



Solution Provider Profile

Thomsons Online Benefits

October 2019



Company At-a-Glance	
Name of Product/Modules Offered	Darwin: Reward Centre with Benefits Manager, Reward Engager and Reimbursement Manager; Control Centre; Darwin Analytics Centre
Headquarters	London, UK
Year Founded	2000
Number of Employees	727
Revenue	£41,512,623
Market Focus	Global Enterprise
Key Industry Verticals	Tech, Finance, Professional Services and Pharma
Total Users (Cloud)	2.8 million
Solution Name	Darwin
Current Version	Paprika 21
Date Version was released	Feb. 9, 2019
Year product was originally launched	2004
Demo URL	Demo will be given during briefing
Website	www.thomsons.com



Business and Product Overview

Thomsons Online Benefits started life in 2000 when co-founders Michael Whitfield and Chris Bruce wrote their first business plan. From then on, Thomsons' purpose is to "Change Benefits. For Good."

Thomsons changes benefits by continuously pushing the market — and itself — to do more and to do better.

When Thomsons says "for good," it means for good of its clients, their employees and the people they care about. It means for the good of the wider HR industry. And it means for good in perpetuity.

From introducing the market's first paperless and signature-free pensions enrollment to the launch of its benefits platform — Darwin — Thomsons has continued to push the boundaries of innovation from its inception onward.

In December 2016, Thomsons Online Benefits was acquired by Mercer, a global HR consulting leader in advancing health, wealth and career, and a wholly-owned subsidiary of Marsh & McLennan Companies Inc.

Thomsons remains an independent company as a subsidiary of Mercer to help protect and develop its unique technology DNA, culture and agility, while still being able to call on the wealth of knowledge and resource among its Mercer colleagues, with guaranteed financial stability.

Today, with more than 100 industry awards under its belt and more than 1.5 million employees using Darwin globally in 102 countries and 36 languages worldwide, Thomsons continues to revolutionize the benefits market.

Thomsons' solution, Darwin, is the market-leading global benefits automation and employee engagement software. Thomsons is focused on using technology to achieve two things: to help businesses use their benefit spend to be more successful and to help employees connect their benefits to their wider lives.

Thomsons Online Benefits was founded with the aim of applying 21st century thinking to a decidedly 20th century industry. Over the following years, Thomsons' industry-leading software revolutionized the UK benefits landscape, and became the leader in the global



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benefits marketplace, with 90% of all technology-led global benefit schemes powered by Darwin.

As Darwin expanded from a UK-specific piece of software to being live in more than 100 countries, Thomsons realized that while a system that is built for a single country can support global benefit schemes extremely successfully, there is usually some degree of compromise at the local country level.

This is because there is large variance in how benefits are offered and delivered from country to country. This makes it difficult to achieve consistency both in experience for the employee and in process for the employer. Maybe this manifests as a clunky user experience when selecting a retirement benefit in Germany, or perhaps a less-than-streamlined administration process for dependents on medical insurance in India.

Five years ago, Thomsons asked: “What if there didn’t have to be a compromise? What if you could have total control and oversight of your global benefits offering, but also complete flexibility, automation and compliance at the local level?”

Thomsons came to the conclusion that the only way of ending the compromise is by starting over. By taking everything Thomsons learned over the last 19 years of working with the world’s biggest and best companies across the world and using this knowledge to create the world’s first purpose-built global benefits software.

So that’s what Thomsons did.

Thomsons spent the last three years quietly working on a ground-breaking new platform. The result is not just the new generation of Darwin, but a revolution in what companies will come to expect from benefit software.

The acquisition of Thomsons Online Benefits in December 2016 by Mercer was a key strategic decision to power the development of the new generation of Darwin and drive the transformation of the wider benefits market.

No other company was a better fit in terms of suitability to match Thomsons’ ambitions, strengthen its global reach and local insight and enhance our understanding of clients’ needs over the long term — all of this has been built into the next generation of Darwin.

