



Managed Service Provider (MSP) – Service Provider Landscape with PEAK Matrix™ Assessment 2016 – Europe

Managed Service Provider (MSP)

Market Report: January 2017 – Preview Deck

Our research offerings for global services

▶ **Market Vista™**

Global services tracking across functions, sourcing models, locations, and service providers – industry tracking reports also available

▶ **BFSI¹ Information Technology**

▶ **PricePoint™**

▶ **BFSI¹ Business Process**

▶ **Finance & Accounting**

▶ **Healthcare & Life Sciences ITS**

▶ **Procurement**

▶ **Healthcare & Life Sciences BPS**

▶ **Human Resources**

▶ **Application & Digital**

▶ **Recruitment & Talent Acquisition**

▶ **Cloud & Infrastructure**

▶ **Contact Center**

▶ **Global Sourcing**

▶ **Service Optimization Technologies**

▶ **Locations Insider™**

▶ **Transaction Intelligence**

Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

Subscription information

- The full report is included in the following subscription(s)
 - **Managed Service Provider (MSP)**
- In addition to published research, a subscription may include analyst inquiry, data cuts, and other services
- **If you want to learn whether your organization has a subscription agreement or request information on pricing and subscription options, please contact us**



Corporate Headquarters

Office: +1-214-451-3000

info@everestgrp.com



European Headquarters

Office: +44-207-129-1318

unitedkingdom@everestgrp.com

¹ Banking, financial services, and insurance

Table of contents

Topic	Page no.
Introduction and overview	4
Summary of key messages	9
Section I: Europe MSP PEAK Matrix 2016	11
• Summary	12
• MSP Europe PEAK Matrix	15
• Service provider assessment	16
Section II: Everest Group remarks on MSP service providers	18
• Alexander Mann Solutions	19
• Allegis Global Solutions	20
• Capita Resourcing	21
• Geometric Results Inc.	22
• Hays	23
• Hudson RPO	24
• Impellam Group	25
• KellyOCG	26
• ManpowerGroup Solutions TAPFIN	27
• Pontoon	28
• PRO Unlimited	29
• Randstad Sourceright	30
• ZeroChaos	31
Appendix	32
• Glossary of key terms	33
• MSP research calendar	35
• References	36

Contents

- **Introduction and overview**
- Summary of key messages
- Europe MSP PEAK Matrix 2016
- Everest Group remarks on MSP service providers
- Appendix

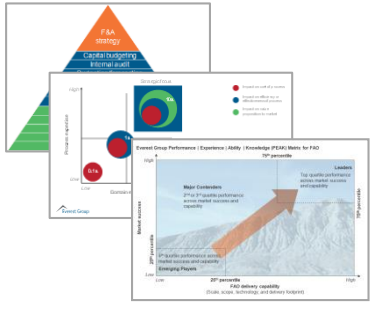
Our research methodology is based on four pillars of strength to produce fact-based actionable and insightful research for the industry

- Market thought leadership
- Actionable and insightful research
- Syndicated and custom research deliverables

1

Robust definitions and frameworks

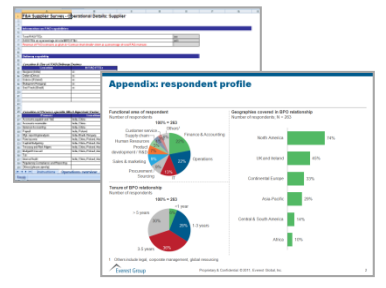
(Function-specific pyramids – MSP, RPO, PO, HRO, Total Value Equation (TVE), capability-success matrix, and market maturity)



2

Primary sources of information

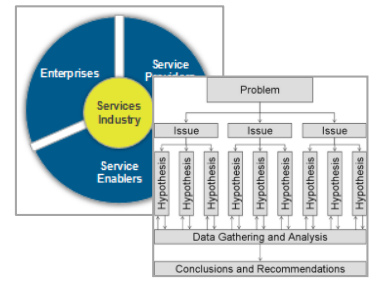
(Annual contractual & operational RFIs, service provider briefings, theme-based executive interviews, and web-based surveys)



