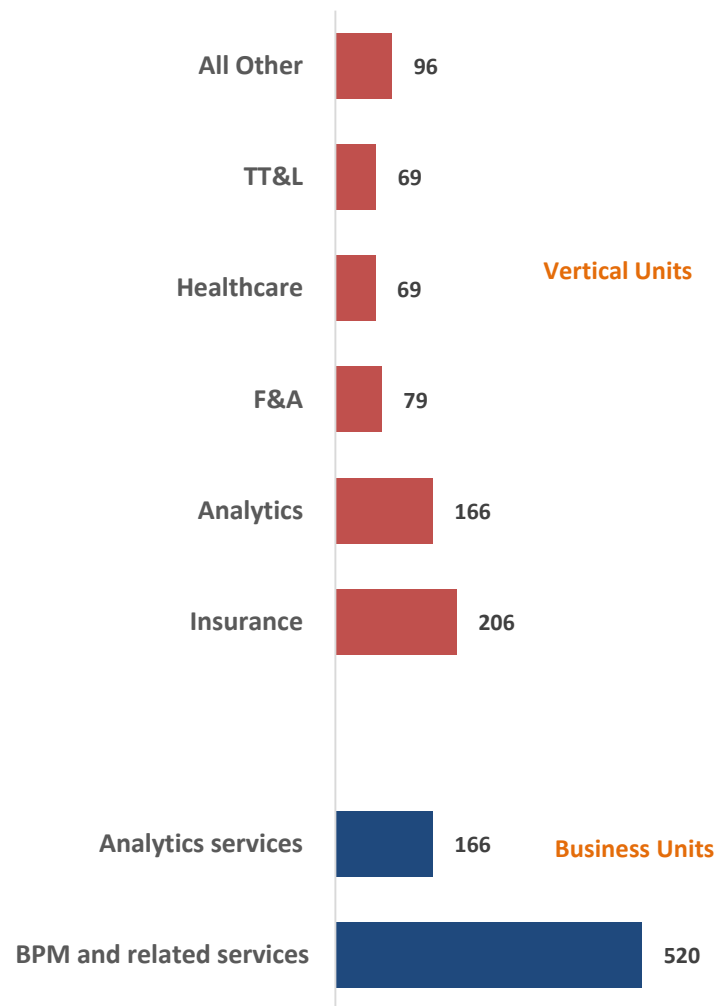


Growth vs. Operating Margin by Quarterly Intervals



Source: Hfs Research, Revenue Tracker, 2017
 *EXL Financial Year is from Jan to December

FY 2017 Revenue (US\$ Millions) by Business Divisions and Geography



Blueprint Performance



EXL Profiles From HfS Blueprints (2014–2017)

This report contains service provider profiles of EXL from 14 current HfS Blueprints covering business processing and engineering services.

EXL was seen by our HfS Analyst team already this year as:

An operations management and analytics company that partners with the option of platform-based and BPaaS services (Population Health and Care Management 2016 – Barbra McGann)

Leveraging strong consulting, account management, and strategic acquisitions to establish a presence in the front office (Contact Center Operation Services 2016 – Melissa O’Brien)

Collaborative partner for F&A transformation, with a CEO-driven As-a-Service strategy, effective partner-provided solution-set, and talent focus (F&A as a Service 2016– Phil Fersht, Barbra McGann and Hema Santosh)

Focusing on the transportation vertical, EXL is driving strong client growth with a combination of SCM operations management, consulting, and analytics delivery (SCM As-a-Service 2016 – Charles Sutherland)

A service provider that has all the right ingredients to follow the providers that have adopted Design Thinking and build it into its culture (Design Thinking in the As-a-Service Economy 2016 – Phil Fersht, Hema Santosh and Barbra McGann)

Blueprint Performance Summary

22 Blueprints from 2014 to 2017

Winner's Circle	High Performer	Execution Powerhouse	High Potential
<ol style="list-style-type: none"> 1. Healthcare-Business-Operations, 2017 2. Insurance As-A-Service, 2017 3. Finance and Accounting As-A-Service, 2017 4. Population Health and Care Management, 2016 5. Finance As-A-Service, 2016 6. BFS Analytics Services 7. Utilities BPO, 2015 8. Healthcare Payer Operations, 2015 9. Insurance As-A-Service, 2015 10. Population Health and Care Management Business, 2015 	<ol style="list-style-type: none"> 1. Utility Operations, 2017 2. Supply Chain Management As-A-Service 3. Design Thinking in The As-A-Service Economy 4. Enterprise Analytics Services, 2015 5. Progressive Finance & Accounting Business Process 	<ol style="list-style-type: none"> 1. Travel and Hospitality Customer Engagement Services, 2017 2. Contact Center Operations, 2016 	<ol style="list-style-type: none"> 1. Utility Operations, 2017 2. Supply Chain Management As-A-Service 3. Design Thinking in The As-A-Service Economy 4. Enterprise Analytics Services, 2015 5. Progressive Finance & Accounting Business Process



Winner's Circle

Advancing operations strategically with investments in talent, on-shore capability, digital technology, and analytics



Blueprint Leading Highlights

- Quality Account Management
- Collaborative Engagement
- Workforce Management and Talent Development
- Analytics
- Embedding Automation
- Business Process As-a-Service Options

Value Chain Coverage:

Claims Services
Member Services
Provider Services
Health & Care Management
Performance Mgmt & Operational Analytics
Admin: F&A, Legal

Strengths	Challenges
<ul style="list-style-type: none"> Outcomes-Based Health and Care Focus: EXL is focused on supporting operations for three priorities: (1) customer engagement, (2) care coordination, and (3) financial cost and clinical outcomes improvement with industry talent, analytics, robotics, and platforms. Because EXL wants to work in an integral way with clients in clinical operations as well as administrative, it has URAC and NCQA accreditation. To boost its digital "presence," EXL recently launched a Digital Experience Center to work with clients "hands-on" with digital technologies in problem solving activities. Analytics: A core strength of EXL, "definitely having impact" on HEDIS and Stars per client feedback. Also, "analysis is helping me optimize the work." Analytics can be embedded into service delivery or standalone, to address readmissions reduction, member sentiment analysis, behavioral models for HEDIS, medical cost, and more. Flexible Contracting: EXL offers a variety of contracting models including an analytics COE on FTE basis for client, fixed price and outcomes-based hybrid such as for a medical cost management solution with a platform and RNs, and PMPM subscriptions for a CareRadius client. Clients feel that it is high quality. Expanding On-Shore: EXL opened two delivery centers in the US and announced the acquisition of Health Integrated (expected to close early 2018) to expand its operations for service delivery relevant to government health funding plans. Healthcare Academy: HFS has heard from clients that this is a differentiator. EXL has a new focus on leadership development as well as clinical and upskilling, e.g., an RN traditionally focused on pre-cert or UM would be able to manage a case end to end. Also, EXL added a program to guide Philippine RNs to US RN licensure. Intelligent Automation and Platforms: CareRadius now has analytics capabilities for risk stratification, readmissions reduction, etc. and a SaaS option. EXL also uses its BluePRINT diagnostic to determine and address RPA interventions and machine learning such as with data analysis for medical review. 	<ul style="list-style-type: none"> Proactivity: HFS does hear interest from clients for the service provider to be more proactive about using leading indicators to identify issues and opportunities. Vision and Market Presence: EXL's brand seems low key, without as much interaction, for example, in social media and healthcare conferences, places it could connect with current and potential clients in relationship development. It needs a clear and simple overarching vision for its capability and services, to connect with the industry, and share thought leadership and credentials in obvious and digestible way. Seed From Other Industries: EXL could do more to tap into capability from other industries that are ahead of healthcare, such as service delivery and tools from insurance (customer acquisition) and retail (detect and prevent fraud). It has done this, e.g., from financial services (risk), but not at scale. Digital and Design: HFS is not hearing as much about training on digital technologies and design thinking that could also be helpful to EXL and client engagements in finding new ways to collaborate and raise the bar on innovation... to understand what clients are thinking about, per feedback. End to End Experience: EXL has lot of valuable components but HFS has yet to hear the full transformation story in a healthcare client. Hard to do without the clients collaborating this way, so there needs to be a cultural match around a problem to solve.

Acquisitions / Partnerships	Client Profile	Service Delivery Operations	Proprietary Technologies
<p>Acquisitions:</p> <ul style="list-style-type: none"> Health Integrated (expected to close 2018) on-shore care mgmt, behavioral health, government 2016: DataSource Consulting for data management, analytics; IQR Consulting marketing and risk analytics 2015: RPM consumer database, data set analytics 2014: Blue Slate analytics consulting 2012: Landacorp care management platform <p>Partnerships include:</p> <ul style="list-style-type: none"> Novu for consumer engagement Health Fidelity for risk adjustment using NLP Nuance for automated outreach to members Healthwise for patient education 	<ul style="list-style-type: none"> Mid-Market and Large Institutions including Providers, Payers, ACOs, Physician Practices 70 healthcare clients; 37 payer clients, including 6 of the top 10 US insurers. One in six Americans is serviced by EXL Care Management platforms across 13 clients <p>BPO Clients Include:</p> <ul style="list-style-type: none"> Major national US payers (3) Major national US life insurance and dental, vision, and employee benefit payer Large regional US payer Developer of operational and financial systems for providers 	<ul style="list-style-type: none"> Accreditation: URAC Health Utilization Management (Philippines), NCQA Utilization Management Healthcare Headcount: 3,300 total with 1,500+ nurses and doctors; 500 analytics professionals Specialties: Doctors, nurses, nutritionist, physical therapists, CPC coders, healthcare data scientists, care radius Consultants Center locations: Philippines (54%), India (44%), US (1%), Colombia (1%) 	<ul style="list-style-type: none"> CareRadius: Care management platform CareAffiliate: Care team tool for communication, authorization adjudication CareAdvise: Surveys, assessments, care plans CareConnect: Automates member outreach Data Unleashed: Semantic technology service DataMasq to create, test and develop with data that is free of PHI / PII MedConnectionSM medical claims summarization and analytics BPaaS for insurance carriers SmartWorks Management workforce management tool B-ProMPT work flow management, reporting





Winner's Circle

A BPaaS major leading with partnership-oriented culture

Blueprint Leading Highlights	Strengths	Challenges
<p>Execution</p> <ul style="list-style-type: none"> Quality of account management End-to-end process enablement Experience / depth in insurance segments Generating actionable data <p>Innovation</p> <ul style="list-style-type: none"> Vision for future Insurance As-a-Service Vision for accessible & actionable data and analytics Collaborative engagement 	<ul style="list-style-type: none"> Continually outstanding account management and partnership culture. We highlighted EXL's strength in managing and growing client relationships in our last Blueprint. EXL has maintained this capability, with clients mentioning that the service provider is "is extremely engaged and wants to understand our business and how to help vs. how to sell." Clients commended EXL's partnership culture and receptiveness, their "willingness to improve and be innovative, listen, and be creative." Acquisition streak continues to expand the range of work. EXL has expanded its service depth and breath with the addition of acquired entities such as Overland Solutions and LISS. New offerings such as audit identification, express surveys and salvage expand its P&C presence, while LISS improves EXL's customer acquisition and policy administration services and the TPA business as a whole. Its Digital Customer Acquisition solution is a compelling way to pull together assets and IP from internal and acquired entities. Expanding BPaaS adoption and business model. EXL has made investments and progress in adoption for BPaaS offerings on MedConnection Subsource, and insurance survey solutions. Almost half of its insurance revenues are now through transaction based and gain sharing arrangements. 	<ul style="list-style-type: none"> Further developing automation-based offerings. While EXL is partnering with clients to implement RPA and advanced analytics, clients feel that it is still fairly risk-averse in planning and staffing for these engagements. It will need to be more competitive in how it executes and prices its automation-based projects in the next two years. EXL is using AI techniques in its analytics tools, but has yet to make a foray into virtual agents. Global delivery network. EXL's operations management delivery capabilities are still concentrated in India, with smaller centers in the Philippines, South Africa and Colombia. It has more than 1,000 employees in the U.S. focused on its insurance BPaaS and technology solutions, U.S. presence, but clients expect greater scale for voice processes. Its new Digital Insurance Agency and other onshore expansions may help it catch up with the onshore footprint of other industry leaders. Integration and modernization. EXL has had a lot of "heavy lifting" to do as it integrated capabilities from its many acquired assets in insurance and analytics. Its LifePRO modernization effort will continue into next year, requiring considerable resources.

