

# Transformational HR Outsourcing Services (HRO)

Assessing provider capabilities to transform  
HR and its business impact through outsourcing



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Organizations, at present, are navigating a landscape of evolving HR needs, rapid technological advances and significant shifts in workforce demographics, values and expectations. As they strive to meet strategic business objectives and enhance workforce outcomes, enterprises across sectors are planning substantial investments in new, digitally enabled HR service delivery models. These models are designed to be agile, flexible, resilient, and efficient, as well as engaging and relevant to a diverse and contemporary workforce.

Transformational HR outsourcing (HRO) goes beyond the traditional focus on process standardization, efficiency and cost reduction — its purpose is to create and deliver value not only within the HR function but also across the broad organization and its workforce. HRO can accelerate the adoption of advanced digital technologies, broaden the scope of service offerings through access to extensive provider partner networks and ease the availability of HR thought leadership.

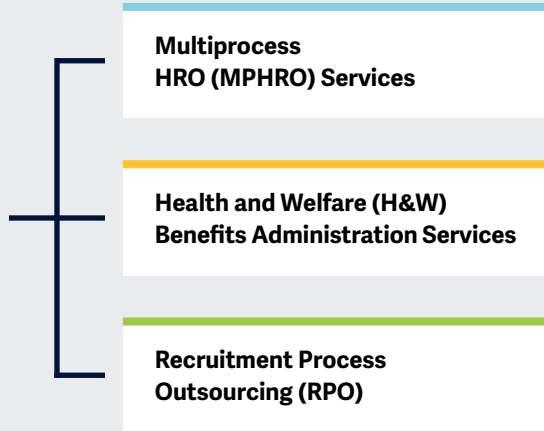
Additionally, it delivers actionable, data-driven insights that empower organizations to make informed decisions and improve employee engagement significantly.

For enterprises, establishing relationships with HRO service providers is essential for maximizing the value of HR-related service investments. As such, selecting the right providers — the ones that closely align with specific organizational needs and unique circumstances — has never been more crucial. The right partnership can improve HR performance, ensure workforce satisfaction, and ultimately enhance organizational effectiveness.



This study helps organizations evaluate current **HRO** service providers and **gain insights on prospective ones.**

Simplified Illustration Source: ISG 2024



**The ISG Provider Lens™ Transformational HR Outsourcing Services 2025 study offers business and HR leaders and decision-makers with the following:**

- Transparency on the strengths and weaknesses of relevant providers.
- A differentiated positioning of providers by segments on their competitive strengths and portfolio attractiveness.
- Focus on the global and the U.S. markets.

Our study serves as an important decision-making basis for positioning, key relationships, and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current vendor relationships and potential engagements.



## Multiprocess HRO (MPHRO) Services

### Definition

This quadrant evaluates providers of MPHRO services that help organizations streamline HR functions. As strategic partners, they assist enterprises in assessing HR needs, developing integrated solutions and implementing efficient service delivery models.

The providers deliver core HR services, including workforce data administration, recruitment support, **contact center, compensation, leave administration** and payroll and performance management. Their supplementary offerings include training, benefits administration and compliance consulting.

The quadrant also assesses providers facilitating HR transformation through process re-engineering, technology enhancements and automation. Through analytics, they help improve decision-making and boost employee engagement.

The providers also focus on change management to ensure smooth transitions within HR functions and on reinforcing core values within a workforce. Such efforts enable organizations achieve optimal HR performance and establish a future-ready workforce that meets the current business landscape.