3

Diverse set of market touch-points

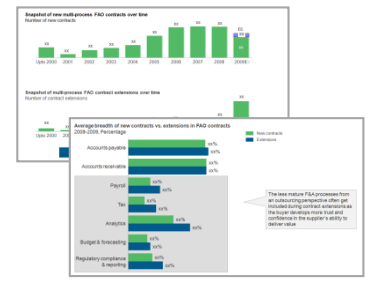
(Ongoing interactions across key stakeholders, inputs from a mix of perspectives and interests, supports both data analysis and thought leadership)



4

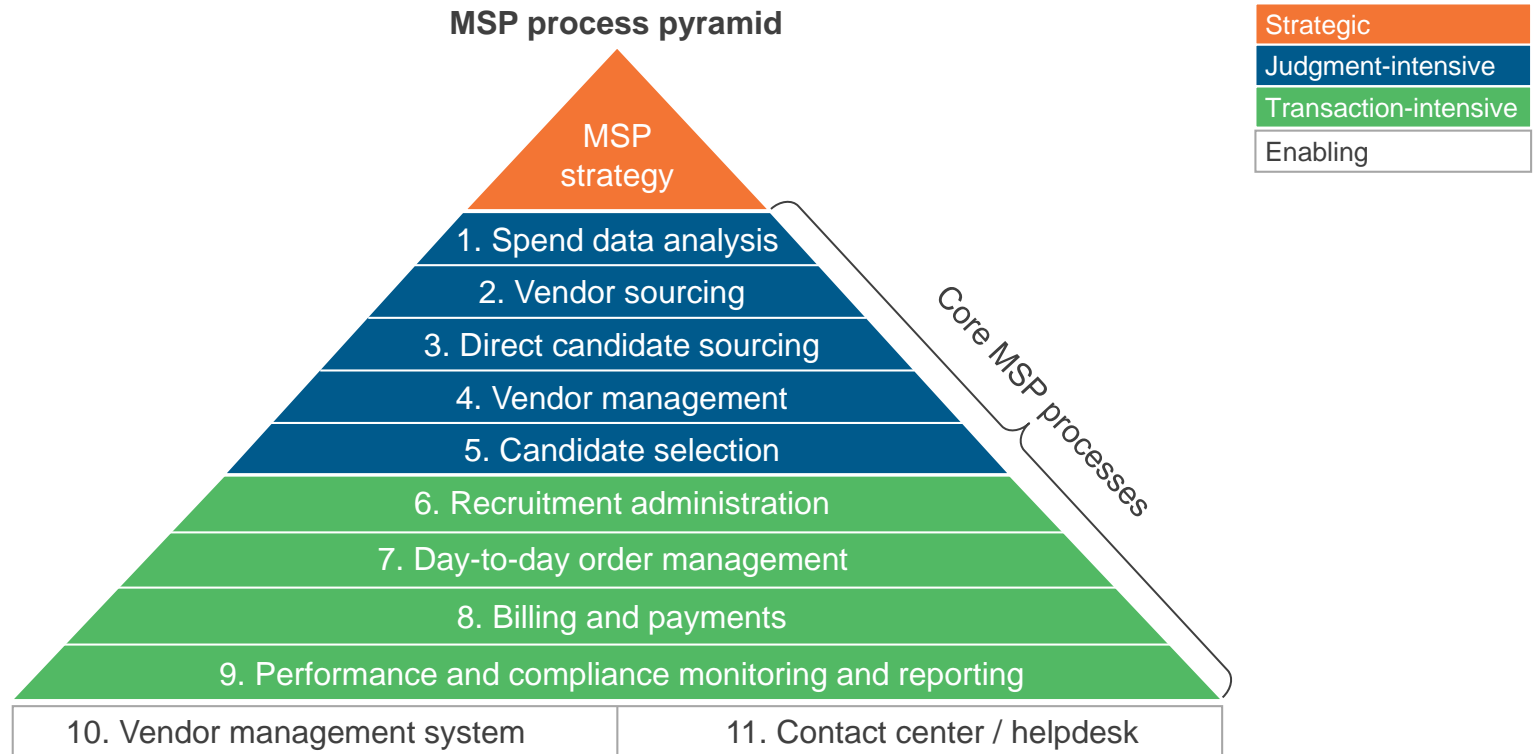
Fact-based research

(Data-driven analysis with expert perspectives and trend analysis across market adoption, contracting, and service providers)