Relevant Acquisitions and Partnerships	Key Clients	Global Operations Centers	Proprietary Technologies
<ul style="list-style-type: none"> 2016: Acquired LISS, a provider of policy administration services 2016: Acquired Datasource to expand enterprise data management and architecture capabilities 2015: Acquired RPM direct to expand marketing operations and analytics for insurance and healthcare 2014: Acquired Overland Solutions Inc. to deepen presence in P&C insurance & add premium audits and property surveys <p>Partnerships with:</p> <ul style="list-style-type: none"> Hyland OnBase Automation Anywhere Blue Prism FraXses GBO Insur IQ Lewis and Ellis Virtusa Informatica 	<p>Client split by geography:</p> <ul style="list-style-type: none"> NA: 94% UK: 4% EMEA: 1% APAC: 1% <p>500+ insurance clients, including 36 operations management clients :</p> <ul style="list-style-type: none"> Leading UK insurance major Global Commercial Insurance Company Fortune 100 US Insurance Company Global Multiline P&C Carrier Fortune 100 US Investment & Insurance Company Fortune 500 US Large Investment & Insurance Company Fortune 100 US P&C Company Multi-line property and casualty insurer 	<ul style="list-style-type: none"> Headcount: 12,000+ FTEs Locations: Delivery breakdown by FTE percentage: <ul style="list-style-type: none"> US - 7% (NY, NJ, CA, CT, SC, VA, TX, IN, KS, ND) Europe - 3% (Czech Republic, Romania, Bulgaria) India - 71% (Noida, Pune, Bengaluru, Gurgaon, Jaipur, Hyderabad, Chennai) Philippines - 17% (Manila, Cebu, Alabang, Pasay) South Africa & Other geo - 2% 	<ul style="list-style-type: none"> LifePRO® and LifePRO® digital suite (life insurance policy administration and new business system) Subsource® (subrogation platform) MedConnection (medical claims summarization and analytics tool for P&C, workers comp and life insurers) New Salvage (platform for managing the automobile salvage process for total loss claims) Express Surveys (database platform for underwriting process) AuditStream (web portal to increase the completion rate of premium audits for commercial-lines carriers) Smart FNOL (scores claims for propensity of Fraud, Recovery, Early Settlement, Litigation, Size of Loss, etc. to guide claim handler decision) Aspen (Property Survey and risk control platform) LISS (web based policy administration platform) Process Guidance Tool CareRadius® - case management and utilization review platform

Execution Powerhouse

Developing a travel and hospitality portfolio with solid customer relationships and analytics



Blueprint Leading Highlights	Strengths	Challenges
<ul style="list-style-type: none"> Quality of customer relationships Service delivery execution Accessible and actionable data 	<ul style="list-style-type: none"> Solid customer relationships and execution: EXL's customers are very satisfied with their services and consider EXL a solid partner for delivery execution, especially in the areas of data and analytics. Helping clients make sense of their data: EXL's core strength is its analytics capability, which it has executed well for travel and hospitality clients. EXL's "EXLeratorTM" framework, which combines analytics, process expertise, RPA, and technology, has been a component of its capability in delivering analytics excellence. 	<ul style="list-style-type: none"> Growing the travel and hospitality client portfolio: EXL has one of the smaller practices of service providers profiled in this report; its challenge will be to take the success it has achieved in verticals like healthcare and insurance and replicate them in this domain. More industry-specific messaging and brand awareness initiatives will help EXL achieve growth in this area. EXL has indicated that there is an increased focus from top leadership on the travel and leisure vertical as a strategic growth area. Delivery distribution: EXL's heavy offshore delivery is a competitive disadvantage, as many travel and hospitality buyers are seeking diverse options for delivery and a blend of offshore and onshore talent. Greater CX impact: Many of EXL's services create efficiencies for clients, but there is less evidence that these services impact customer experience. A shift in focusing on outcomes could help the service provider carve out a strategy that addresses this; for example, showing how the "EXLeratorTM" framework and using automation and analytics can improve customer satisfaction.
Value Chain Services Coverage:		
Front Office Customer Experience Services		
Other Travel and Support Services		

Relevant Acquisitions and Partnerships	Key Clients	Global Operations Centers	Proprietary Technologies
<p>Acquisitions:</p> <ul style="list-style-type: none"> 2009: American Express Global Travel Service Center <p>Partnerships:</p> <ul style="list-style-type: none"> The International Air Transport Association (IATA) BlackLine Systems Net Suite Coupa Software Box-it Verint Varolii Automation Anywhere 	<p>Total number of travel and hospitality clients: 6</p> <p>Key clients:</p> <ul style="list-style-type: none"> Two leading global travel management companies 	<p>Headcount: Not disclosed</p> <p>Locations:</p> <ul style="list-style-type: none"> India: 65% Philippines: 26% Romania: 8% 	<ul style="list-style-type: none"> SWM Multi Channel Smart Work Management: Work intake efficiency, allocation, and tracking impacting service delivery in business operations Scanning and Imaging solution: Digitization of physical paper and automatic extraction of data for transaction processing B-ProMPT: Performance management by capturing operational metrics like login time, productivity, and utilization in real time Training Simulator: Simulate real-life transactions processing scenarios on client system as a part of process training Process Guidance Tool: Step-by-step process knowledge intervention in real time to facilitate faster closure of transaction Automated Predictive Dialer: Automated dialing on contact list to enhance customer contact ratio Complaints Management: End-to-end lifecycle view of a customer complaint from complaint logging, follow-up, handoffs, closure, and customer correspondence Survey Management: System to manage surveys for various business objectives including VoC and process improvement

As-a-Service Winner

Keeping a clear and simple approach to partnering with clients and third parties for F&A, with a customer-centric services view and using EXLerator Palette 2.0



Blueprint Leading Highlights	Strengths	Challenges	
<ul style="list-style-type: none"> • Collaborative Engagement • Use of Analytics to Drive Actionable Insights • Increases Value of Engagement Over time • Embedding Automation • Industry-Specific Capability <p>Value Chain Coverage:</p> <ul style="list-style-type: none"> Procure to Pay Order to Cash Record to Report Finance Transformation Analytics 	<ul style="list-style-type: none"> • Bridging to Future Finance: EXL is developing capability, partnerships, and on-demand platform-based solutions that work with clients today and prepare for tomorrow. Its core framework for operations design, transform, manage is the EXLerator Palette, the latest iteration of EXL’s collection of custom-developed IP, best practices, and co-development partnerships. Its go-forward intent is to work with clients from a customer-centric point of view and re-imagine process flows with client, EXL, and third-party capability to solve problems and impact business outcomes; it can be mapped or explored through the new Digital Experience Center. • Intelligent Automation with Analytics: Clients express a great respect for EXL’s RPA and analytics capability. EXL has a clear message about “advanced automation” that combined RPA and analytics. It has developed library of proprietary and partner based industrialized bots for F&A. EXL team members have the option of getting training and certification on Qlik and Tableau to support higher-end analytics work. • Investments in Talent Development: Recognizing that RPA, analytics, ERP optimization, communications, and data management can have a significant impact on its clients’ and its own business, EXL is rotating operations employees through consulting services, EXLerator, and RPA workstreams and vice versa. Executives can take advantage of partnerships with academic institutions like Kellogg and INSEAD. This investment should be welcomed by clients who have seen some gaps here. • Industry-Specific F&A: EXL has proven expertise and solutions specific to insurance, healthcare, banking, and capital markets, and will continue to develop depth and breadth in these areas, particularly around risk management, fraud, and customer relationship management. Examples: Digital CFO cockpit analysis for manufacturing and insurance, medical cost and care management analytics. 	<ul style="list-style-type: none"> • Middle Management Capacity: HfS has heard some challenges around account management and delivery associated with not having enough of the right level of staff and oversight. EXL needs to focus on developing and hiring middle managers who can provide day-to-day guidance and greater context and relevance for the RPA and analytics skills sets. It needs to be continue to build brand and career paths to attract the right capability at all levels in F&A. Clients would also like to see EXL onboard employees faster. • Business Case for Innovation: Tied to the previous point, EXL needs a strong contingency of leadership to work with clients on the “case for change” and implement it, and also understand the right level of engagement. HfS hears the general point of view that EXL has a credible and capable skills base has not always brought people who can put it in the right context for each stakeholder and the business outcomes it wants to impact. • Cognitive Story and Capability: EXL is a strong partner for F&A services today – for transformation that brings in RPA, industry-specific expertise, and analytics. However, the service provider has yet to clearly articulate a vision and value proposition for cognitive computing or blockchain in finance, which is a bit behind the other market leaders in this segment. 	
Acquisitions / Partnerships	Client Profile	Service Delivery Operations	Proprietary Technologies
<p>Acquisitions:</p> <ul style="list-style-type: none"> • Datasource Consulting (2016) • Blue Slate (2014) <p>Partnerships:</p> <ul style="list-style-type: none"> • Procure to Pay: Coupa, Tradeshift, Basware, Nvoicepay • Receivables: SunGard (GETPAID), Co-action • Record to Report: BlackLine • Data Visualization/Reporting: QlikSense, Tableau, Cognos • Analytics: SAS • RPA: Automation Anywhere, Blue Prism, UiPath, WorkFusion • Cloud ERP: NetSuite 	<p>Client profile: In healthcare and insurance, enterprise and mid-market clients; in other targeted industries, (e.g., manufacturing) mid-market.</p> <p>115+ F&A BPO clients, including a UK energy and home services provider and a multinational financial services company</p> <p>Target Industries:</p> <p>Insurance, healthcare, travel, transportation and logistics, manufacturing, media and communications, retail, business services, banking, utilities</p>	<p>Headcount: 7100+</p> <p>Delivery Centers (40):</p> <ul style="list-style-type: none"> • USA: (Texas, New Jersey, Virginia) • UK: (London) • LATAM: (Cali, Bogotá, Colombia) • Europe: (Sofia, Bulgaria; Cluj, Romania; Olomouc, Czech Republic) • India: (Noida, Gurgaon, Bangalore, Kochi, Pune, Jaipur) • Philippines (Manila, Cebu, Alabang) 	<ul style="list-style-type: none"> • EXLerator 2.0™ Palette: technology and analytical tools/point solutions to complement F&A platforms/ERPs: <ul style="list-style-type: none"> • CWS (Client workflow solutions) • SWM (Smart workflow manager) • Operations Analytics Interactive Dashboard • Operations Analytics – spend, ap exceptions, fraud, collections, MDM, pricing, forecasting • Industrialized F&A BOTS: VendorSetupBOT, ARCashAppBOT, Invoice Entry/matching BOT, JournalEntryBOT, xTractBOT, AggregatorBOT • CFO Digital Cockpit: Interactive drill down dashboard linking key financial, performance and operational metrics with NLG/NLP narrative

EXL High Performer

Business process service provider with a strong focus on utilities' customer care, analytics and back office processes