### Eligibility Criteria

1. Offer **a range of simultaneous and integrated HR services for organizations and their employees** (excludes providers that only offer payroll, professional employer organization [PEO] or employer of record [EOR] services)
2. Offer HR services, **including workforce data administration and HR contact center**
3. Use **leading methods, tools, delivery approaches and technologies** to improve, streamline and add value to the HR function and the overall organization and its workforce
4. Offer **transition and transformation**, as well as ongoing **delivery of HR services** through a **consult-to-operate model** (excludes HR technology vendors/consulting companies/implementation firms that do not have HR service delivery capabilities)



## Health and Welfare (H&W) Benefits Administration Services

### Definition

This quadrant evaluates providers offering H&W benefits administration services through consult-to-operate models for small, midsize and large organizations. They assist enterprises in managing benefits for employees and eligible dependents, such as family members, and retirees.

As providers, help organizations verify employee and dependent eligibility for benefits programs, facilitate enrollment in health and welfare plans, and manage and streamline their ongoing administration to enhance EX. To this end, they also collaborate with third-party providers.

Providers can handle a range of benefits plans, including medical, dental, and vision coverage; Consolidated Omnibus Budget Reconciliation Act (COBRA) administration (in the U.S.); and wellness services. They leverage technology for automation, self-service capabilities and reporting, ensuring cost reduction, improved service quality and increased workforce engagement, ultimately forging a satisfied and productive workforce.

### Eligibility Criteria

1. Offer **benefits administration services across a range of health and welfare plans for organizations and employees** (excludes providers that only administer financial plans for retirees/offer only professional employer organization [PEO]/employer of record [EOR] services)
2. Offer services that **integrate with an enterprise's other HR services and solutions**
3. Manage **integrations with third-party providers and carriers**
4. Use **leading methods, tools, delivery approaches and technologies** to improve, streamline and add value to the HR and benefits functions and the overall organization and its workforce
5. Offer **transition and ongoing service delivery through a consult-to-operate model** (excludes benefits technology vendors / consulting and implementation firms that do not have service delivery capabilities)



## Recruitment Process Outsourcing (RPO)

### Definition

This quadrant assesses providers of end-to-end RPO services that act as strategic partners, helping organizations manage the recruitment lifecycle. They help them identify key recruitment needs, streamline talent sourcing and develop effective candidate screening processes.

The providers also manage the logistics of interviews, ensuring seamless scheduling and communication with candidates alongside smooth onboarding. They even enhance branding efforts by highlighting an organization's culture and values, positioning it as an employer of choice in a competitive talent marketplace.

Providers assessed here leverage automation and data analytics to drive efficiency, reduce time-to-fill and improve the quality of recruits. They enable organizations to anticipate hiring needs and adopt talent acquisition strategies proactively. Overall, RPO service providers ensure agility in recruitment efforts, while concurrently ensuring an engaging candidate experience.

### Eligibility Criteria

1. Demonstrate **expertise in end-to-end tailored recruitment services**, including sourcing, screening, interviewing and onboarding candidates
2. Provide **integrated recruitment solutions** that align with a client's **overall HR strategy**, ensuring a seamless connection between recruitment and other HR functions
3. Utilize **advanced recruitment technologies** and tools such as Applicant Tracking Systems (ATS) and Candidate Relationship Management to **streamline the recruitment process** and enhance candidate engagement
4. Take **data-driven** approaches and use **analytics** to measure and improve **recruitment metrics** such as time-to-fill, quality of hire and candidate experience, driving **continuous process improvement for enterprises**
5. Offer **flexible service delivery models**, including dedicated recruitment teams or individuals to function as extensions of an enterprise client's HR team



## Quadrants by Region

As a part of this ISG Provider Lens™ quadrant study, we are introducing the following three quadrants on Transformational HR Outsourcing Services 2025:

Quadrant	U.S.	Global
Multiprocess HR Outsourcing (MPHRO) Services		✓
Health and Welfare Benefits Administration (H&W) Services	✓	
Recruitment Process Outsourcing	✓	





The research phase falls in the period between November and January 2023, during which survey, evaluation, analysis and validation will take place. The results will be presented to the media in May 2023.