- Proprietary contractual database with detailed information of ~13 MSP providers
- Round the year tracking of all the service providers in the MSP market
- Dedicated team for MSP research spread over two continents
- Twenty years of advising clients on BPO-related decisions
- Executive-level relationships with buyers, service providers, technology providers, and industry associations

Everest Group defines MSP as the transfer of ownership of all or part of the management of an organization's contingent/temporary staffing activities on an ongoing basis



Everest Group defines MSP deals as ones which satisfy the following key characteristics:

- A minimum of four core processes are included
- A minimum contract term of one year
- Scope of hires includes temporary/contingent hires, SoW consultants¹, and independent contractors

¹ Statement of Work (SoW) consultants are contracted for project-based work with pre-determined deliverables (as specified in the SoW) to be completed within a fixed amount of time. They are often paid on the basis of final outcome/deliverable, but maybe paid on an hourly basis as well

Source: Everest Group (2017)

Everest Group's MSP research is based on three key sources of proprietary information

1

- Everest Group's proprietary database of over **500 MSP deals** (updated annually)
- The database tracks the following elements of each MSP deal:
 - Buyer details including industry, size, location, and signing region
 - Deal details including ACV, term, start date, spend managed, primary pricing structure, process coverage, and geographic coverage (at country level)
 - Technology ownership and maintenance
 - Global sourcing

2

- Everest Group's proprietary database of **operational capability of 13 MSP service providers** (updated annually)
- The database tracks the following capability elements for each service provider:
 - MSP clients, revenue, service suite, and employees
 - Recent MSP-related developments (investments and partnerships)
 - MSP clients split by geography, industry, scope, and buyer size
 - MSP spend split by geography, source of hires, and type of sourcing model
 - MSP delivery locations and level of offshoring
 - MSP supplier partners by geography

3

- Ongoing buyer surveys and interactions
 - Everest Group's **executive interview and data collection** from **MSP buyers**
 - The data contains the following detailed buyer perspective about MSP deals:
 - ◆ Drivers for adopting MSP and buyer-provider relationships
 - ◆ The level of buyer satisfaction and the underlying reasons