- To achieve this vision, Thomsons is doing three things:

- Creating a brand new state of the art technology — the next generation of Darwin
- Creating a truly global solution, built on local ecosystems. Thomsons is leveraging the new platform’s deep connectivity to develop an ecosystem of providers that are fully integrated into Darwin which are curated and managed both globally and locally by Thomsons.
- Creating modular, flexible and scalable solutions that are digitally-enabled, through Darwin. This means depending on the needs of clients’ country requirements, Thomsons can select the most appropriate approach to consulting, broking and/or technology which could be a mix of any (or all) of the following:
 - Benefit administration and communications — for clients wanting tech only
 - Global Benefit Management (GBM)
 - Delegated Benefits Manager (DBM)

Combined, the three components of Thomsons’ vision mean that the next generation of Darwin will be enabling an entirely new operating model for benefits through the creation of this ecosystem of integrated, yet completely modular solutions. The ecosystem spans both global and local markets, delivering previously unimaginable scale, reach and seamless connectivity.

Darwin sits at the heart of this ecosystem and will enable companies to drive strategic change with its benefits program by:

- Disrupting the benefits supply chain from end-to-end
- Revolutionizing the relationship between providers, brokers, employers and employees
- Supporting deep connections to the most innovate new tech solutions
- Enhancing intelligence, enabling truly global data driven insights and benchmarking
- Delivering the next generation of benefits scheme design



The Next Generation of Darwin

The breadth and depth of Thomsons' experience in understanding the complexities of the benefits market means it is uniquely placed to define and deliver a solution that not only meets, but exceeds the market's needs. To this end, the next generation of Darwin is built on the following core principles:

- Invisible administration
- Highly intuitive employee experience
- Cost management and ROI in the face of ever-increasing medical inflation
- Data-driven decision making for employers and employees
- Global programs with no local compromise
- The ability to be change — Agile
- Drive the next generation of scheme design
- The power to transform HR from operational to strategic

The next generation of Darwin future-proofs its innovation roadmap, allowing Thomsons to support its clients and keep them at the leading edge. Thomsons is building solutions to help its clients meet their business goals, not just over the next 12 months, but over the next 10 years.

Darwin is comprised of three centers, which cover every element of the employee and employer experience:

Reward Centre

Reward Centre is where employees access, engage with, enroll in and manage their benefits. Put simply, it is there to help employees connect their benefits with their lives outside work and make it as easy as possible to do everything they need, with a consistently excellent user experience no matter where they are in the world.

It offers a range of capabilities designed to offer benefits in line with the expectations of tomorrow's workforce, as well as the employees driving clients' businesses forward today.

Benefits enrollment

As the world's first purpose-built global benefits software, Darwin enables multinational companies to deliver their benefits globally with fully localized relevance and functionality, governance and employee experience at the local level. Whether it's complex, multi-layered medical insurance in the Netherlands or paperless retirement benefits in Japan, Darwin supports all local country requirements, workflows and enrollment needs. This ensures employees get an excellent experience, no matter where in the world they are.

Darwin's user interface mirrors the apps and websites employees use outside of work. It empowers employees to take action on a wide range of tasks, reducing their dependence on HR teams. Employees have easy access to all the information they need to make the right choices with modelling, tax calculators, FAQs, document hosting and more.

Darwin's look and feel can be customized to reflect and reinforce an employer brand, tone and corporate culture. This flexibility ensures it meets clients' unique engagement and communication needs, and promotes their employee value proposition.

Total Reward

Employees are at their most productive — and happiest — when they are engaged. Research shows engagement increases profitability and reduces employee turnover. Darwin draws data from a wide range of sources and presents it in an engaging digital magazine format. This shows employees the true value of clients' investment in them, brings their Employee Value Proposition to life and reinforces what it means to work for a client's organization.

Darwin engages employees from onboarding, right through to key life events and other moments that matter. It can stream video content and send targeted, personalized communications that demonstrate how much employees understand and care about their employees' families, interests and lives outside work.

Darwin's interfacing capabilities enable Thomsons to surface data from virtually any external source. If a client has the data, it can be displayed on Darwin. The only limit is their creativity — and Thomsons can help with that, too.



In addition, there is often a variety of benefits that exist outside of a company's traditional core offering that get overlooked. Darwin enables companies to call out features such as enhanced parental pay, sabbaticals, breakfast clubs and charity work, ensuring employees appreciate the full value of the investment in them.