Blueprint Leading Highlights	Strengths	Challenges	
<ul style="list-style-type: none"> Vision for utility market evolution and services Quality of account management Models for co-innovation and collaboration Investments in utility plug-and-play digital services Programs for developing industry talent Use of partnerships, alliances, and joint ventures 	<ul style="list-style-type: none"> Focus on Plug-and-Play Digital Business Services: EXL's Operations As-a-Service (OaaS) framework offers a digital customer engagement platform containing omni-channel and self-service capabilities plus chatbots with embedded business rules, integrations with markets, and external systems and data quality requirements. This, combined with EXL's proprietary Customer Outcomes and Retention model (CORE) builds customer centricity into utility operations and is delivered on an outcome-based commercial model that includes the platform and processing capability. Fit with Smaller Utilities: Clients cite EXL's flexibility and collaborative approach as key ingredients for a strategic partnership and an agile engagement, able to deal with changing directions and priorities. The focus is on reducing capital expenditure and lean, intelligent processes paired with a willingness to invest in the relationship cater to small and midmarket utilities' needs. Strength in Distribution, Metering, and Retail: EXL concentrates clearly on midstream and downstream utilities with services for back-office processes like metering, customer care, contact center, and debt collection. Analytics: EXL has built significant analytics capabilities and helps utility clients with customer analytics, marketing analytics, operational and contact center analytics, digital analytics, and data quality and MI reporting. These services help clients reduce churn, inefficient customer contact, and cost to serve via loyalty programs. Flexibility in Delivery and Commercial Models: During 2017, EXL is moving all of its services to an outcome-based commercial model, away from effort-based FTE models. This fits well with the uptake of As-a-Service delivery and commercial models by utilities. EXL offers clients a roadmap to take the engagement in 12-15 months from FTE or transaction-based pricing to outcome-based pricing. 	<ul style="list-style-type: none"> Challenging the Status Quo: Clients show an eagerness for EXL to challenge them more in the engagement. They mention an initial reluctance to say no and deliver bad news. More candid and challenging communications would deepen the partnership and set the stage for more thought leadership, innovation, and value, clients tell us. Geographic Expansion: Most EXL clients are in North America and the United Kingdom. While the utility markets in those geographies are in a massive transformation and provide EXL with many opportunities, a more diversified footprint would benefit the utility practice and its clients, especially as many European utilities are ahead of the transformation curve compared to US and UK utilities. Delivery Capabilities Outside India and the UK: Of EXL's delivery centers, 99% are in India; a small number of utility professionals are based in the UK. Further growth of the utility practice has to be underpinned by more and stronger delivery capabilities in targeted markets like the United States, Asia Pacific, and Europe. 	
<p>Value Chain Services Maturity</p> <ul style="list-style-type: none"> Upstream Midstream Downstream Cross Value Chain BPO and Engineering Cross Value Chain ITO 			
Relevant Acquisitions and Partnerships	Key Clients	Global Operations Centers	Proprietary Technologies
<p>Acquisitions: Datasource (2016), IQR Consulting (2016), LISS Systems (2016), RPM Direct (2015), Blue Slate (2014)</p> <p>Partnerships: Oracle, Microsoft, Utilibill, Smart Utility Systems, EXL, EG Solutions, Genesys, Automation Anywhere, BluePrism, ELEXON, SAP Ariba, Coupa, SunGard, GETPAID, BlackLine, Hyland</p>	<p>Eight clients including:</p> <ul style="list-style-type: none"> British Gas Leading UK meter operator European energy solution services company Leading US bottle-less water cooler service company North American provider of engineered environmental solutions Large Canadian municipal electricity distribution company Leading US retail provider of electricity, natural gas, and home services 	<p>Headcount: 3000 utility professionals</p> <p>Locations:</p> <ul style="list-style-type: none"> UK: 1% India: 99% (Noida, Pune, Gurgaon, Bangalore) 	<ul style="list-style-type: none"> Unbilled Manager Complaints 360° IMR Validation Tool Bill Shock Management Smart Work Management Call Center Genie B-ProMPT PLANAssist AssistME AssessME Business Positioning System OP Invoice ValueStream

Early but proven use of Design Thinking to better engage and collaborate for business outcome-focused engagement with clients



Blueprint Leading Highlights	Strengths	Challenges
<ul style="list-style-type: none"> Design Thinking Sponsorship and Commitment Formal Method and Tools Actual Solutions Derived Using Design Thinking – Internal and Clients Use of Insights and Analytics with Design Thinking 	<ul style="list-style-type: none"> Embracing the Key Principles: EXL’s Design Thinking methodology is based on three main pillars: Re-imagining operations from the end user perspective, Solutioning to focus on enhancing end-user experience and Collaborating with clients to facilitate testing of solutions in real world scenarios. EXL has spent the past year infusing Design Thinking principles and support into its overall value delivery framework, EXLerator. Talent Development Underway: EXL is now conducting classroom trainings on Design Thinking in 2017 and also providing ongoing coaching. The principles of Design Thinking will also be addressed in online elearning with the broader EXL organization to reinforce the approach. They are interviewing and identifying associates who can be further trained as “problem solvers.” Complementary Analytics Strength: EXL has invested in developing a client-recognized capability in analytics, which it has enhanced with the Blue Slate consulting, RPM data set, and DataSource Consulting data management capability. Having access to and being able to analyze relevant data sets is a useful component for innovation and highly relevant to Design Thinking. Client Experience in Business Operations: EXL executives walked HfS through a “customer experience journey” that involved starting with understanding the challenges of the people involved in the end-to-end work processes, at the client and at EXL. It ended up changing the scope and nature of the client engagement to be more trusting and collaborative, and identifying the need for different resources for service delivery. As they move to operationalize it, the team has used cuts of data to analyze user acceptance and performance targets. Business Outcome Orientation: EXL is already working with a focus on helping clients define and deliver against business outcomes (e.g., reduction in cycle time for insurer) as well as process outcomes (e.g., reduction in overall suspense amount for the insurer). The process enables the results, and they are looking to measure both instead of one or the other. Defining what business outcomes to impact helps define the destination and ways to know the client and EXL are on the right path, giving a framework for design-led innovation. 	<ul style="list-style-type: none"> From Tools and Methods to Cultural Shift: EXL has done the work to bring Design Thinking tools into its methods and is implementing a training program for account leaders. Now it is in the process of truly making Design Thinking principles a part of the way it operates. Building Greater Awareness with Clients: While EXL executives shared client stories, clients were not available to share the story themselves. EXL is on a path to building greater awareness within its client base and its own organization of the value of a design-led approach to innovation and the changes to governance. Relatively Early in Adoption: EXL recently engaged a third party to provide a training program for leadership as it starts down the path of incorporating Design Thinking into its work. To move forward, it is focusing on: (1) product development (e.g., CareRadius) with the new CTO, (2) consulting-led / transformation, and (3) clients where the operations (BPM) relationship and engagement is in a shift.

Use of Design Thinking in:

Internal Operations
Client – Digital Transformation
Client – Business Operations

Acquisitions and Partnerships	Representative Clients	Service Delivery Operations	Frameworks / Tools
<p>Acquisitions: Not Applicable</p> <p>Partnerships include:</p> <ul style="list-style-type: none"> Midas Learning 	<ul style="list-style-type: none"> Pharmaceuticals company Insurance company 	<ul style="list-style-type: none"> 100% of C-Suite trained in Design Thinking via the EXLerator™ framework; new leaders are experienced Design Thinkers (e.g., CTO) 60% of Top and Middle Management and 5% of delivery staff has had training <p>Innovation / Design Centers:</p> <ul style="list-style-type: none"> Studios in India, Philippines, U.S. 	<ul style="list-style-type: none"> 5-point value delivery framework Business EXLerator Framework®

EXL

High Potential

An Analytics Specialist Making Its Way into Automation-Led Operations Consulting



Blueprint Leading Highlights	Strengths	Challenges
<ul style="list-style-type: none"> Progress on Embedding Intelligent Automation Response to Regulatory Requirements Roadmap for the Deployment of Intelligent Automation 	<ul style="list-style-type: none"> Risk Analytics Expertise. EXL has a niche capability in the BFS market in risk analytics. Its advanced analytics portfolio includes model creation, validation, MI reporting, data management, and a significant focus on model monitoring. For a global bank, EXL set up a risk analytics CoE of 250 members, who deliver credit risk services. Executing on Automation in Capital Markets Operations. Automation technologies are a strategic investment for EXL, and it has made headway in bringing robotics to capital markets operations. In the last few months, EXL has worked with a global bank to streamline its KYC process. EXL designed global standards, brought functional expertise to break out distinct resources for processes, and implemented robotics to eliminate inefficiencies, shrinking the turnaround time by 50–60%. The solution has been deployed at 15 global locations, with 450 users thus far. Consolidating Capabilities to Create Point Solutions. Overall, EXL is tying together different capabilities from within the company to create solutions, such as the KYC framework. EXL’s leadership and senior operations team has consulting experience and risk advisory backgrounds, which, when combined with analytics and automation, is helping it develop point solutions and models for capital markets. 	<ul style="list-style-type: none"> Coverage Across Core Operations. EXL has limited experience across core processing functions within capital markets, such as securities clearing and settlement. Rapidly Bringing IP-led Solutions to Market. EXL has shared a roadmap for commercializing its IP-led solutions in risk analytics, such as automated model monitoring toolkits. However, some competitors have made more headway with launching similar solutions within the last year. EXL will need to accelerate the pace for bringing these IP-led offerings to the market. Niche Provider with Significant Competition in Consulting. As EXL starts to play more in the risk operations consulting and advisory space, it will find itself competing more and more with specialized advisory firms and larger competitors that have acquired such capabilities. EXL will need to establish its own operations-led advisory brand in this growing market.

Offering Maturity

Front office

Middle office

Back office

Relevant Acquisitions/Partnerships	Key Clients	Global Operations	Proprietary Technologies/Platforms
<p>Acquisitions:</p> <ul style="list-style-type: none"> 2016, Datasource Consulting, for enterprise data management and data architecture 2016, IQR Consulting Inc. for marketing and risk analytics for super-regional banks and credit unions 2015, RPM for consumer data and marketing analytics in insurance and healthcare 2014, Blue Slate, a provider of business process management and technology solutions <p>Partnerships:</p> <ul style="list-style-type: none"> Automation Anywhere, UiPath, and Blue Prism for robotics process automation NominoData for negative news MetricStream, a GRC application 	<p>9 capital markets operations clients, including:</p> <ul style="list-style-type: none"> 2 leading US-based global financial services firms Leading global bank 2 leading US global investment banks Rising US-based global investment bank and institutional securities firm Leading UK-based global bank US regional bank US-based multinational investment management firm 	<p>Headcount: 350–400</p> <p>Locations:</p> <ul style="list-style-type: none"> North America (New York City, NY, US; Jersey City, NJ, US) – 51% UK (London) – 8% India (Delhi NCR, Mumbai, Bangalore) – 34% Singapore – 7% 	<ul style="list-style-type: none"> FR 2900 zero balance automation tool – Tool for reporting zero balance and suspense account balances on the FR2900 SMART – Statistical model assessment and review tool KYC/AML robotics automation solutions Client legal name remediation tool (RPA based) – Automation of client legal name remediation FATCA withholding and reporting enterprise application – To automate determination and creation of withholding reports from several customer and transaction data sources Intra-day liquidity monitoring tool – Basel III IDLM monitoring and reporting

Global pure-play BPO provider, taking challenger positioning, blending Design Thinking with strong analytics and machine learning focus