Milestones	Beginning	End
Survey Launch	November 19, 2024	
Survey Phase	November 19, 2024	January 10, 2025
Sneak Preview	March, 2025	
Press Release & Publication	March 2025	

Collecting client testimonials via the Star of Excellence Program requires early client referrals (no official reference needed) because CX scores have a direct influence on the provider's position in the IPL quadrant and the awards.

Please refer to the [link](#) to view/download the ISG Provider Lens™ 2024 research agenda.

**Access to Online Portal**

You can view/download the questionnaire from [here](#) using the credentials you have already created or refer to the instructions in the invitation email to generate a new password. We look forward to your participation!

**Buyers Guide**

ISG Software Research, formerly “Ventana Research,” offers market insights by evaluating technology providers and products through its Buyers Guides. The findings are drawn from the research-based analysis of product and customer experience categories, ranking and rating software providers and products to help facilitate informed decision-making and selection processes for technology.

In the course of the Transformational HR Outsourcing (HRO) and Services 2025 IPL launch, we want to take advantage of the opportunity to draw your attention to related research and insights that ISG Research will publish in 2025. For more information, refer to the [Buyers Guide research schedule](#).

**Research Production Disclaimer:**

ISG collects data for the purposes of writing research and creating provider/vendor profiles. The profiles and supporting data are used by ISG advisors to make recommendations and inform their clients of the experience and qualifications of any applicable provider/vendor for outsourcing the work identified by clients. This data is collected as part of the ISG FutureSource™ process and the Candidate Provider Qualification (CPQ) process. ISG may choose to only utilize this collected data pertaining to certain countries or regions for the education and purposes of its advisors and not produce ISG Provider Lens™ reports. These decisions will be made based on the level and completeness of the information received directly from providers/vendors and the availability of experienced analysts for those countries or regions. Submitted information may also be used for individual research projects or for briefing notes that will be written by the lead analysts.



### ISG Star of Excellence™ – Call for nominations

The Star of Excellence™ is an independent recognition of excellent service delivery based on the concept of “Voice of the Customer.”

The Star of Excellence™ is a program, designed by ISG, to collect client feedback about service providers’ success in demonstrating the highest standards of client service excellence and customer centricity.

The global survey is all about services that are associated with IPL studies. In consequence, all ISG Analysts will be continuously provided with information on the customer experience of all relevant service providers. This information comes on top of existing first-hand advisor feedback that IPL leverages in context of its practitioner-led consulting approach.

Providers are invited to [nominate](#) their clients to participate. Once the nomination has been submitted, ISG sends out a mail confirmation to both sides. It is self-evident that ISG anonymizes all customer data and does not share it with third parties.

It is our vision that the Star of Excellence™ will be recognized as the leading industry recognition for client service excellence and serve as the benchmark for measuring client sentiments.

To ensure your selected clients complete the feedback for your nominated engagement please use the Client nomination section on the Star of Excellence™ [website](#).

We have set up an email where you can direct any questions or provide comments. This email will be checked daily, please allow up to 24 hours for a reply.

Here is the email address:

[ISG.star@isg-one.com](mailto:ISG.star@isg-one.com)



**ISG Star of Excellence**



The ISG Provider Lens 2024 – Transformational HR Outsourcing Services (HRO) research study analyzes the relevant software vendors/service providers in the global market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

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The research and analysis presented in this study will include data from the ISG Provider Lens™ program, ongoing ISG Research programs, interviews with ISG advisors, briefings with service providers and analysis of publicly available market information from multiple sources. ISG recognizes the time lapse and possible market developments between research and publishing, in terms of mergers and acquisitions, and acknowledges that those changes will not reflect in the reports for this study.

All revenue references are in U.S. dollars (\$US) unless noted.