Service providers covered in detail in the analyses

ALLEGIS
GLOBAL SOLUTIONS™

alexander mann
solutions

CAPITA RESOURCING


GEOMETRIC
RESULTS

HAYS Recruiting experts
worldwide

Hudson | RPO


IMPELLAM
GROUP

KELLYOCG
OUTSOURCING & CONSULTING GROUP

pontoon

PROUnlimited

 **randstad sourceright**

TAPFIN
ManpowerGroup Solutions

 **zerochaos**

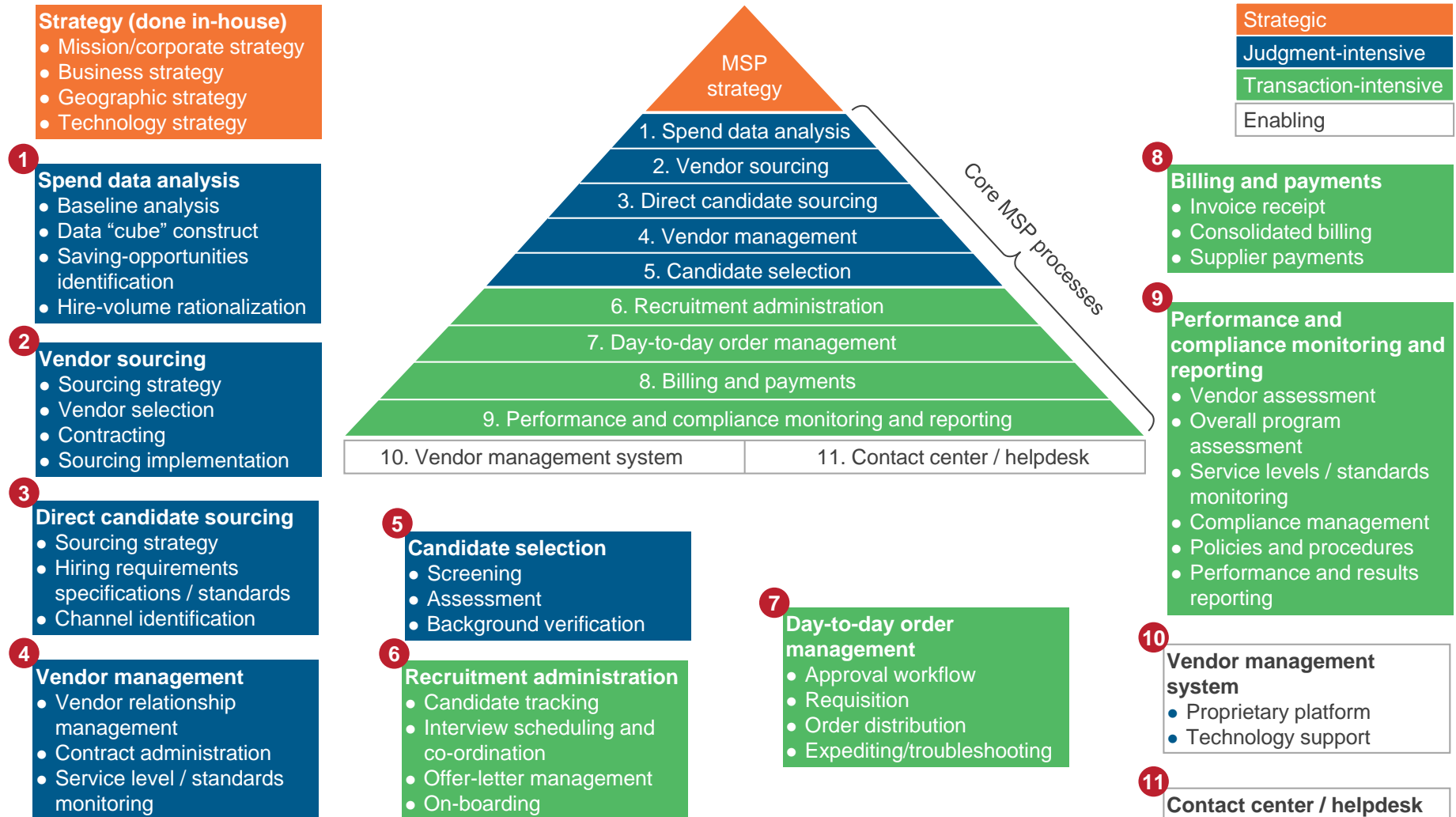
The analyses in this report are presented at two levels:

- Overall market analysis that highlights the market composition/dynamics
- The current market trends based on deal activities in the last five years

The sample size varies for different analyses based on the deal detail availability

Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any contract-specific information collected is only presented back to the industry in an aggregated fashion

A detailed view of MSP processes



Source: Everest Group (2017)

Overview and abbreviated summary of key messages

This report examines the dynamics of the Europe MSP service provider landscape and its impact on the MSP market. Based on the comprehensive Everest Group PEAK Matrix, each of the 13 MSP service providers are segmented into Leaders, Major Contenders, and Aspirants. The report also provides key insights on service provider position & growth in the market, changing market dynamics, and assessment of service provider delivery capabilities. It will assist key stakeholders (service providers, buyers, and technology providers) understand the current state of the MSP service provider landscape

Some of the findings in this report are:

2016 Europe MSP PEAK Matrix and Star Performers

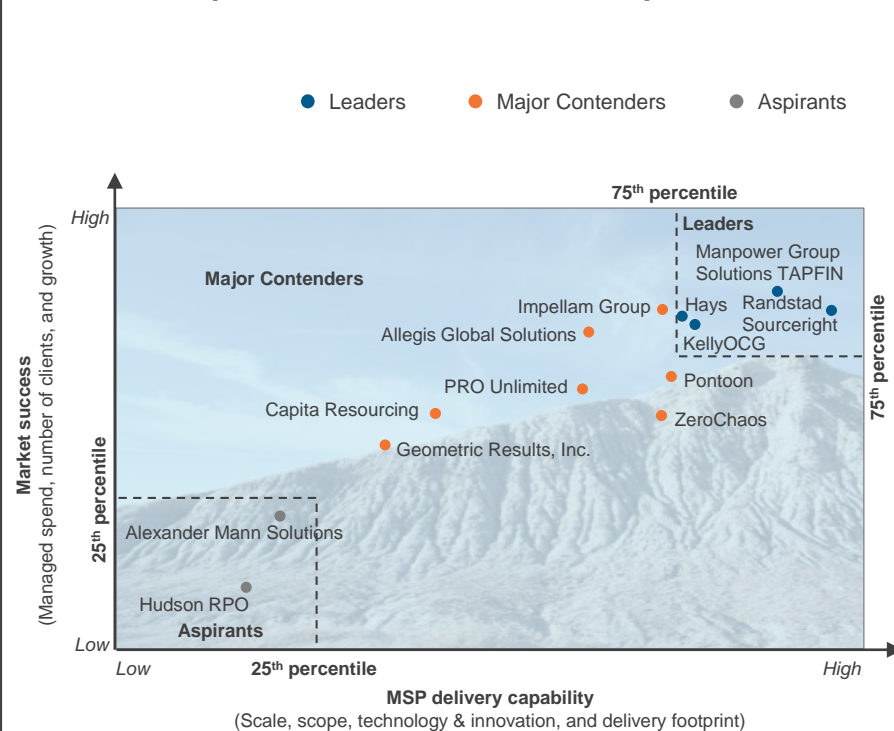
- Everest Group classified 13 MSP service providers on the Everest Group Performance | Experience | Ability | Knowledge (PEAK) Matrix into three categories of Leaders, Major Contenders, and Aspirants
- The 2016 Europe MSP PEAK Matrix positioning is as follows:
 - **Leaders:** Hays, KellyOCG, ManpowerGroup Solutions TAPFIN, and Randstad Sourceright
 - **Major Contenders:** Allegis Global Solutions, Capita Resourcing, Geometric Results Inc., Impellam Group, Pontoon Solutions, Pro Unlimited, and ZeroChaos
 - **Aspirants:** Alexander Mann Solutions and Hudson RPO

Everest Group analysis on service providers

- We assessed the overall MSP capability of service providers by evaluating them along multiple dimensions – market success, scale, scope, technology and innovation, and delivery footprint

This study offers a deep dive into key aspects of MSP service provider landscape; below are some extracted pages from the report to illustrate its depth

Everest Group PEAK Matrix for MSP Europe



Capability assessment

Legend: Medium high (light blue), High (blue), Very high (dark blue), Best-in-Class (darkest blue)

Service provider	Delivery capability					Market success
	Scale	Scope	Technology and innovation	Delivery footprint	Overall	
Service provider 1	High	Very high	Very high	Very high	High	High
Service provider 2	High	Very high	Very high	Very high	High	High
Service provider 3	High	Very high	Very high	Very high	High	High
Service provider 4	High	Very high	Very high	Very high	High	High
Service provider 5	High	Very high	Very high	Very high	High	High
Service provider 6	High	Very high	Very high	Very high	High	High
Service provider 7	High	Very high	Very high	Very high	High	High

Everest Group's remarks on service provider performance

Legend: Medium high (light blue), High (blue), Very high (dark blue), Best-in-Class (darkest blue)

Delivery capability					Market success
Scale	Scope	Technology and innovation	Delivery footprint	Overall	
High	Very high	Very high	Very high	High	High

Strengths

- XXX is a xxx company, which provides staffing services and comprehensive workforce solutions. It is primarily focused on the North American market
- It can serve clients across the entire spectrum of services ranging from end-to-end engagements to short term services
- It has strong MSP capabilities and can offer blended recruitment services
- Its focus on understanding and then developing the client's brand helps it provide a holistic recruitment solution to the client
- It has niche capabilities in hiring technology professionals. Additionally, it is now focusing on hard-to-fill positions
- Flexibility, good customer service, and high adherence to SLAs were cited as its major strengths

Areas of improvement

- Due to its limited scale/experience and U.S.-only focus, XXX is losing in the fast-growing emerging markets of APAC and EMEA. Along with this, it also limits its ability to undertake large multi-country deals
- Lack of proprietary technology platform and add-on tools is another area of concern. In order to compete with the best-in-class service providers, it needs to add significant technology capability
- Access to better technology and bringing in greater innovation were cited as key areas of improvement