Blueprint Leading Highlights	Strengths	Challenges
<ul style="list-style-type: none"> Leverages design thinking Provides solutions for actionable and accessible data in IA Works with clients to guarantee outcomes Increases value for clients over the contract lifecycle 	<ul style="list-style-type: none"> Challenger positioning: EXL is still early in the journey of what they term Advanced Automation and Challenger positioning and in the journey of what they term Advanced Automation and Robotics (AA&R). However, the company sees automation as an opportunity to create new solutions to solve client challenges and is embracing the notion of revenue cannibalization with view of gaining more work from clients. For new logo pursuits, EXL is willing to take on risk where competitors are either cautious or where some of the tool providers demand high fees just got a PoC. Move to consultative approach: EXL sees opportunities to leverage data, advanced analytics, and process automation to offer innovative ways of doing business, not just RPA task automation and pure cost takeout. A key asset is its EXLerator Framework, which enables a consistent and repeatable methodology for evaluating end-to-end operations and developing customized roadmaps. In addition, it is offering digital consulting services, through the acquisition of Blue Slate. Their Digital BluePRINT leverages RPA, BPM, data, and analytics within EXL's Cognitive Corporation framework. In particular, the integration of RPA into BPM has yielded significant results. Design Thinking: EXL executives describe Design Thinking as in their DNA with a view to reimagine processes, and have integrated it in the EXLerator Framework 2.0. Differentiation through Analytics: Analytics is a strong differentiator for EXL. It is pushing domain-specific embedded analytics to transform real-time operational decision-making and management into advance customer relationships to more outcome-based models. However, EXL has yet to embrace a more industrialized way of operations service delivery where broader sets of often unstructured data are being integrated and blended with broader IA capabilities. 	<ul style="list-style-type: none"> Overarching thought leadership and vision: Clients are positive and supportive about the way EXL is building out IA capabilities. However, they would encourage EXL to provide a vision of the end goal they should be working toward. Similarly, they would urge guidance on the broader impact on innovation, as well as talent. Embracing cognitive computing: Although EXL is early in its AA&R journey, its peers are ahead in building out broader AI and cognitive capabilities. This could be mitigated by providing thought leadership on these topics. Impact of revenue model: Although EXL is bold in embracing revenue cannibalization and outcome-based models, it has not yet demonstrated that it is not hurting the bottom line in the long term. Investments in marketing: EXL is not yet seen as a major player in IA. Marketing and stakeholder engagement could help to mitigate those concerns and the above stated client feedback.
PLAN		
IMPLEMENT		
MANAGE		
OPERATE		
OPTIMIZE		

Relevant Acquisitions/Partnerships	Key Clients	Operations	Technology Tools and Platforms
<p>Acquisitions include:</p> <ul style="list-style-type: none"> Blue Slate (2014) LISS (2016) <p>Partnerships include:</p> <ul style="list-style-type: none"> Appian Automation Anywhere Blue Prism Celaton Hyland Nuance Microsoft (Cognitive Framework) UiPath Open source technology frameworks in UI, ML, NLP, and analytics 	<p>EXL works with clients across industry sectors:</p> <ul style="list-style-type: none"> Life insurance major Group health insurance provider Large US conglomerate Major utilities provider Large travel provider Leading online retail company <p>In addition, EXL Consulting has designed and implemented custom RPA and BPM integrations to optimize healthcare claims in healthcare payers' internal operations.</p>	<p>Geographic footprint and scale of the Intelligent Automation practice</p> <p>EXL's AA&R initiative is driven directly by the CIO's office with executive sponsorship from the AA&R Steering Council represented by the CEO, COO, CFO, CTO, and CIO. AA&R CoE is headquartered in Noida with a global footprint. Around 100 FTEs are engaged in solutioning, development, and delivery of AA&R.</p> <p>In addition, 50 FTEs from EXL Consulting are engaged in projects and solutioning using the Digital Blueprint framework to design and implement advanced automation in clients' business operations.</p> <p>EXL Analytics' 2,100 data scientists utilize advanced analytics techniques, such as machine learning in analytics services and in the development of proprietary analytics applications.</p>	<p>Analytics products with machine learning:</p> <ul style="list-style-type: none"> Fraud Analytics solution: Helps to score claims for propensity fraud, litigation, size of loss, etc., at the FNOL stage to reduce claims indemnity spend. Smart Meter: Insight generation for managing utilities consumption. Hospital Readmission predicts the likelihood of 3-day readmission for in-patient visits. <p>Digitally reimagined business processes:</p> <ul style="list-style-type: none"> Digitized Claims FNOL: Digitized process incorporating mobility enabled frontend, embedded analytics for fraud detection and machine learning for exceptions processing. Accounts Payable Exceptions Processing: Invoice processing solution with embedded machine learning-based exception management and virtual assistants for assisting agents in assisted processing, leading to a faster payables cycle.



Blueprint Leading Highlights	Strengths	Challenges	
<ul style="list-style-type: none"> Vision for PHCM and Services Use of Analytics to Drive Insights Quality of Delivery Investing in Future Talent & Technology Plug & Play Digital Business Services 	<ul style="list-style-type: none"> Total Population Health Management Focus: EXL has the whole package—transformational consulting, clinical/non clinical resources, analytics tools, platform and partners, all targeted to help clients “delay the onset of avoidable disease and health-related issues.” The service provider is still small enough to be nimble, and increasingly integrated across the business, to create a competitive challenge to its bigger peers in the services industry. Meaningful Analytics: Clients consistently across last year’s report and this one, provide positive feedback on EXL’s capability to partner for analytics in healthcare such as in revenue risk adjustment, predictive analytics on admissions, and first call resolution. EXL’s acquisitions of Blue Slate for consulting and RPM for data and tools fit well into its portfolio; and it is exploring how to bring the RPM data sets into healthcare risk management and analytics to help healthcare organizations better stratify and manage populations. Agility and Engagement: Clients note that EXL is not shy about providing feedback, coming forward with relevant suggestions and ideas on current projects. Hfs heard examples provided by clients regarding its ability to scale up quickly and credibly with appropriate resources. EXL is considered very responsive and strong on root cause analysis when there is any challenge or issue. We also hear clients credit employee engagement efforts because attrition seems lower than competitors. CareRadius Roadmap: EXL is building out CareRadius to integrate data and information from multiple sources to help care teams better manage populations. The roadmap includes developing functionality and integrating partner systems and content. Over 50% of the current install base is on an upgrade path; and EXL is also in discussions with new clients to go straight to SaaS/ BPaaS (with clinical/non clinical staff trained on the platform). Clients appreciate the “one stop” for care management, sharing positive feedback on EXL’s technical resources and support. 	<ul style="list-style-type: none"> Scale a Leveraged Model: While quality of overall experience with EXL is high, it lacks “middle management” – professionals in between consultants and staff. For example, Hfs heard about pockets of challenges in project management, communication, and competitive pricing for specialized skills. EXL needs to create leveraged models that mix capability and skill levels to create the right blend of experience and price. Consumer-Centric Feedback / Measurement: Consumer and provider satisfaction is increasingly central and critical to the success and growth of healthcare organizations. We did hear some feedback from clients that would like to see further development on customer and provider satisfaction metrics. Positioning the Ecosystem: EXL has defined and integrated a thoughtful partner ecosystem into its platform to help drive patient engagement and increase health outcomes. Clients do not yet seem to be ready to take advantage of this capability; it’s an opportunity for EXL to consider and collaborate with clients on what is the business outcome of tapping in this extended capability. Design Thinking could be helpful here. Platform Usability: The comprehensiveness of the care management suite is appreciated, but clients are looking for increased user friendliness to make it easier to drive take up, and usability—fewer steps, for example, to complete an activity in the system. EXL has a technology roadmap so it will be key to be interactive and transparent on updates and timing. 	
<p>Value Chain Coverage:</p> <ul style="list-style-type: none"> Population Data Mgmt / Analytics Consumer Engagement Utilization Management Care Coordination Performance Mgmt & Operational Analytics 			
Acquisitions / Partnerships	Client Profile	Service Delivery Operations	Proprietary Technologies
<p>Acquisitions:</p> <ul style="list-style-type: none"> RPM (2015): consumer database and data set analytics capabilities Blue Slate (2014): analytics consulting Landacorp (2012): care management platform <p>Partnerships (integrated with CareRadius)</p> <ul style="list-style-type: none"> Sisense for identification and stratification of members, supports health campaigns Nuance for automated outreach to members Healthwise for patient education Novu for consumer engagement Health Fidelity for risk adjustment using natural language processing 	<p>Population Health and Care Management Business Process Outsourcing Services Clients: < 10</p> <ul style="list-style-type: none"> Care Management Platform Clients: 15 + Total Healthcare Clients: 70+ Client Profile: Mid-Market and Large Institutions including Providers, Payers, ACOs, Physician Practices 39+ payers (7 of the 10 leading payers; 14 Blues plans), 3 Medicare administrative contractors, Leading hospital networks, Integrated delivery systems, revenue cycle management companies, Medical monitoring service company 	<ul style="list-style-type: none"> Population Health and Care Management offerings since 2012 Accreditation: URAC Health Utilization Management (Philippines) Healthcare Headcount: 2,500+ Specialties: Doctors, Nurses, Nutritionist, Physical Therapists, CPC Coders, Healthcare Data Scientists (400), Care Radius Platform Consultants Center locations: Philippines (56%), India (36%), US (7%), Colombia (1%) 	<ul style="list-style-type: none"> CareRadius®: care management platform CareAffiliate®: care team tool for communication, authorization adjudication, collaborative care CareAdvise®: surveys, assessments, care plans CareConnect®: automates member outreach Data Unleashed: semantic technology service DataMasq™ to create, test and develop with data that is free of PHI / PII

Execution Powerhouse

Leveraging strong consulting, account management and strategic acquisitions to establish a presence in the front office



Blueprint Leading Highlights	Strengths	Challenges
<ul style="list-style-type: none"> Account Management Incorporates Feedback Quality of Service Delivery Pricing Flexibility and Investment Vertical Expertise Generating Actionable Data 	<ul style="list-style-type: none"> Account Management and Service Quality: Clients were very complimentary about account management's ability to incorporate feedback into operations and the quality of service delivery in meeting SLA's and KPI's. EXL's go to market is led by industry domain sales and account management personnel, and the service provider supplements its market-facing personnel with contact center specialists who engage with prospective clients to create domain-centric solutions for their customer care requirements. Consulting Capabilities: EXL offers back office and contact center optimization services through its consulting and analytics practices. These practices engage to help clients improve the performance of their contact center operations to lower cost and improve customer satisfaction. The consulting staff are also incented to create long-term operations management relationships for contact center services as a byproduct from their consulting assignments. Strategic Acquisitions: EXL's acquisitions of RPM Direct and Blue Slate should help the service provider expand its industry expertise and consulting capabilities. 	<ul style="list-style-type: none"> Omnichannel Investments: Clients gave EXL low scores for omnichannel investment. While the service provider has previously focused on the traditional channels, EXL has stated that it is building out more multi-channel capabilities. In particular, EXL now is in the process of setting up services that will enable interaction via social media. Delivery Location Diversification: For voice interaction management services, which is not the bulk of EXL's contact center work, Indian delivery is not optimal for meeting many client demands. EXL's growing Philippines presence supports voice interactions in several industries, and its new centers in South Africa and Colombia support voice interactions in English and Spanish for insurance and healthcare payers. As it expands its interaction management services, EXL will need to focus on digital interactions or look to additional delivery locations to meet voice demand. Differentiation with Analytics: EXL's acquisition of Blue Slate was a complementary move, now the service provider needs to figure out a way to get scale out of it. EXL is still more of a back office provider; bringing together the Blue Slate capabilities can help the service provider expand further into front office. It's even more important for players who don't have a brand for contact center to reinforce the using data wisely and capitalize on analytics capabilities. EXL should use this new opportunity to bring together a more valuable contact center capability.

