



Business Process Services in the Life Insurance Sector: 2016

Market Analysis
Report Abstract

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Who Is This Report For?

NelsonHall's "Business Process Services in the Life Insurance Sector: 2016" report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within the life insurance sector
- Vendor marketing, sales and business managers developing strategies to target business process services (BPS) opportunities within the life insurance sector
- Financial analysts and investors specializing in the IT services and BPS sector.

Scope of the Report

The report is based on interviews with executives in the life insurance sector in the U.S., U.K., Continental Europe, and Asia Pacific.

The report analyzes the worldwide market for business process services (BPS or BPO) within the life insurance sector and addresses the following questions:

- What are the principal business issues faced by organizations in the life insurance sector?
- What operational initiatives and enhancements are planned by organizations in the life insurance sector?
- How suitable are their current processes perceived to be to support their future business requirements by executives in the life insurance sector?
- How satisfied are companies in the life insurance sector with the current delivery of BPS services?
- How would executives in the life insurance sector like to see BPS services improved?
- What shifts in sourcing policy are expected by executives in the life insurance sector over the next three years?
- Which approaches to BPS are favored by executives in the life insurance sector?
- How do companies in the life insurance sector expect their spend on BPS services to change over the next three years?
- Which processes will companies in the life insurance sector seriously evaluate for BPS/BPO in the near future?



Key Issues & Highlights

The major business issue mentioned unprompted by life insurance companies is their rising costs and, in particular, the high costs of both regulatory compliance and policy administration. This situation is compounded by the perceived maturity of life insurance markets and the relative shortage of growth opportunities.

Accordingly, the proportion of life companies strongly focusing on “run-the-business” initiatives tends to massively exceed the proportion strongly focusing on “change-the-business” initiatives, and this pattern is particularly strong for Continental Europe and Asia Pacific. The only geography not to show this pattern is the U.S. where a third of life companies are strongly focusing on each of “run-the-business” and “change-the-business” initiatives.

The key “run-the-business” operational initiatives to be undertaken in the next 12-months by life insurance firms have two principal themes, and in addition, a number of process areas are perceived to be inadequate to support life insurance firms over the next three years.

However, if BPS vendors are to take advantage of these opportunities within life insurance firms, then they need to enhance their service delivery to move beyond the traditional virtues of business process services. At the same time, the preferred BPS modes of delivery continue to evolve.

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Report Length

64 pages, consisting of 8 chapters

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