Reimbursement Accounts

The workplace has never been more diverse. And with good reason: inclusive workplaces drive growth and innovation. Research shows that one of the enablers for attracting and engaging with a diverse workforce is often overlooked — their benefits. Darwin's reimbursement accounts give each employee the flexibility and choice they demand. Clients can simply assign a sum of money for each employee to spend wherever, whenever, and on whatever benefits they want. Employees get a completely personalized benefit package that exactly meets their needs, is fully inclusive and always relevant. Rather than being forced to choose from a narrow selection of benefits, employees have complete flexibility to choose the things that are important to them.

While reimbursement accounts are perfect for more traditional health and wellness benefits such as medical or dental coverage, they also work brilliantly with more innovative benefits such as leisure, travel and recognition. For example, employees can use a leisure benefit allowance on the things they want, where and when they want to — from rock climbing to drum lessons. It can also be used in conjunction with specific workplace initiatives such as a health week to boost wellness and promote a company's Employee Value Proposition.

Employees can complete the entire process — from scanning and uploading receipts, to managing claims — from their smartphone or tablet. On-demand benefits are there when employees want them, not just during a specific window a few times a year. And as employees are regularly logging into Darwin to make claims, they are exposed to site content more often. This reinforces the employee value proposition and increases awareness and appreciation of their benefits.

Control Centre

Control Centre is where benefit schemes are administered. It has been designed to digitize and automate repeatable, low value-add administration processes, freeing HR

leaders and their teams to concentrate on strategic work that adds genuine value to their businesses.

Complicated rules, manual processes, diverse carriers, and disparate systems across multiple countries make it all but impossible to stay on top of global benefit schemes. For most multinational companies, it is not feasible to have HR personnel in each country, much less dedicated benefits specialists. However, this can come at the cost of strong governance and compliance.

Darwin's powerful configuration language means it can accommodate and automate even the most complex local requirements. By standardizing processes across every country in which its clients operate, Darwin enables strong governance, meaning they can be confident in their compliance.

Thomsons says that excellent employee experience begins with a great employer experience. Research from Deloitte shows that enterprise software that is built using user experience principles can increase worker productivity by up to 300% and reduce training time by 55%. That's why Thomsons have designed a powerful new administration interface from the ground up to put everything teams needs at their fingertips. As a result, Darwin is the only software in the marketplace that combines a great employer experience with deep and comprehensive self-service administration capability.

Darwin puts clients in control of a wide range of tasks, including self-service content editing, enabling them to keep their sites fresh and current while reducing their dependence on Thomsons as vendor. In addition, clients can self-serve communications, intelligently targeting different employee demographics with engaging collateral. Engagement and a range of other metrics can be tracked and analyzed, enabling companies to get the clearest picture of how their communications resonate with their people.

The brand-new Darwin platform has been designed with HR shared service (HRSS) in mind. It enables companies to not just include benefits administration as part of their HRSS model, but also to add value to the model through streamlined processes, globally consistent data and powerful analytics. Unlike other benefits software, Darwin enables clients to administer their schemes at a global level, enabling service center agents to perform vital tasks such as closing payroll and adjudicating claims at both global and local levels with speed and ease.



Darwin has been built to provide deep connectivity, making it easy to integrate administration, employee experience and data with other elements of a company's HCM technology stack, meaning less time and resource spent manipulating data from one system to another.

While manual manipulation of data is intrinsic to other providers' administration, Darwin's extensive automation means that data is passed directly from system to system with no human intervention. Darwin seamlessly and securely transfers data to and from HR and payroll systems through automation, and enables direct connectivity with carriers for an unparalleled employee and employer experience. As a result, Thomsons' clients face considerably less risk: both of errors in their data and also of highly-damaging data breaches.

In addition, Thomsons' brand-new proprietary Darwin Configuration Language (DCL) allows benefits to be built quickly and easily, no matter how complicated, wherever they are in the world. This also enables Thomsons to develop an ecosystem of benefit providers that are fully integrated into Darwin, and curate Darwin-ready products offering real-time administration, considerable benefit implementation and management efficiencies.