Value Chain Services Coverage:

Interaction Management	
Traditional Channels	Digital Channels
Back Office Contact Center Support	
Consulting	Analytics

Relevant Acquisitions/Partnerships	Client Profile	Service Delivery Operations	Proprietary Technologies
<p>Acquisitions:</p> <ul style="list-style-type: none"> RPM Direct, 2015. Consumer data analysis focused on marketing solutions and new business generation for the insurance industry. Overland Solutions, 2014, underwriting and premium audit support services. Blue Slate, 2014. Technology and business consulting for operations transformation. <p>Partnerships:</p> <ul style="list-style-type: none"> Novu for Consumer-Centric Health Management Joint venture with Carvajal Tecnologia y Servicios, to support Spanish language nearshore contact center services in Bogotá and Cali, Colombia. 	<p>Total number of clients: 390+</p> <p>Key verticals include: Insurance (P&C and Life), Healthcare, Banking & Financial Services, Transportation & Logistics, Travel & Leisure, Utilities</p> <p>Key clients include:</p> <ul style="list-style-type: none"> Large personal lines Property and Casualty insurer Leading US healthcare payer Global travel services company Leading UK utility provider 	<ul style="list-style-type: none"> Contact Center Operations Headcount: 22,156 Contact center delivery locations: 28 Delivery headcount by region: <ul style="list-style-type: none"> India, 72% Philippines, 21% Europe (Bulgaria, Romania, Czech Republic), 3% US, 3% UK, < 1% New centers opened in Colombia and South Africa, 2015 Total Home Agent Headcount: N/A Languages supported: 35+ 	<ul style="list-style-type: none"> Smart Work Management: workforce optimization. <i>Operations Process Guidance</i>: advanced process knowledge guidance tool. B-ProMPT™: process management and performance tracking platform. <i>EXLerator</i>®: Proprietary methodology that combines analytics, benchmarking, domain and process expertise, advanced automation and robotics (RPA) to drive business value.

Collaborative partner for F&A transformation, with a CEO-driven As-a-Service strategy, effective partner-provided solution-set and talent focus



Blueprint Leading Highlights	Strengths	Challenges	
<ul style="list-style-type: none"> Collaborative Engagement Delivering Industry Specific Solutions Solutions for Accessible & Actionable Data Strategic Use of Partnerships Investing in Future Talent & Technology Vision for Finance As-a-Service 	<ul style="list-style-type: none"> Client Partnership Mentality: HfS hears consistent messages from EXL clients that the firm treats its engagements as genuine partnerships. The service provider provides a nice balance of transactional level work and analytics capability for added value in the relationship over time, and gets to know its clients' business. As one client described it, "there is lots of value to unlock." CEO-Driven As-a-Service Strategy: EXL is solidly on the path to As-a-Service with messaging, investments, and strategic partnerships to enable outcome-focused engagements. It is leading with "how to transform operations" and then how to work with existing ERP systems, and use <i>EXLerator™</i>, RPA, and BPaaS and talent, and partners like Coupa, to do it. CEO Rohit Kapoor fully understands the As-a-Service model and has committed to make the necessary investments to position his firm get ahead of the curve. Proven Toolset in EXLerator: One of the few services providers for which clients consistently talk about the value of a toolset provided. Clients cite EXLerator for addressing process improvement, and driving standards for higher quality "in the numbers." EXL is adding support for RPA and analytics. Talent Development: Clients describe how EXL has a strong recruitment focus. Many consider retention of valued staff is higher with EXL than other providers, as its people enjoy working for the firm with its partnership culture. Contracting Flexibility: EXL has shown success in shifting engagements to variable and hybrid pricing models, combining FTE, transaction and volume. Focus on Financial Services and Insurance to Build the New Model: EXL has strong domain expertise in these industries where there is not a readily available skill-set, helping the firm pilot its evolving As-a-Service capabilities. 	<ul style="list-style-type: none"> Ensure the Vision is Executed in the Service Delivery: While clients appreciate the continuous upswing in value over the length of the engagement, the world is moving at a faster pace, and clients expect EXL to move faster too. The leadership team receives strong marks from clients for thought leadership and direction, and wants to see this pace and engagement reflected more broadly in the delivery. Automation Maturity: Routine automation is built into EXLerator, and there are pilots underway for RPA, with a new strategic partnership with Automation Anywhere just announced. HfS is looking for EXL to work with the relationships built with its client base to deploy RPA more extensively at pace over the next year. Get Better at Identifying Issues: "They could be quicker to identify issues" which is something we hear about many of the service providers. EXL needs to change the "yes" culture and speak up when their account leads do not understand what the client is requesting. This challenge is not unique to EXL, but it is an area where HfS believes EXL can differentiate itself, especially as the firm has proven its ability to partner with clients. There is a foundation of trust to leverage. Broader Recognition for Transformation Capability: Although EXL has a number of impressive use cases, it is not well known for transformation capability. The consulting team has been steadily growing since 2009 and is a well-kept secret. 	
<p>Value Chain Coverage:</p> <p>Procure to Pay</p>			
<p>Order to Cash</p>			
<p>Record to Report</p>			
<p>Finance Transformation</p>			
<p>Analytics</p>			
Acquisitions / Partnerships	Client Profile	Service Delivery Operations	Proprietary Technologies
<p>Acquisitions:</p> <ul style="list-style-type: none"> Blue Slate (2014) <p>Partnerships:</p> <ul style="list-style-type: none"> Coupa Tradeshift Ariba Nvoicepay SunGard (GETPAID) BlackLine ValueStream Automation: Blue Prism Automation Anywhere Finance and audit firm for F&A Training NetSuite for cloud based ERP offering Virtusa Corporation for ITO offering 	<p>Depth in insurance segment, from mid-market to large customers, increasingly targeting "Finance-As-a-Service" with industry specific capability</p> <p>130 F&A BPO clients, including a UK Energy and Home Services Provider and a Multinational Financial Services Company</p> <p>Target Industries:</p> <p>Insurance, Healthcare, Utilities, Banking, Transportation, Logistics, Manufacturing, Business Services</p>	<p>Headcount: 7900+</p> <p>Delivery Centers (35):</p> <ul style="list-style-type: none"> USA – 5%: (Texas, New Jersey, Virginia) UK (London) Latin America - 1% (Cali, Bogotá, Colombia) Europe – 4% (Sofia, Bulgaria; Cluj, Romania; Olomouc, Czech Republic) India – 90% (Noida, Gurgaon, Bangalore, Kochi, Pune, India) Philippines (Manila) 	<ul style="list-style-type: none"> <i>Business EXLerator Framework™</i> <i>BOTs to Automate:</i> e.g. F&A SetupAssistBOT, PaymentPostingBOT, InvoiceRefundBOT, MacroBOT, RulesBOT, xTractBOT <i>Financial Dashboards:</i> reporting framework for C-level audiences <i>Profitability & Variance Analysis:</i> to identify opportunities for improvement and cost optimization <i>Pricing Analytics</i> <i>Collections Analytics</i>



Blueprint Leading Highlights	Strengths	Challenges
<ul style="list-style-type: none"> Quality of Account Management Experience in Delivering Industry Specific Solutions Vision for and Investments in the Evolution of Industry-Specific Analytics Solutions Fostering a Culture of Creative Problem Finding and More Meaningful Analysis Talent Acquisition And Development Framework 	<ul style="list-style-type: none"> Domain Expertise In BFS Credit Risk & Regulations: Significant analytics domain experience by working with some of the biggest BFS clients across model development, validation, risk, portfolio insights, fraud, regulatory, and marketing engagements. EXL has one of the most mature risk and regulatory support analytics practices in the industry. Traction With Diverse BFS Clients And Engagements: Clients have been awarding EXL more advanced analytics work in the last year because of the quality, flexibility, and experience it has demonstrated over the years. EXL has also found differentiated success in partnering with smaller companies in the financial innovation space, to bring enterprise-level risk and lending analytical capabilities to these growing start-ups. Building An Engaging Culture For Analytics Practice: EXL has invested in a new center in Gurgaon, India for its analytics practice that “feels more like a Google lounge than an operations center” to promote a collaborative learning environment. It has also started to host hackathons and other events to encourage more innovative analytics product to serve the information/data/analytical needs of its clients. 	<ul style="list-style-type: none"> Focusing On Lower-End Data And Reporting Efficiencies: Clients are satisfied with EXL’s performance on high-end analytics, but feel it needs to invest in improving the delivery and cost efficiencies of more foundational services in data management and reporting. There are numerous opportunities for automating routine tasks, MIS, and documentation activities. With its new automation partnerships built into its <i>EXLerator</i>® framework, we expect EXL to address this in 2016. Sharing Overall Vision With Clients: Multiple clients mentioned that they would like EXL to share more about its vision with them, not just for EXL as a whole and its analytics business, but also its strategy for growth and value creation within the engagements. Taking RPM To Non-Insurance EXL Clientele: EXL inherited a wealth of data and IP assets with the RPM acquisition. Its success in getting more out of RPM is only going to be limited by its imagination with the assets’ applicability beyond insurance. HfS observes early initiatives by EXL in creating new data products and solutions for BFS clients, but expect this to be a continued effort in the next 23 years.
<p>BFS Analytics Services Offering Maturity:</p>		
<p>Customers & Marketing</p>		
<p>Fraud, Risk, & Compliance</p>		
<p>Portfolio & Credit Risk</p>		

Relevant Acquisitions/Partnerships	Client Profile	Service Delivery Operations	Proprietary Technologies
<p>Acquisitions:</p> <ul style="list-style-type: none"> RPM Direct (2015), marketing analytics solution provider for RPM360Database and in-house analytical platforms Blue Slate Solutions (2014), management and technology consultancy specializing in business process and analytic transformation <p>Partnerships:</p> <ul style="list-style-type: none"> Acxiom, Equifax, Experian, TransUnion, MicroStrategy, Hadoop, SAS, Tableau, and Alteryx Automation Anywhere 	<ul style="list-style-type: none"> 5 of the leading 10 US banks 2 of the leading 3 UK banks 2 of the largest banks in Asia Pacific 2 leading global investment banking firms 2 leading US regional banks Leading wealth management companies Leading US credit bureau Leading global transaction processor 	<p>BFS Analytics Services Headcount: 850–900</p> <p>Delivery Center Locations:</p> <ul style="list-style-type: none"> North America (New York, New Jersey, California, Delaware) - 15–20% UK (London) - <5% India (Noida, Gurgaon, Mumbai, Bangalore) - 75–80% Other APAC (Singapore) - <5% 	<ul style="list-style-type: none"> <i>MicroAnalytix</i>®: Analytics methodology and platform that simplifies and automates the ability to prepare data, create and reduce variables, and deliver and validate models <i>SMART Tool</i>: Web-based capability for end-to-end model monitoring and governance, including validation dashboard, KPI computation workflow, document repository, email alerts, and model-level access <i>Business EXLerator Framework</i>®: Combines benchmarking, analytics, business process automation, Lean Six Sigma, and technology to benefit clients <i>RPM Methodology and 360Database</i>: Integrates individual credit and demographic data into a database of 250+ million consumers to enable a highly targeted marketing approach with discrete multivariate regression scoring models <i>Financial Spreading</i>: For BFS commercial lending <i>Text Analytics</i>: Performs analysis to transform unstructured text to data entities

High Performer

Focusing on the transportation vertical, EXL is driving strong client growth with a combination of SCM operations management, consulting and analytics delivery