Source: Everest Group (2017)

MSP research calendar

■ Published ■ Current

Topic	Release date
Clever Machines at Your Service	February 2016
MSP: A Partnership Approach Through Gainsharing	February 2016
The Future of MSP: Next-generation Workforce Management	February 2016
MSP in Europe: A Homogenous Solution for a Heterogeneous Market?	February 2016
Managed Service Provider (MSP) – Service Provider Profile Compendium 2015	March 2016
Multi-Country Payroll Outsourcing (MCPO): A Must-check Buffet for MNCs in Asia Pacific	April 2016
Heralding a New Era of Transformative Business Process Services through Technology	April 2016
Robotic Process Automation in HR Outsourcing: Not the Same as Other Business Process Service Lines	April 2016
Analytics BPS – Service Provider Landscape with PEAK™ Matrix Assessment	April 2016
Talent Acquisition in Asia Pacific: Diverse Demands Ensuring Growth	May 2016
Analytics BPS – Service Provider Profile Compendium	May 2016
Offshoring in MSP: A Scenario – Based Analysis of Potential Savings	October 2016
MSP Service Provider Landscape with PEAK Matrix Assessment 2016	December 2016
MSP Service Provider Profile Compendium 2016	December 2016
Managed Service Provider (MSP) – Service Provider Landscape with PEAK Matrix™ Assessment 2016 – Europe	January 2017
MSP Annual Report 2016	Q1 2017
Technology in Business Process Services (BPS) – Service Provider Landscape	Q1 2017

Additional MSP related research recommendations

The following documents are recommended for additional insight into the topic covered in this research. The recommended documents either provide additional details on the topic or complementary content that may be of interest

1. **MSP Service Provider Landscape with PEAK Matrix™ Assessment 2016** ([EGR-2016-3-R-2032](#)); 2016. This report examines the dynamics of the global MSP service provider landscape and its impact on the MSP market. Based on the comprehensive Everest Group PEAK Matrix, each of the 19 MSP service providers are segmented into Leaders, Major Contenders, and Aspirants. The report also provides key insights into the capabilities of various service providers. It will assist key stakeholders (service providers, buyers, and technology providers) understand the current state of the MSP service provider landscape
2. **Managed Service Provider (MSP) – Service Provider Profile Compendium 2016** ([EGR-2016-3-R-1726](#)); 2016. The Managed Service Provider (MSP) Compendium 2016 provides accurate, comprehensive, and fact-based snapshots of service providers in the MSP market. The study offers a detailed profile of each MSP providers assessed, with a comprehensive picture of their service suite, scale of operations, technology solutions, and delivery locations. In addition, each profile delivers an insightful analysis of the capabilities of the respective service provider.
3. **MSP in Europe: A Homogenous Solution for a Heterogeneous Market?** ([EGR-2016-3-R-1698](#)); 2016. This report provides an overview of the MSP market in Europe detailing the various heterogeneities in the market. Historically pioneered by US-headquartered organizations that had a presence in Europe, the MSP market in Europe has reached a tipping point where many locally headquartered buyers have started embracing MSP solutions. This is further fueling the growth engine and resulting in double digit growth in many European countries

For more information on this and other researches published by Everest Group, please contact us:

Arkadev Basak, Practice Director:

arkadev.basak@everestgrp.com

Ankaj Mohindroo, Senior Analyst:

ankaj.mohindroo@everestgrp.com

Priyanka Mitra, Senior Analyst:

priyanka.mitra@everestgrp.com

Website: www.everestgrp.com | Phone: +1-214-451-3000 | Email: info@everestgrp.com



About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empowers clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

Dallas (Headquarters)

info@everestgrp.com
+1-214-451-3000

Bangalore

india@everestgrp.com
+91-804-276-4533

Delhi

india@everestgrp.com
+91-124-496-1000

London

unitedkingdom@everestgrp.com
+44-207-129-1318

New York

info@everestgrp.com
+1-646-805-4000

Toronto

canada@everestgrp.com
+1-647-557-3475

Stay connected

Website



www.everestgrp.com

Social Media



@EverestGroup



@Everest Group

Blog

[Sherpas In Blue Shirts](http://www.sherpasinblueshirts.com)

www.sherpasinblueshirts.com