Too many companies have missed out on opportunities because their benefits have been a blocker of change. With its unparalleled connectivity, centralized, consistent data and insightful business intelligence and analytics, Darwin has been built to give multinational companies the agility to rapidly and effectively respond to change, including:

- Merger and acquisition activity
- Rapid scale
- Global expansion
- Organizational change projects such as a move to a federated or centralized HR model, or the introduction of an HR shared service approach.

Analytics Centre

Darwin Analytics Centre helps businesses understand what their employees value most from their benefits schemes with on-demand visualization and analytics. It gives them full visibility of benefits spend at global and local levels, helping HR leaders identify the initiatives that are doing well and pinpointing problem areas. It not only enables

businesses to understand the underlying reasons why, but also gives them the insight to take appropriate actions.

As the single source of truth for all global benefits data, it produces insights, trend analyses and correlations HR leaders can rely on to make fully-informed decisions. There is no need for expensive data specialists.

Dashboards present powerful business intelligence for at-a-glance information. Employers can drill into each report using a wide range of metrics, giving insight into specific elements of benefit schemes.

It gives employers all the information needed to build effective employee engagement plans across different countries and locations. It enables them to harness data to provide detailed and actionable insight. It answers questions ranging from drivers of engagement to benefit cost trends and tax savings.

Darwin enables companies to benchmark the effectiveness of their schemes across a variety of metrics including uptake and spend. Not only does it enable them to benchmark internally, comparing against countries, regions or the organization as a whole, but it also gives high-level anonymized benchmarking against other organizations.

No matter whether organizations are trying to provide median benefits in a particular marketplace or looking to use their scheme as a differentiator, Darwin's benchmarking helps them get their offering right, driving more effective talent attraction and retention strategies, ultimately empowering them to deliver better business performance through benefits.

MMB | Darwin — the World's Largest Benefits Ecosystem

Darwin has been built with an architecture that supports deep connections, enabling us to develop a fully-integrated ecosystem of providers, products and adjacent technologies. This gives companies the ability to seamlessly connect their other solutions, confident their administration will be automated, the experience personalized to their employees, and all data securely transferred.

Thomsons is using its parent company, MMB's global scope and leverage to work with global and local benefit providers to ensure quick, easy and secure transfer of data in and out of Darwin using APIs to make the administration invisible, while helping them develop



Darwin-ready benefit products, offering unparalleled employee experience, operational efficiency and compliance.

However, this does not end with traditional risk-based benefits. Thomsons is working to connect Darwin with providers in the physical, financial and mental well-being technology space, and with the multiple MMB technologies serving specific purposes across the globe. The result is the world's largest benefit ecosystem, enabling HR leaders to achieve their goals globally, with no compromise at a local level, giving flexibility, choice and the personalization required to attract and retain talent. Not only this, but it will provide the richest benefits dataset to enhance insight, decision-making and overall ROI.

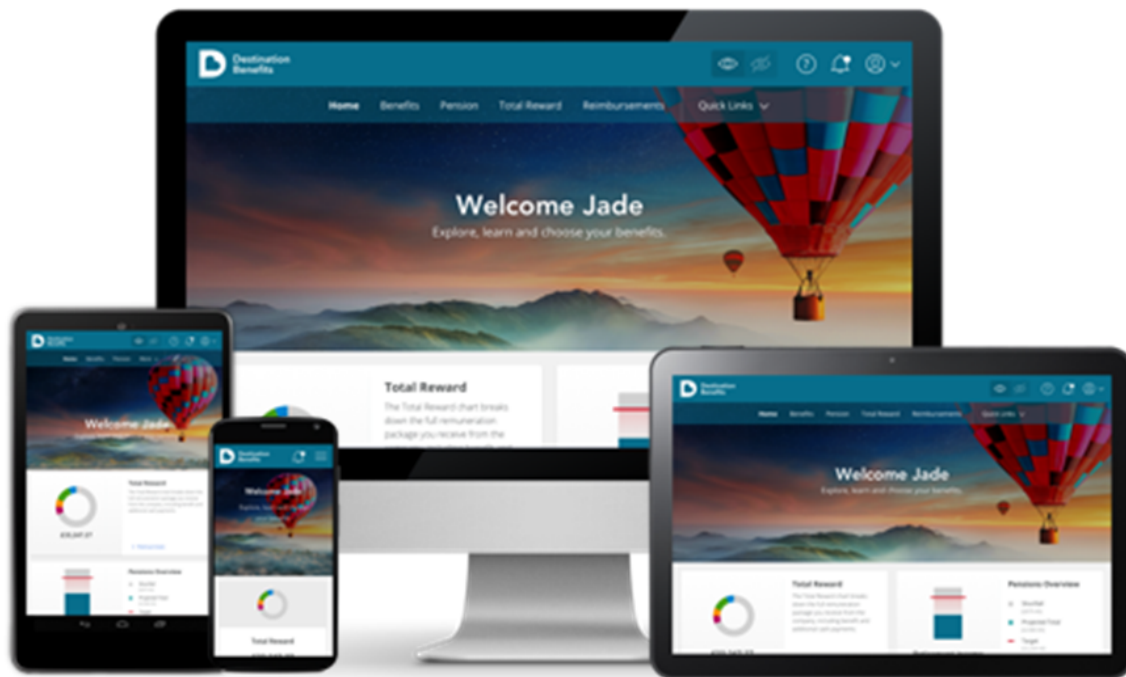
The MMB|Darwin ecosystem is integrated but completely modular, meaning that if all a business is looking for is BenTech, Darwin can absolutely be bought as a single solution. In its own right, Darwin will completely transform the experience of how benefits are managed and delivered for both HR teams, and employees — ensuring they value the comfort they get from knowing their employer is there for them in the moments that matter to them.