Blueprint Leading Highlights	Strengths	Challenges
<ul style="list-style-type: none"> Actual Delivery Of Services Experience In Delivering Industry-Specific Solutions Solutions For Accessible And Actionable Data 	<ul style="list-style-type: none"> Focus On The Transportation Sector: EXL is pursuing a focused SCM BPO strategy that serves clients in transportation vertical segments, including trucking, rail, ocean carriers, shippers and logistics providers (3PL and 4PL). Clients have commented on how EXL has increased the value of the operational analytics services over the last several years and has become much more consultative in the relationship. Clients are also impressed by the domain knowledge of segment leaders and of operational teams in the centers although clients would like to see a deeper North American presence in 2016 and beyond. Solutions For Accessible and Actionable Data: EXL's continued investment in building analytical talent and tools is especially noticeable in SCM. EXL provided a robust set of analytics delivery cases backed up by client references and market feedback that this is a significant driver of overall client value in SCM. Typically, EXL delivers them in a project-based model that identifies the operational issues and then provides process and tool solutions to address the client issue on a sustained basis. Sustained Delivery Improvement: EXL clients of SCM services continue to highlight to HfS the attention to ongoing improvement that is integral to the way EXL delivers. Longstanding EXL clients particularly note that the level impact of the operational and business insight provided has become much greater over the last few years as analytics is more integrated in all operations. 	<ul style="list-style-type: none"> IoT For Transportation Solution Integration: The emergence of IoT-based solutions for transportation (e.g., connected trucks, connected container ships) is just beginning. HfS believes that EXL should be aggressively partnering with systems providers in this market so that the SCM BPO processes and solutions of the future are closely integrated with these developments. This has not been a significant component of EXL briefings and offering overviews to date. Build Capability On-Shore: With EXL's focus on delivering analytics-based business insights, HfS believes that EXL will likely need to invest in additional on-site talent. Several other SCM BPO service providers have been more aggressive in building this talent pool, and HfS believes that this will be important if EXL wants to continue to build higher-value relationships.
Order Management		
Inventory Management		
Manufacturing Management		
Transportation Management		
Aftermarket Services		
Master Data Management		
Sustainability Services		

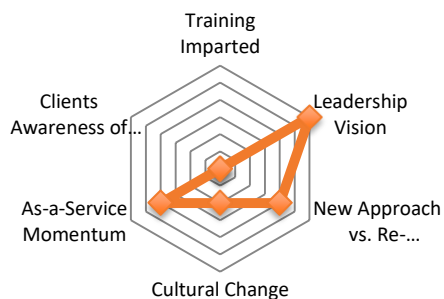
Relevant Acquisitions / Partnerships	Key Clients	Global Operations	Proprietary Technologies / Platforms
<p>Acquisitions:</p> <ul style="list-style-type: none"> N/A <p>Partnerships:</p> <ul style="list-style-type: none"> SAP GT Nexus Ariba SunGard GETPAID BlackLine Coupa Automation Anywhere 	<p>56+ SCM BPO clients, including:</p> <ul style="list-style-type: none"> 2 of the 10 Largest Truck Load Carriers 2 of the 5 Largest Less Than Truck Load Carriers Global Ocean Carrier Multinational Agriculture and Food Supplier Leading Heavy Equipment Manufacturer 	<p>Locations: 2,000+ SCM BPO FTEs across 35 BPO delivery locations globally with teams primarily based in:</p> <ul style="list-style-type: none"> Continental Europe India Philippines 	<ul style="list-style-type: none"> REV-Lifttm: algorithms to reduce revenue leakage and provide insights into errors and the revenue impact together with reporting dashboards Freight Invoice Payments System: workflow for managing freight that integrates customers, carriers and service providers in a rate engine AssistMe: agent knowledge management tool BProMPT: performance management system

High Performer

A service provider that has all the right ingredients to follow the providers that have adopted Design Thinking and build it into its culture



Design Thinking Adoption



Strengths

- **Aspiring to Design Thinking:** EXL has keenly observed what it takes to adopt Design Thinking and understands the value of adopting it. The service provider believes that with the heritage in research and industry expertise in customer-oriented industries like insurance and healthcare, it has the right foundation.
- **EXLerator™ Framework Foundation:** EXL launched its transformation framework and toolset two years ago, with a more goal centric than the problem centric approach. It started EXL on the journey to approach problem solving on the premise of empathy, a cornerstone of Design Thinking. The EXLerator™ Lab invites clients to see how prototyped solutions could work; that's an integral part of the Design Thinking process.
- **Application to Internal Work:** Interest, capability, and momentum are building as EXL is applying Design Thinking to internal work, including sale and marketing initiatives.
- **Forward Thinking Focus on As-a-Service:** CEO Rohit Kapoor has been highly vocal and active in shifting service delivery to a BPaaS driven model and converting increasing revenues away from FTE-based pricing. This is especially relevant in insurance, healthcare and F&A areas where EXL is strong.

Challenges

- **Getting Started Outside the Walls:** EXL has applied Design Thinking within its organization to build capability and test for results. Now it needs to launch the approach with clients. EXL, did not want to risk Design Thinking to become a business as usual and therefore embarked first on an inward journey.
- **Investing in Resources:** As EXL starts working with clients using Design Thinking, it will need to have supporting investments for proofs of concept and skilled leaders to facilitate and participate.
- **Size and Scale:** While 2015 was a rebound year for EXL after a difficult 2014, with the firm showing healthy revenue and profitability increases. EXL could benefit from added depth in areas such as technology enablement and process consulting, which could present some resource constraints embedding Design Thinking across a multitude of its engagements. HfS hopes to see a further year of sustained growth in 2016 that can help to fund investments in the As-a-Service model to back up the CEO's ambitions. Its commitment and culture to promote LEAN principles and its investments in the EXLerator™ framework should stand the firm in good stead to build real capability around Design Thinking.

HfS POV

HfS believes time is right for EXL to leverage Design Thinking with clients. However it needs to be driven from the the top with a prominent CxO sponsoring, investing, and accountable for the adoption and use of it.

Design Thinking Leadership

- Leadership Team:
- Henry Schweppe – Client/ Front End
 - Nikhil Anand, Shruti Jain - Solutions and Solutioning framework
 - Baljinder Singh – CTO
 - Pavan Bagai - COO

Acquisitions and Partnerships

Not Applicable

Representative Clients

- To date has been an internal journey.

Capabilities/Tools

- Pre-sales and sales teams are trained

Winner's Circle

A partner willing to invest and evolve with utilities clients toward smart operations



Blueprint Leading Highlights	Strengths	Challenges	
<p>EXECUTION</p> <ul style="list-style-type: none"> • Experience Delivering Industry Specific Solutions • How Service Providers Engage Customers and Develop Communities <p>INNOVATION</p> <ul style="list-style-type: none"> • Integrated Analytics and Insights Into Delivery • Vision for Industry-specific Processes 	<ul style="list-style-type: none"> • Focus and Commitment Toward Growing the Utilities Vertical: HfS observes a high level of management zeal and investment in this vertical. Clients appreciate EXL's depth of understanding of utility-specific processes. This has been gained over the last decade primarily in the UK, and EXL is now willing to expand globally. EXL won three new deals in the last year, with a significant focus on delivering analytics alongside BPO services. • SMART Services Experience: EXL offers consultative support on process changes due to smart meter deployments and has a progressive set of offerings in this space. This includes experience running energy efficiency and consumption analytics for smart meters with a UK client. • The First Adopters of The EXLerator™ Framework in Utilities Recognize the Value: EXL has demonstrated how its EXLerator™ framework brings value to BPO engagements using domain and process expertise, best practices, analytics and RPA. In utilities, it has brought these technology levers into 40% of BPO operations so far. Clients rely on EXL's analytics and lean six sigma driven improvements in particular. For example, to solve a churn problem, EXL built an analytics model to predict customer attrition for early and later churn resulting in 18% lower churn rate by targeting the predicted customers. • Partnership Approach to Engagements: Clients cite that EXL is a willing partner to drive internal change in operations. Its account managers understand the cultural and industry-specific nuances of the utilities environment, and are able to guide first time outsourcing engagements to success. 	<ul style="list-style-type: none"> • Introducing RPA In Utilities Operations: While a diagnostic has been conducted, EXL has yet to implement automation tools such as RPA broadly to utilities operations. Its EXLerator™ framework rollout has so far focused on analytics interventions for process optimization and improving customer outcomes. It will have to prioritize its automation projects in the next year to go beyond insurance and finance and accounting into growth verticals like utilities where clients are eager to streamline operations. • Less Focus on Pricing Flexibility: Clients report that EXL is more cautious about moving to aggressive commercial models compared to some of its competitors. • Concentrated Delivery Presence in APAC: EXL needs to bolster its onshore BPO support in the UK as almost all of its service delivery is out of India as of today. Utilities clients need access to global delivery locations, while retaining the option to execute regulation-sensitive work onshore. 	
<p>Path to As-a-Service</p> <p>Journey so far has focused on Accessible and Actionable Data through EXLerator™ framework. EXL needs to further leverage elements such as Intelligent Automation and Plug and Play Digital Services.</p>			
Relevant Acquisitions and Partnerships	Key Clients	Global Operations	Proprietary Technologies
<p>Acquisitions:</p> <ul style="list-style-type: none"> • 2015: RPM Direct for B2C marketing analytics • 2014: Blue Slate for process management consulting, business process optimization, data integration and analytics <p>Partnerships:</p> <ul style="list-style-type: none"> • EXL for SAP certification • ELEXON to develop expertise in utilities industry and regulatory guidelines • Billing and CRM: SAP, Great Plains, Billing and Customer Management • Source-to-Pay (S2P): Ariba , Coupa • O-2-C Solution: SunGard GETPAID • Reconciliation Solution: BlackLine 	<ul style="list-style-type: none"> • UK Energy and Home Service Provider • Leading UK Energy Provider • Leading UK Meter Operator 	<ul style="list-style-type: none"> • Utilities BPO operations for 10 years • Headcount: 3,387 FTEs • Locations: <ul style="list-style-type: none"> • India (Gurgaon, Noida, Pune) – 99% • UK (London) – 1% 	<ul style="list-style-type: none"> • EXL Receivables Management: resolution of unbilled accounts • EXL Complaints Management System: managing complaints to meet regulatory requirements • EXL Customer Account Management: provides overall customer view • EXL Warrant Planning: application for effective planning and utilization of field staff for executing warrants • EXL Imbalance Solution: reconciliation methodology to identify, recover and remove portfolio mismatch • EXL Smart Work Management: right shore work management tool • EXL End to End SMART Metering Framework: analytics tool for the SMART journey



Blueprint Leading Highlights
<ul style="list-style-type: none"> • Delivery Performance • Flexible Pricing to Meet Client Needs • Investing in Future Talent and Technology • Use of Partnerships and Acquisitions • Innovation and Vision
Path to As-a-Service
<p>Making clear investments in talent, technology, and process optimization, focusing on underlying need of the overall healthcare marketplace—consumer driven healthcare transformation. Unique strength in application of analytics in healthcare, leveraging a heritage especially in financial services, and modernizing it with the Blue Slate data federation capability and frameworks, the MedConnectionSM platform, and complemented by clinicians.</p>

Strengths	Challenges
<ul style="list-style-type: none"> • Leverage from experience in financial services for fraud, waste, abuse & consumerism in healthcare: EXL's strategy is to consider the consumer, not just the patient, and leverage capability from its financial services experience into healthcare. The service provider considers, for example, how referrals and point of care financial transactions are similar to point of service activities in the credit card industry. Proven results from financial services skilled professionals in healthcare client work. • Powerful analytics tools and capability; early movement into artificial intelligence: Clients describe EXL as a good partner for analytics and clinical support over many projects and years, to both define and address business challenges. Example: Star rating improvement by combining Blue Slate analytics capability and framework, MedConnectionSM, and clinical staff. More of this work is trending towards being outcomes-based, and increasing use of machine learning and early trials with artificial intelligence (e.g., for medical review). • Healthcare Academy and Customer Experience Academy for talent development: EXL's program gets resources to the level of capability to deliver what is needed—thoughtful and strong on-boarding and on-going training, per client feedback. Academies cover clinical, cultural, process and policy; also on CareRadius[®] for BPaaS. • Advancing and modernizing platform-based health and care management: Ongoing investments in technology solutions including CareRadius[®] and CareAffiliate[®] to address market changes, such as addressing HEDIS requirements, expanding provider connectivity, automating member outreach, and increasing speed and simplicity. 	<ul style="list-style-type: none"> • Ability to address the “big picture” with continuous improvement and innovation: While EXL is considered excellent at addressing a specific scenario or issue (with EXLeratorTM), clients are not seeing as much effort and impact across processes. • Drive community and momentum for a shared value proposition: EXL's vision for healthcare and business services has yet to take hold in the market. Clients describe it as emerging. EXL has an opportunity to build on early steps to network its clients and share its vision in creative but clear and simple ways, bringing together the CareRadius[®] platform, the analytics expertise, and the clinical capability. • Build the business case for use and upgrade of technology: As the healthcare industry is slow to move on technology and upgrades, clients believe EXL could help articulate the business value for moving to new versions. • Set expectations appropriately: Client feedback described EXL as sometimes so eager to demonstrate value, they “overpromise” and are then challenged to deliver at that level of expectation.