## Contacts For This Study

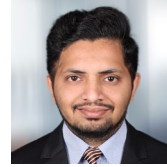
### Study Sponsor



**Namratha  
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**Gaurang  
Pagdi**  
**Lead Analyst**



**Akshay S  
Hiremath**  
**Research Analyst**



**Sumit  
Kumar**  
**Data Analyst**



**Pragathi  
Thimmaiya**  
**Lead Project  
Manager**



### ISG Provider Lens Advisors Involvement Program

ISG Provider Lens offers market assessments incorporating practitioner insights, reflecting regional focus and independent research. ISG ensures advisor involvement in each study to cover the appropriate market details aligned to the respective service lines/technology trends, service provider presence and enterprise context.

In each region, ISG has expert thought leaders and respected advisors who know the provider portfolios and offerings as well as enterprise requirements and market trends. On average, three consultant advisors participate as part of each study's quality and consistency review process.

The consultant advisors ensure each study reflects ISG advisors' experience in the field, which complements the primary and secondary research the analysts conduct. ISG advisors participate in each study as part of the consultant advisors' group and contribute at different levels depending on their availability and expertise.

The consultant advisors:

- Help define and validate quadrants and questionnaires,
- Advise on service provider inclusion, participate in briefing calls,
- Give their perspectives on service provider ratings and review report drafts.

## ISG Advisors to this study



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Management**



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Sarah  
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**Director, Human Capital  
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## Invited Companies

**If your company is listed on this page or you feel your company should be listed, please contact ISG to ensure we have the correct contact person(s) to actively participate in this research.**

\* Rated in previous iteration

Accenture \*

ADP\*

Advanced RPO

AgileOne

Alight\*

Allegis Global Solutions

American Health & Wellness

AMN Healthcare

AMS

Aptia\*

Ascent HR

Aspirant

Benefit Administration Services, Ltd.

BenefitFocus\*

Broadleaf Results

Bswift\*

Businessolver\*

Capgemini\*

Ceridian

CGI

Cielo Talent

Cognizant\*

Conduent\*

Corban OneSource

DZConnex

Empyrean\*

Engage2Excel

Excela HR Solutions

Fidelity\*

Flatworld Solutions

Hays

Hire Velocity

Hudson RPO

Hueman RPO

IBM\*

Infosys\*

Insperty

Job.com

KellyOCG

Kinetix

Korn Ferry

LevelUP HCS

Milliman

NLB Services

OneSource Virtual\*

Orion Talent

Page Outsourcing

Paychex

Paycor

PeopleScout

Pierpoint International

PlanSource\*

Pontoon Solutions

PSG Global Solutions

Randstad Sourceright

RGF Staffing



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\* Rated in previous iteration

SD Worx  
Sevenstep  
Sopra HR  
Talent Solutions RPO (ManpowerGroup)  
TCS\*  
TELUS Health\*  
Trinet  
WEX\*  
WilsonHCG  
Wipro\*  
WNS\*  
WTW\*  
Zalaris



## \*ISG Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider Lens™ research, please visit this [webpage](#).

## \*ISG Research™

ISG Research™ provides subscription research, advisory consulting and executive event services focused on market trends and disruptive technologies driving change in business computing. ISG Research™ delivers guidance that helps businesses accelerate growth and create more value.

ISG offers research specifically about providers to state and local governments (including counties, cities) as well as higher education institutions. Visit: [Public Sector](#).

For more information about ISG Research™ subscriptions, please email [contact@isg-one.com](mailto:contact@isg-one.com), call +1.203.454.3900, or visit [research.isg-one.com](http://research.isg-one.com).

## \*ISG

ISG (Information Services Group) (Nasdaq: III) is a leading global technology research and advisory firm. A trusted business partner to more than 900 clients, including more than 75 of the world's top 100 enterprises, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including AI and automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; strategy and operations design; change management; market intelligence and technology research and analysis.

Founded in 2006, and based in Stamford, Conn., ISG employs 1,600 digital-ready professionals operating in more than 20 countries—a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data.

For more information, visit [isg-one.com](http://isg-one.com).







**NOVEMBER, 2024**

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