However, when combined with the other peripheral solutions and services the insight, flexibility, transparency and ultimately end-to-end experience the ecosystem can deliver, the value businesses get from Darwin is significantly enhanced. Darwin is the entry point for organizations to add value to their benefits programs that far exceeds anything a single provider can offer.



Screen Shots

Reward Centre

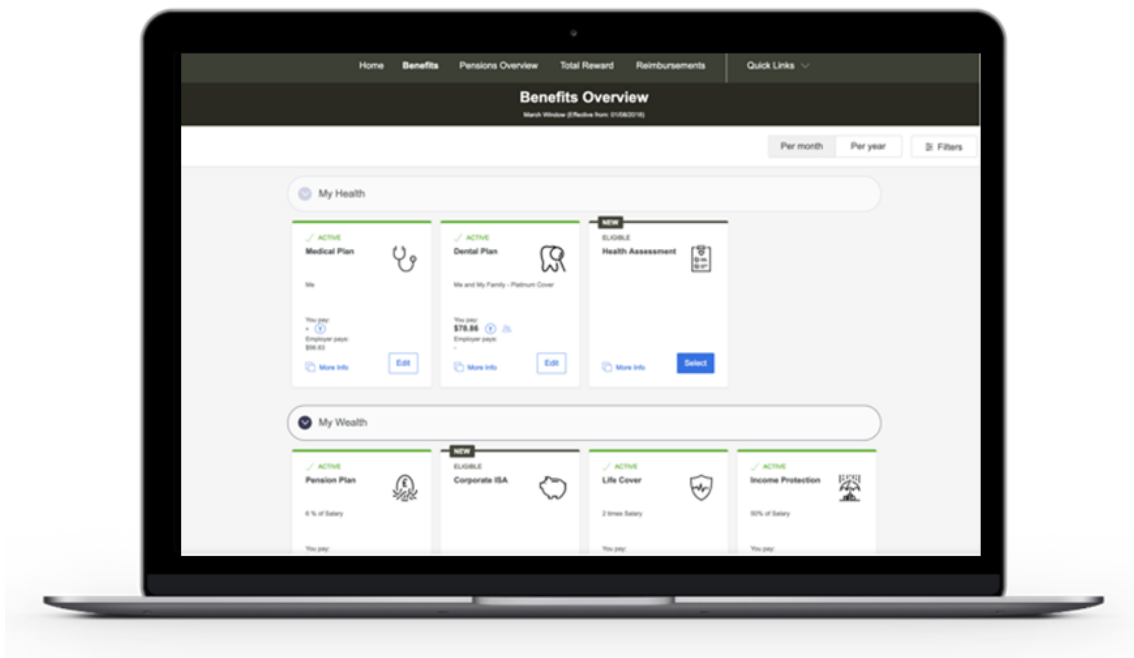




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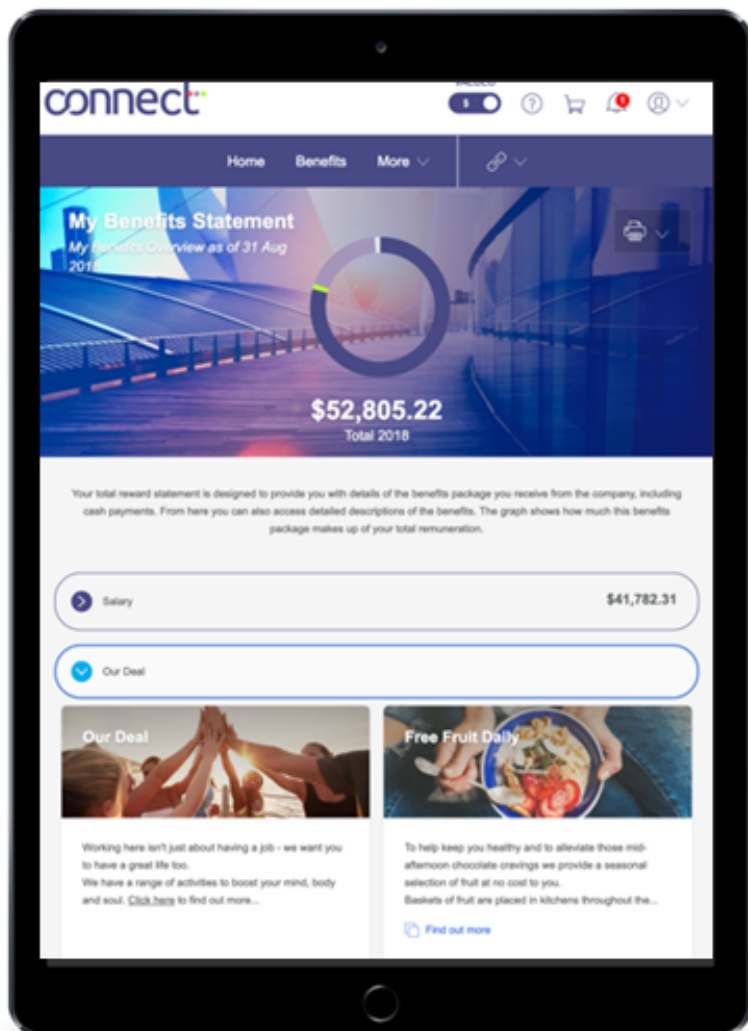
Benefits Enrollment



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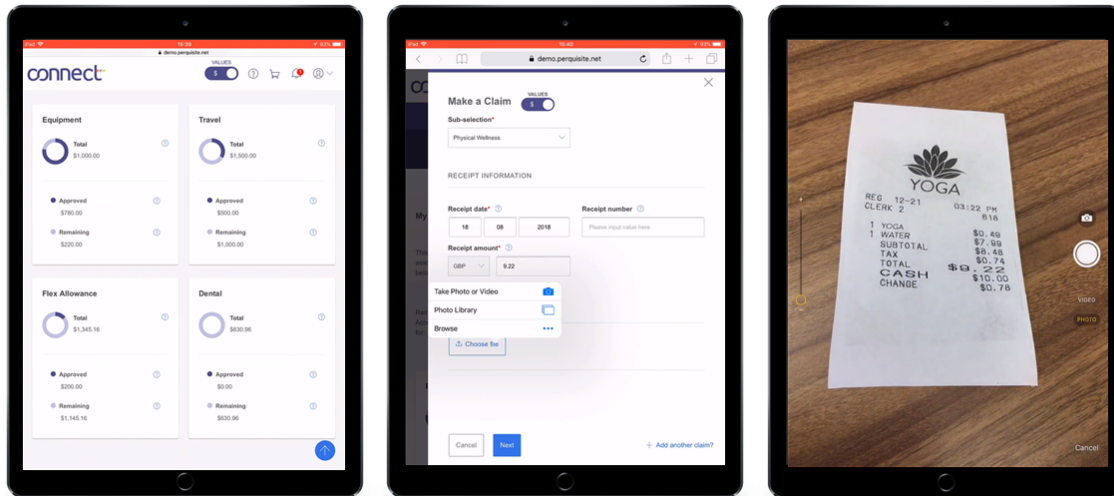
Total Reward