Relevant Acquisitions / Partnerships	Client Profile	Service Delivery Operations	Proprietary Technologies
<ul style="list-style-type: none"> • 2015, Acquired RPM Direct, analytics & data for health & insurance • 2014, Acquired Blue Slate for process management consulting including healthcare analytics expertise and frameworks • 2012, Acquired Landacorp for care management platform; now offered also as BPaaS <p>Partnerships:</p> <ul style="list-style-type: none"> • Novu for consumer engagement & rewards programs • McKesson for InterQual • Nuance for digitized customer service • MCG for workflow 	<ul style="list-style-type: none"> • BPO: Yes • Platform Based BPO: Yes • BPaaS: Yes <p>Including:</p> <ul style="list-style-type: none"> - Payers - Healthcare Providers - ACOs - Government Agencies & Administrative Contractors - Physician Practices - Revenue Cycle Management Company - Medical Device Distributors 	<ul style="list-style-type: none"> • Healthcare Payer Operations for >5 years • (healthcare analytics services to a major healthcare payer since 2003) • Healthcare Headcount: 2,100 • Specialties: Doctors, Nurses, Healthcare Data Scientists (400), Care Radius Platform Consultants • Center Locations: Philippines (56%), India (37%), U.S. (7%), Colombia 	<ul style="list-style-type: none"> • Business EXLerator FrameworkTM • CareRadius[®] care management as platform or BPaaS • CareAffiliate[®]: Provider and care team communications and management tool • CareFind[®]: Identification and stratification engine • CareConnect[®] with Nuance: automated communications • MedConnectionSM enables health plans to receive, abstract, and report medical data from medical documentation • Data Unleashed semantic technology service • DataMasqTM to create, test and develop with data that is completely free of PHI / PII

Winner's Circle



A comprehensive insurance solution provider with an aggressive BPaaS strategy



Blueprint Leading Highlights	Strengths	Challenges	
<p>Execution</p> <ul style="list-style-type: none"> Quality of account management Delivery of policy serving Delivery of claims administration Flexible pricing models to meet customer needs Flexibility to deliver both end-to-end solutions and point solutions <p>Innovation</p> <ul style="list-style-type: none"> Concrete plans to deliver value beyond cost and investment in future capabilities Vision for insurance As-a-Service capabilities Vision for insurance-specific solutions 	<ul style="list-style-type: none"> Insurance at the heart of investment and vertical strategy, more so than any other service providers. EXL manages end-to-end operations across multiple insurance lines and has an aggressive insurance M&A strategy to further differentiate its insurance BPO and BPaaS offerings by adding modern business platform enablement, middle office services and advanced analytics. Vertical expertise helping EXL address complex work. Clients note the high level of industry knowledge that EXL's team demonstrates, with industry hires, a productivity enhancing insurance academy and platform capabilities. Clients have a high degree of confidence in EXL's ability to do high end analytics, actuarial and legal support, fairly complex and end to end processes. Software assets to move away from legacy BPO model. EXL has acquired and developed critical software assets valued by insurance clients for managing core administration. Notably, its LifePRO[®], MedConnectionSM and Subsource[®] platforms form a strong value proposition for L&A and P&C insurers for BPaaS and transaction- and outcome-based engagements. Willingness to invest and partner with clients. Multiple clients commended EXL's company culture as being partnership oriented and thoughtful, with an organized approach and consistency to proactively look at opportunities to invest and create value for existing operations. 	<ul style="list-style-type: none"> Next generation technology enablement. Clients cite that while EXL has technology enablers for its BPO operations through its EXLeratorTM framework, they want the service provider to be crisper with its execution plan on forward thinking technologies such as robotic process automation where competitors with technology backgrounds are getting more traction. In the next year, EXL has to step up to drive change internally on capability development and messaging to clients. Concentrated delivery presence in APAC. EXL needs to bolster its onshore BPO support in the U.S. and continental Europe as it primarily delivers out of India and the Philippines. It has recently opened a new center in South Africa to support an insurance client, which it will need to scale. EXL's U.S. presence has been bolstered by its OSI acquisition, but it is focused on middle office processes rather than BPO support as of now. Consistent community interactions. EXL needs to extend its community efforts to include clients brought into the fold from recent acquisitions. It performed well on insurance community building for more established BPO clients. 	
Relevant Acquisitions and Partnerships	Key Clients	Global Operations Centers	Proprietary Technologies
<ul style="list-style-type: none"> 2015: Acquired RPM Direct to expand marketing operations and analytics for insurance and healthcare 2014: Acquired Overland Solutions Inc. to deepen presence in P&C insurance & add premium audits and property surveys 2012: Acquired Landacorp and the CareRadius[®] healthcare payer platform <p>Partnerships with:</p> <ul style="list-style-type: none"> Hyland for mailroom capture, legal abstraction and rules engine Verint for voice and call recording Avaya for contact center provisioning SunGard for GETPAID platform Course sponsor relationship with AICPCU and LOMA for EXL insurance education 	<ul style="list-style-type: none"> Fortune 100 U.S. insurance company Fortune 100 U.S. investment & insurance company Large European banking, financial services and insurance major Top 20 insurance and financial services company Global commercial P&C insurance and re-insurance company Fortune 100 U.S. life insurance company Fortune 1000 insurance company U.S. insurance and financial services major Global multi-line P&C insurance carrier 	<ul style="list-style-type: none"> Headcount: 8,775 FTEs Locations: Majority of delivery out of India (Noida, Gurgaon , Pune) 2,000+ FTEs in U.S. (Kansas City, MO; Salt Lake City, UT; Hartford, CT; Jersey City, NJ; Indianapolis, IN; Columbia, SC; Richmond, VA; Worcester, MA) Some presence in the Philippines (Manila, Cebu) Small presence in Romania (Cluj) and Bulgaria (Sofia) Cape Town, South Africa center opened in July 2015 	<ul style="list-style-type: none"> EXL LifePRO[®] (North American life insurance policy administration system) EXL Subsource[®] (subrogation platform) MedConnectionSM (medical claims summarization and analytics tool for P&C , workers comp and life insurers) RPM Methodology and 360Database (Integrates individual credit and demographic data into database of 250+ million consumers to enable highly targeted marketing) AuditStream (web portal to increase the completion rate of premium audits for commercial-lines carriers) Smart FNOL (scores claims for propensity of Fraud, Recovery, Early Settlement, Litigation, Size of Loss, etc. to guide claim handler decision)

Winner's Circle

Leveraging platform-based business services, analytics and relevant depth in financial services into healthcare.



Business Process Service Maturity:

Consumer / Patient Engagement	Utilization Management	Care Coordination	Performance Mgmt. & Analytics
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Blueprint Leading Highlights	Strengths	Challenges
<ul style="list-style-type: none"> Scale + Breadth of Services Investing in Future Talent and Technology Use of Partnerships and Acquisitions Innovation and Vision 	<ul style="list-style-type: none"> Thoughtful, creative account team and cross company leverage. EXL brings together resources from across the service provider, connecting the dots very well. Proven results from financial services skilled professionals in healthcare client work, bringing best practices from an industry that is steps ahead of healthcare in addressing consumerism. Builds shared culture and community. Willing to bring EXL staff onto client site for whiteboarding and joint sessions, creating a team effort on objectives. Hosts cross industry advisory session annually for clients; 2014 was attended by representatives from 100% of care management clients. Analytical approach to work. Very transparent on work effort and proactively looking for opportunities to show insights. Considered “a good pairing” for internal staff on analytics and clinical support. Finished in top 2 of 1,600+ in Heritage Health Foundation competition on predicting inpatient admissions. Healthcare Academy and Customer Experience Academy credited for getting resources to the level of capability to deliver what is needed – thoughtful and strong on-boarding and technology and cultural training, per client feedback. Academies cover lifecycle of nursing management, including clinical, cultural, process and policy; also on Care Radius for BPaaS. Comprehensive platform for health and care management through LandaCorp acquisition, and investments in updates. 	<ul style="list-style-type: none"> Competitively attract and retain talent in constrained market. As EXL does not have as widely recognized a brand as the competition, clients say they have seen some fall out/ attrition, and EXL has an opportunity to be creative and differentiate in this space. Presentation of vision. EXL’s vision for healthcare and business services has yet to take hold in the market, and clients do not see the service provider as visionary. EXL needs to get more creative and aggressive in bringing forward the vision. “Overeager to please.” Client feedback described EXL as sometimes so eager to demonstrate value, the service provider jumps forward or sets expectations too high.

Relevant Acquisitions / Partnerships	Client Profile	Service Delivery Operations	Proprietary Technologies
<ul style="list-style-type: none"> 2014, acquired Blue Slate for process management consulting including healthcare expertise 2012, acquired Landacorp for care management platform; now offered also as BPaaS 	<p>Population Health and Care Mgmt Business Process Services Clients: < 10</p> <ul style="list-style-type: none"> Care Management Platform Clients: 15 + Care management platform and / or business process services for 50 million members across 19 payer and 50+ provider clients; Total Healthcare Clients: 70+ Client Profile: Mid-Market and Large Institutions including Providers, Payers, ACOs, Physician Practices 	<ul style="list-style-type: none"> Population Health and Care Management offerings started in 2012. Accreditation: URAC Core; (URAC Utilization Management in process) Healthcare Headcount: 2,100 Specialties: Doctors, Nurses, Nutritionist, Physical Therapists, CPC Coders, Healthcare Data Scientists (400), Care Radius Platform Consultants Center locations: Philippines (56%), India (37%), U.S. (7%), Colombia 	<ul style="list-style-type: none"> Care Radius® care management as platform or BPaaS; supports Star Rating and HCC Risk Adjustment Factor Improvements CareAffiliate: Provider and care team tool for communication, pre cert authorization submission and adjudication, collaborative care planning and gaps in care CareFind: Identification and stratification engine. linking to pre-defined workflows MedConnection enables health plans to receive, abstract, and report medical data from medical documentation Data Unleashed semantic technology service DataMasq™ to create, test and develop with data that is completely free of PHI / PII

High Performer

A fast growing vertical specialist in BFSI and healthcare with an eye on high-value analytics



Blueprint Leading Highlights	Strengths	Challenges
<ul style="list-style-type: none"> • Experience Delivering Industry-Specific Solutions • How Service Providers Engage Customers and Develop Communities • Concrete Plans to Deliver Value Beyond Cost and Investment into Future Capabilities • How Service Providers Incorporate Customer Feedback 	<ul style="list-style-type: none"> • Building on strengths as a vertical specialist. A wide range of analytics solutions for core operational areas in insurance, healthcare and financial services. Horizontal analytics offerings are primarily in marketing and customer analytics, with growing capabilities in credit risk, operations, and finance and investment analytics. Clients commended EXL's ability to bring them market-leading vertical trends and solutions. • Growth and commitment to analytics. Analytics business has grown 40% in 2014 according to the EXL with new and existing clients, and there is an aggressive hiring plan in place. • Acquired assets for depth in industries. EXL's recent acquisitions of OSI and RPM Direct bring onshore analytics delivery presence, domain experience in insurance and healthcare, and access to valuable consumer data for predictive modeling and forecasting in risk and marketing functions. • Pricing flexibility and investments into engagements. Clients gave multiple examples of how EXL is a proactive and willing partner and invests in capabilities alongside clients – hiring/placing specialized talent, shadowing and up-skilling resources at no cost, adding new delivery locations, and researching new efficiency gains and improvements. 	<ul style="list-style-type: none"> • Emerging technology expertise. EXL's breadth of experience and partnerships, alliances and joint innovation capabilities in the emerging technology space (including open source big data vendors, data visualization majors, etc.) is not as evolved as its competitors. Clients mentioned that this perception inhibited work across the analytics value chain for which they consider EXL. The company will have to work hard to demonstrate its growing technology-enabled analytics portfolio to the market. EXL's recent acquisition of RPM Direct is a step in this direction, particularly in insurance, healthcare and financial services. • Horizontal analytics service areas. Larger EXL competitors have led their analytics practices with an integrated approach, with several boasting mature horizontal-specific embedded analytics capabilities. As it plays catch-up in this area, EXL will need to decide whether it wants to continue a separate analytics business as a vertical specialist or focus more on integrating its BPO and analytics offerings. • Attracting data scientists. Although EXL has established a strong position as a key recruiter in India's IITs, the messaging for working at EXL versus the competition must be developed more strongly in the US where the company's brand as an employer is still evolving.

