



HR Technology & Services

Next Generation Health & Welfare Administration

Report Abstract

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65-pages

Contents of Full Report

1. Changing Market Dynamics
 2. Customer Requirements
 3. Market Size & Vendor Market Shares
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Who is This Market Analysis For?

NelsonHall's Next Generation H&W Administration report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within the H&W Administration market
- Vendor marketing, sales and business managers developing strategies to target H&W Administration opportunities
- Financial analysts and investors specializing in the H&W Administration market .

Key Findings & Highlights

NelsonHall's market analysis of the Next Generation H&W Administration market consists of 65-pages.

Key market developments include:

- The H&W administration market is estimated at to be worth ~\$9,205m in 2020 where manufacturing is the greatest sector with an 18% market share. Sectors that saw the greatest growth were manufacturing, retail, energy & utilities in 2019. The largest market is the U.S.
- Market drivers were reducing administration costs, primarily sought from improving digital processes and increasing automation with better technology. Reduced healthcare costs and improved health outcomes were also market drivers
- Operational costs and activity increased for administrators due to COVID-19 related activities such as managing furlough arrangements
- RFPs are trending toward total solutions and providers look for more cross-sell opportunities
- Market consolidation from investments in midmarket capability was evidenced through the Alight Solutions acquisition of Hodges Mace
- The blending of technology and service to deliver H&W administration has become tighter with investments made in communications solutions, AI, intelligent chatbots as well as supporting handoffs to real agents for a seamless delivery. To differentiate services, vendors focus on a 'best in class' digital client experience, digital innovation and inclusive of omnichannel support and benefit counselors
- Vendors expanded their H&W partnerships and defined new H&W categories to help fill 'white spaces', deliver more integrated H&W solutions and offer a more holistic approach to H&W via marketplaces. Some providers changed focus from building large H&W marketplaces towards narrower network options with vetted H&W providers, this gives them bandwidth to integrate and develop closer partnerships, leverage cross-selling opportunities and better align solutions.

- Technologies leveraged include CRM, API, RPA, and analytics. The majority of technology solutions around the participant experience are centered on helping employees become more effective consumers using decision tools, with health navigation, and with personalization centered on life events
- Technology solutions to improve operational efficiencies continue to be made, such as dependent verification and character recognition on forms and digital voice coaching for scanning
- H&W Administration services buyers rate the calibre of personnel and strength of partnership very high as it relates to service satisfaction. However, the speed of transformation of the service and process is rated less favourably as shown below.

Scope of the Report

The report analyzes the worldwide market for Next Generation H&W Administration and addresses the following questions:

- What is the market size and projected growth by geography?
- What is the profile of activity in the Next Generation H&W Administration market by industry sector?
- What are the top drivers for adoption of Next Generation H&W Administration?
- What are the benefits currently achieved by users of Next Generation H&W Administration?
- What factors are inhibiting user adoption of Next Generation H&W Administration?
- What pricing mechanisms are typically used within Next Generation H&W Administration and how is this changing?
- Who are the leading Next Generation H&W Administration vendors globally and by geography?
- What combination of services is typically provided within Next Generation H&W Administration contracts and what new services are being added?
- What is the current pattern of delivery location used for Next Generation H&W Administration and how is this changing?
- What are the challenges and success factors within Next Generation H&W Administration?

Next Generation H&W Administration Vendor Assessments Available for:

ADP

Alight Solutions

Benefitexpress

Benefex

bswift

Conduent

Darwin

Fidelity

Mercer

Morneau Shepell

About The Author

Liz Rennie is a Principal Research Analyst with global responsibility for key HR research projects, including Cloud-Based HR Transformation, Cloud-Based Benefits Services, and The Future of HR, as part of NelsonHall's wider HR Technology & Services practice.

In this vital role, Liz assists both buy-side and vendor organizations in evaluating opportunities and capability to support HR and benefits transformation through deploying cloud-based services and redesigning HR service delivery to leverage the latest technologies offered by mobile, AI, blockchain and robotics.

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About NelsonHall

NelsonHall is the leading global analyst firm dedicated to helping organizations understand the 'art of the possible' in digital operations transformation. With analysts in the U.S., U.K., and Continental Europe, NelsonHall provides buy-side organizations with detailed, critical information on markets and vendors (including NEAT assessments) that helps them make fast and highly informed sourcing decisions. And for vendors, NelsonHall provides deep knowledge of market dynamics and user requirements to help them hone their go-to-market strategies. NelsonHall's research is based on rigorous, primary research, and is widely respected for the quality, depth, and insight of its analysis.

We would be pleased to discuss how we can bring benefit to your organization. You can contact us via the following relationship manager: Guy Saunders at guy.saunders@nelson-hall.com

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