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Reimbursement Accounts



Control Centre

Powerful search function

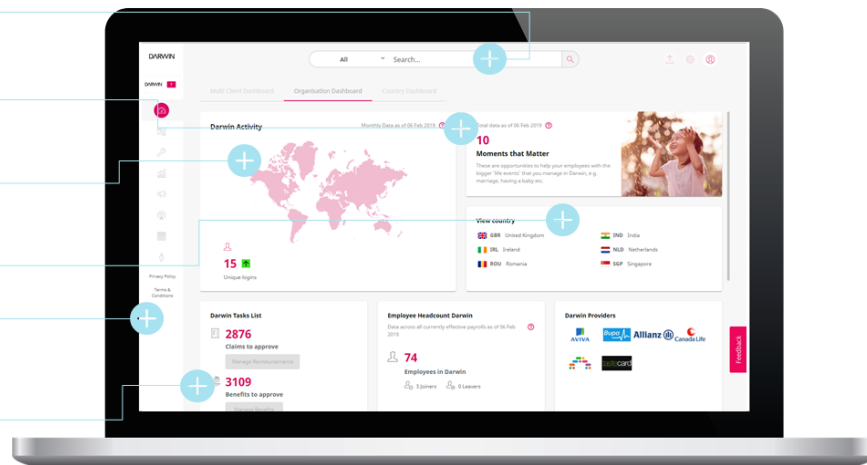
Dashboards surface insight and information