Relevant Acquisitions	Key Clients	Global Operations Centers	Proprietary Technologies
<ul style="list-style-type: none"> • 2015, RPM Direct to expand marketing operations and analytics for insurance and healthcare • 2014, Blue Slate Solutions, adding BPM technology and cognitive analytical framework • 2014, Overland Solutions Inc. to deepen presence in P&C insurance market, adding data from premium audits and property surveys • 2012, Landacorp for a healthcare payer platform 	<ul style="list-style-type: none"> • Leading UK Retail Service Provider • 12 of top 20 Global Banks • 3 of Top 5 Credit Card Firms • Fortune 50 US Financial Firms • Global Commercial P&C Insurance & Reinsurance Co. • Fortune Top 20 Insurance & Financial Services Co. • Top 5 Global Insurance Co. • Leading Global Energy Co. • Leading Cable & Network provider in US • US's Leading provider of Information Services • Leading Provider of Transportation & Logistics Services • Leading Global Payments, Network and Travel Co. • Leading Provider of Transportation & Logistics Services 	<ul style="list-style-type: none"> • Headcount: 1,500 FTEs • India - 75-80% • United States - 10-15% • Europe - 7-9% • Singapore and APAC - 2-5% 	<ul style="list-style-type: none"> • MicroAnalytix – analytics methodology and platform that simplifies and automates ability to prepare data, create and reduce variables, and deliver and validate models • Transplant Analytics and Reporting – web-based reporting and monitoring of transplant programs and to make decisions to control performance of facilities/surgeons/provider • Financial Spreading – for BFS commercial lending • MedConnection: Medical claims summarization and analytics tool that delivers 5x ROI • RPM Methodology and 360Database: Integrates individual credit and demographic data into database of 250+ million consumers to enable highly targeted marketing approach with discrete multivariate regression scoring models

High Performer

Vertical depth in F&A BPO with respected focus on banking and insurance industry, a real client nimbleness, and developing analytics prowess



Procure to Pay	Strengths	Challenges
Order to Cash	<ul style="list-style-type: none"> • Scale, skill, and flexibility a real plus in the As-a-Service Economy. Many clients cite EXL's willingness to go the extra mile to take on an engagement, no matter how small. Frequently mentioned are the firm's ability to take on some degree of risk and adapt to the client culture, the nature of work, and flexibility with the contract terms. Hfs likes the fact EXL has the scale to be competitive with large size deals and also focus on smaller strategic client additions. • EXLerator process improvement methodology has real "meat on the bones." Hfs has received strong positive feedback from clients on EXL's methodology to encompass automation, analytics, and process improvement benchmarks. • Strong client relationship management. Impressive community focus among clients and prospects provides EXL with frequent client events and seminars to drive the business pipeline and the EXL value proposition. • Depth and proven expertise in financial services and insurance sector. Hfs views these industries as high-potential investment opportunities for future F&A BPO expansion, and EXL's strong market and domain expertise in this sector puts them in a strong position to broaden F&A footprints. • Ability to provide North America, near shore, or onsite delivery solutions. In 2014, EXL added a new facility in Dallas primarily for F&A; this further enhances EXL's value for customers, offering multiple delivery options per clients' needs. • Aggressive investments in sales and marketing capability. Has invested in high-caliber marketing and influencer relations team. Recent appointment of Henry Schwappe as President, Global Business and Marketing, brings a Tier 1 services experience from IBM that will result in larger size engagements for EXL, especially in the F&A and financial services markets. • Analytics offerings. These have been gaining traction, especially with flexibility to take on smaller engagements. Several strategic deals have been noted in the financial services sector. 	<ul style="list-style-type: none"> • Recent change in sales leadership. The departure of Bill Bloom in late 2014, who had done an impressive job adding rigor and structure to the firm's accounts management & sales capability, has been a blow. However, Henry Schwappe has recently joined EXL from IBM and brings a true F&A and financial services background to the firm that his predecessor did not have. • Global footprint of F&A services is adequate, but could be stronger. Falls slightly short in comparison to the leading providers in the market. To rival to the Winner's Circle competitors, EXL will need to develop greater scale and depth in delivery to service larger clients and deals. Almost 75% of delivery is still centered in India. However, new onshore US investments and mooted LatAm investments in the future will help push EXL into the top tier for global delivery. Moreover, we would also like to see greater depth added to UK and Continental European delivery, but are seeing active steps being made to address this. • Need a stronger perception and recognition of broader F&A depth and experience beyond financial services and insurance. EXL has made concerted efforts to broaden F&A across other industries, with a host of clients in industry verticals such as professional services, media, transportation, and logistics. However, the perception of EXL as an insurance and financial services domain specialist has sometimes harmed its positioning as a shortlist candidate during client down-selections when competing with top-tier service providers for new client wins outside of financial services and insurance.
Record to Report		
Finance Transformation		
Blueprint Leading Highlights <ul style="list-style-type: none"> • Execution <ul style="list-style-type: none"> • Flexibility to deliver both end-to-end and point solutions • Engage customers and develop communities • Innovation <ul style="list-style-type: none"> • Vision for industry-specific solutions • Integration of technology into business process 		

Client Industry Verticals	Key Clients	Global Operations Centers	Technology
<ul style="list-style-type: none"> • Banking • Healthcare • Insurance • Retail • Business Services • Manufacturing • Media & Communication 	<p>30 F&A BPO clients across North America, Europe, and APAC</p> <ul style="list-style-type: none"> • American Express • Centrica PLC (British Gas) 	<ul style="list-style-type: none"> • Headcount: 7,950 FTEs • India: Noida, Gurgaon, Pune, Kochi, Bangalore • Philippines: Manila • Bulgaria: Sofia • Romania: Cluj-Napoca • Czech Republic: Olomouc • US: Dallas, New York • Columbia: Cali • UK 	<ul style="list-style-type: none"> • OPInvoice • eTrack • BlackLine • Microsoft Dynamics • B-ProMPT • ARIBA • Coupa • SunGard, • BlackLine • Client Workflow Solution (CWS) • EXLerator framework



Smaller service provider focused on analytics led opportunities

<p>Origination: 65% estimate Servicing: 30% estimate Default: 5% estimate</p>	<p>Strengths</p>	<p>Challenges</p>
<p>Blueprint Leading Highlights</p>	<ul style="list-style-type: none"> • Account Management. Clients attested to the great value they found from the on-site account management team from EXL. Overseeing strong local execution as well as delivery from Noida, the account management team found the balance between being industrialized and also always being accessible and focused on specific client requirements. • Integrated Analytics Into Delivery. The core capability of EXL in mortgage services was identified as depth in understanding the data and its meaning in the client process. This depth in analytics and the required industry and client specific knowledge was a differentiator versus other service providers. • Concrete Plans To Delivery Value Beyond Cost. Clients cited the innovation that EXL provided through analytics as a major way in which value is driven for the client beyond a focus on cost alone. In particular, EXL was lauded for the ability of the analytics teams to dig up additional depth in data beyond what the client normally used and then work with it to identify new areas of opportunity. 	<ul style="list-style-type: none"> • US transactional presence. Over 95% of EXL’s mortgage related delivery occurs in Noida, India. This may work well for the relatively small size of the practice and its analytics focus but a larger push into this market especially towards Top 50 lenders will necessitate a stronger on-shore presence. So far the partnership with Urban Lending Solutions which would provide transactional services from on-shore centers does not seem to have driven significant market activity and may need to be rethought. • Technology Gaps. In contrast to other Mortgage Service Providers who focus on medium sized regional banks and lenders, EXL is light on having their own proprietary technology solutions for origination, servicing and/or default management. This gap will make it more challenging in our view over time for EXL to be able to take their analytics message to new prospective clients as clients (especially at that size) generally work with a single service provider across all of their needs. • Vision For mortgage market. For EXL to develop a deeper position in the mortgage services market more effort and investment will be required to develop a vision for the evolution of this market. In particular, a view on how the processes are changing and the implications for lenders would help.
<ul style="list-style-type: none"> • Account Management Team • Concrete Plans To Deliver Value Beyond Cost • Integrated Analytics Into Delivery 		

Relevant Acquisitions/Partnerships	Key Clients	Global Operations Centers	Technology Offered
<p>EXL has not made any acquisitions in mortgage services BPO although they have made several partnerships.</p> <ul style="list-style-type: none"> • Urban Lending Solutions to provide fulfillment, settlement, loan modifications and valuation • MicroStrategy for advanced risk and operational analysis solution. 	<ul style="list-style-type: none"> • US Regional Bank • US Mortgage Bank • US Global Bank (Transformation Services) • Additional clients for analytics in mortgage marketing and risk management 	<p>Headcount: 260+</p> <p>Locations: Noida, India (95% of personnel) Distributed US locations (5% of personnel)</p>	<ul style="list-style-type: none"> • EXL is technology agnostic in mortgage services delivery • Current delivery experience includes use of Fidelity MSP or LSP LOS as well as Citrix, IReSS and Web Extender. • Internal tools include B-ProMPT for workflow management and InterAct for governance, risk and compliance.

About the Author



Hema Santosh

Principal Analyst, HfS Research – Bangalore, India



hema@hfsresearch.com

Overview

Hema Santosh is one of the versatile analysts who enjoys quantitative and qualitative aspects of the research at the same time. Hema is responsible for The Buyers Guides and supports various Data analytics initiatives at HfS Research.

Over the last decade, Hema has worked across all the facets of IT Services and BPO research providing insights that are key to taking strategic decisions. She understands the nuances and dynamics of the BPO and Technology industry. Her experience ranges from custom research, competitive analysis, outsourcing deals analytics, location assessments, quantitative studies to qualitative research. She has held senior research positions in organizations such as, Information Services Group, Accenture, NTT DATA and ITFinity Solutions.

Academically, Hema holds an MBA specializing in Marketing from Manipal University, a full time 'Management Program for Women Entrepreneurs' from Indian Institute of Management (IIM), Bangalore and a Bachelor's degree in Commerce from the University of Mumbai.

Apart from HfS Research, Hema has one more full time job and that is, rearing her three young sons. Her sojourn is travelling to wild-life sanctuaries and solving a SuDoKo puzzle whenever she can grab some free time.

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