Easy access to commonly-used areas

Switch between global and local views

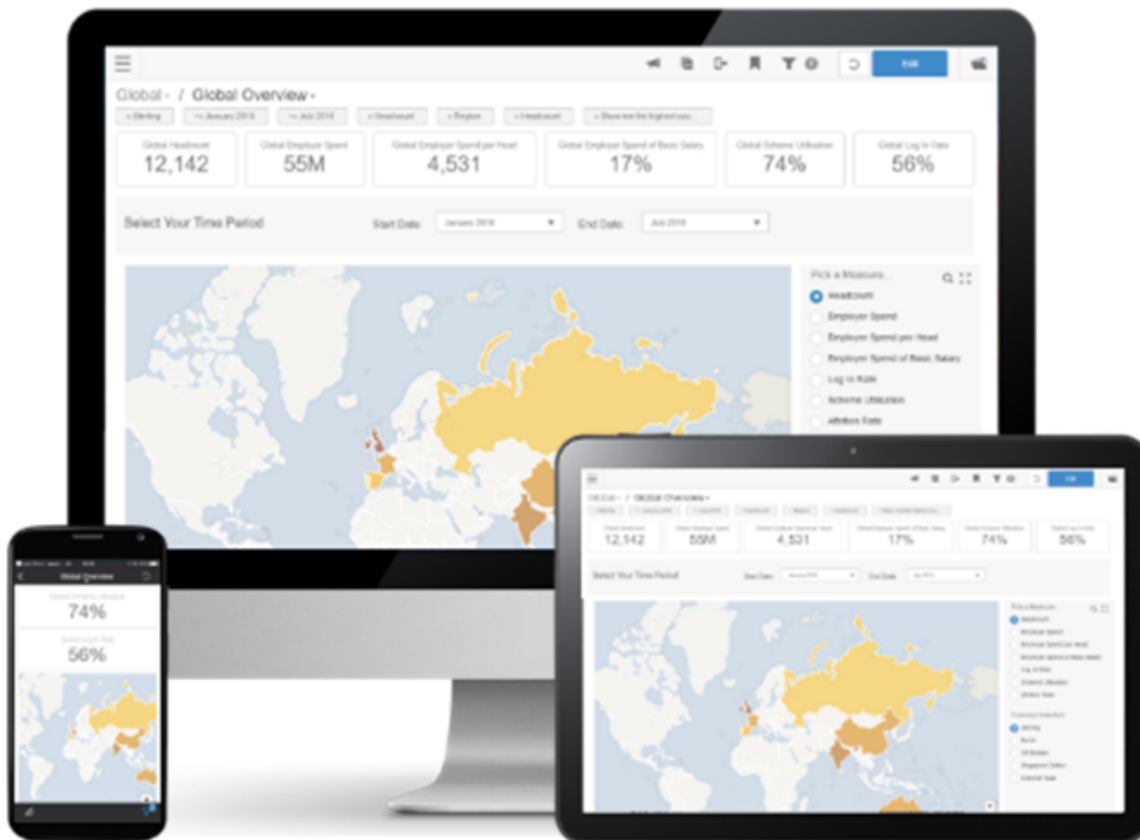
Multi-language support

Clear visibility of notifications and tasks





Analytics Centre



All screen shots provided by Thomsons Online Benefits

Analysts' Perspective by Brandon Hall Group

Situational Analysis

The only real competitive advantage in 2019 is with the people who work for you. To fully unlock their potential, the right technology and tools must be provided to them, and they must have a foundation of pay and benefits that allow them to focus on their business problems without having to worry about their current and future situation outside of that area. Unfortunately, not all providers are created equal and no single solution can address all of the needs of every business out there. However, there are some core functionalities that need to be addressed:

- **Benefits** — Benefits should go beyond being a part of an employee’s total rewards for hiring competitiveness, and should reflect the needs of employees in changing market conditions. Benefits administration should aim to give employees choice and autonomy in their benefits and ultimately be seen as a major part of the overall employee experience.
- **Reporting and Analytics** — Scheduling and payroll are difficult for any one person to manage, but the best systems try to create a visual framework or dashboard for easier navigation of overall workforce schedules, pay and attendance.

Challenges to the Business

Organizations that are successful invest in their employees, but simply spending more money on technology will not fix problems or improve results. Instead, they can work with a healthy and intuitive tool for management and end users, so that companies can go above and beyond the basic functionalities and can make a lasting impression on their workers that can have positive effects on retention and engagement.

Implications for the Business

There are many implications to the business because of the massive effect that improved employee engagement and performance, but also in this highly competitive market, creating a more positive employee work experience can be a key differentiator when it comes to winning, retaining and developing a strong pipeline of internal talent.

Questions to be Answered by the Business

Organizations need to improve their levels of satisfaction in terms of HCM technology. Simply switching providers is not the answer unless organization take the full time and energy into making sure there is connection between what is desired and what is available. The key area to consider is user experience, which lines up with other Brandon Hall Group research, which stresses the need for improved employee experiences.

The key questions for the business are:

- How can technology help?
- Is a network of point-solution providers versus a suite-provider approach a better choice?
- With so many providers out there, which is best to use?



Thomsons Online Benefits as the Answer

Thomsons Online Benefits, through its online platform Darwin, is the market leader in online benefits. Having followed Thomsons for well over five years, we can say that they do not rest on their laurels.

Thomsons' acquisition by Mercer three years ago brought together a good marriage of the services' side (Mercer) and technology (Darwin). This gives them the ability to everything from risk mitigation all the way to employee education around their benefits. Thomsons' size allows it to not have to make the compromise between user experience and completely localized benefits.

In addition to all of the capabilities listed above, the main thing that stands out from Darwin is the focus on automation, but at a macro level. While many other competitors are talking about automation at the local level (freeing up HR professionals to look at the big picture), Thomsons created an end-to-end automation engine that goes all the way from enrollment to report generation. Both types of automation are important, of course, but the type of flexibility this gives Darwin users — especially at the global level — is unprecedented.

Ultimately, Thomsons' Darwin is providing a top-level benefits-administration experience with curated benefit providers, while giving increasingly localized services at the individual country and even county level.

-Cliff Stevenson, Principal Analyst Workforce Management and TA, Brandon Hall Group
- Michael Rochelle, Chief Strategy Officer and Principal HCM Analyst, Brandon Hall Group



About Brandon Hall Group

Brandon Hall Group is an HCM research and advisory services firm that provides insights around key performance areas, including Learning and Development, Talent Management, Leadership Development, Talent Acquisition, and HR/Workforce Management. With more than 10,000 clients globally and more than 25 years of delivering world-class research and advisory services, Brandon Hall Group is focused on developing research that drives performance in emerging and large organizations and provides strategic insights for executives and practitioners responsible for growth and business results.

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