Managed Service Provider (MSP) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2019

Managed Service Provider (MSP)
Market Report – June 2019: Complimentary Abstract / Table of Contents

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PEAK MATRIX™

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▶ BPS	Insurance	▶ ITS	Insurance
▶ Catalyst™	▶ IT Services Executive Insights™
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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

Membership information

- This report is included in the following research program(s)
  - Managed Service Provider (MSP)
- If you want to learn whether your organization has a membership agreement or request information on pricing and membership options, please contact us at info@everestgrp.com, unitedkingdom@everestgrp.com, or india@everestgrp.com

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

- Everest Group's proprietary database of over **1300 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

- Everest Group's proprietary database of **operational capability of 21 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

- Ongoing buyer surveys and interactions
- Everest Group's **executive interviews 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

AgileOne ALLEGIS GLOBAL SOLUTIONS An Allegis Group Company AMN Healthcare

B Brainnet Verstand van mensen CAPITA RESOURCING

CROSS COUNTRY HEALTHCARE FIRCROFT GRI GEOMETRIC RESULTS, INC.

guidant global HAYS Talent Solutions Intelligent Resourcing HCMWORKS

KELLYOCG OUTSOURCING & CONSULTING GROUP nextSource Advancing the way the world connects with talent. pontoon

PRO Unlimited randstad sourceright TAPFIN ManpowerGroup Solutions

VOLT Consulting Group WORKFORCE LOGIQ Yoh A DAY & ZIMMERMANN COMPANY

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

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Summary of key messages

Everest Group PEAK Matrix™ for MSP service providers

- Everest Group's PEAK Matrix categorizes MSP service providers into Leaders, Major Contenders, and Aspirants, based on their market impact, and vision & capability

- Based on Everest Group's comprehensive evaluation framework, the PEAK Matrix, the 21 MSP service providers evaluated are segmented into three categories (in alphabetical order within each category):

  - **Leaders:** Allegis Global Solutions, Guidant Global, KellyOCG, ManpowerGroup Solutions TAPFIN, Pontoon Solutions, and Randstad Sourceright

  - **Major Contenders:** AgileOne, AMN Healthcare, Broadleaf Results, Geometric Results, Hays, HCMWorks, nextSource, PRO Unlimited, Volt Consulting Group, Workforce Logiq and Yoh

  - **Aspirants:** Brainnet, Capita Resourcing, Cross Country Healthcare, and Fircroft

- Based on the relative Year-on-Year (YOY) movement of service providers on the PEAK Matrix, Everest Group identified four service providers as the "2019 MSP Market Star Performers" – Allegis Global Solutions, Hays, Pontoon Solutions and Yoh

Everest Group Managed Service Provider (MSP) Services PEAK Matrix™ Assessment 2019
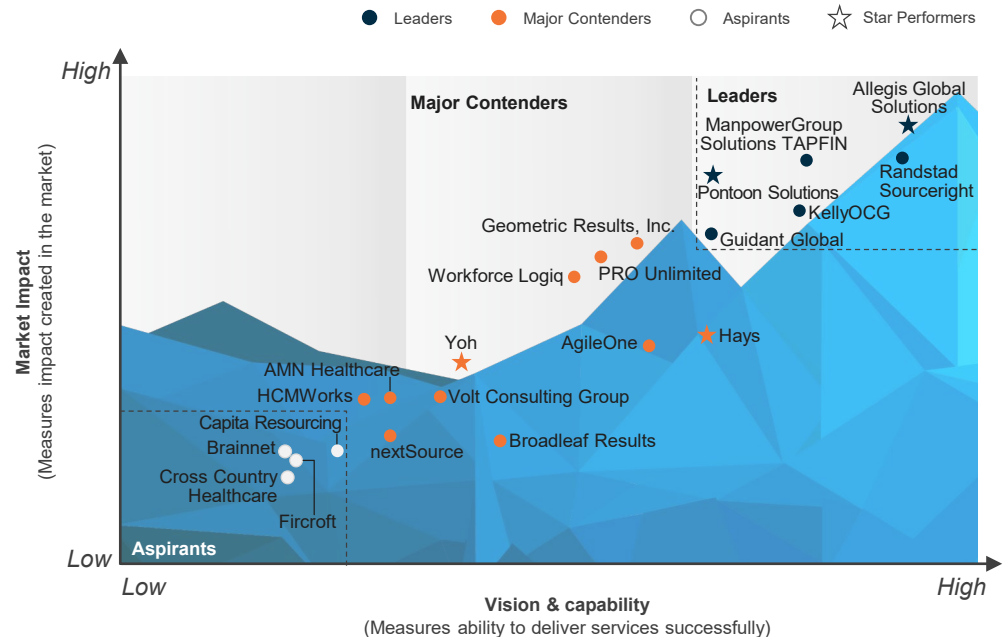
Note 1: Amongst the Aspirants and Major Contenders, AMN Healthcare, Hays, Volt Consulting Group and Yoh participated. For other providers, inputs are based on Everest Group's estimates that leverage Everest Group's proprietary Transaction Intelligence (TI) database, service providers' ongoing coverage & public disclosures, and interaction with buyers.
For providers who have not participated, Everest Group's data for assessment may be less complete
Note 2: For a detailed service provider profile, please refer to the forthcoming MSP – Service Provider Profile Compendium 2019 report
Source: Everest Group (2019)

Overview and abbreviated summary of key messages

This report examines the dynamics of the Managed Service Provider (MSP) market. It provides a deep-dive analysis of how the service providers shape up in terms of their market success and delivery capability. Based on the comprehensive Everest Group PEAK Matrix, 21 MSP service providers are segmented into Leaders, Major Contenders, and Aspirants. Additionally, this report contains Everest Group's remarks on each service provider's strengths and areas of improvement.

Some of the findings in this report, among others, are:

MSP PEAK Matrix 2019

- Everest Group classifies MSP service providers based on the Everest Group PEAK Matrix into the three categories of Leaders, Major Contenders, and Aspirants
- Based on Everest Group's comprehensive evaluation framework, the PEAK Matrix, the 21 established MSP service providers evaluated are segmented into three categories (in alphabetical order within each category):
  - **Leaders:** Allegis Global Solutions, Guidant Global, KellyOCG, ManpowerGroup Solutions TAPFIN, Pontoon Solutions, and Randstad Sourceright
  - **Major Contenders:** AgileOne, AMN Healthcare, Broadleaf Results, Geometric Results, Hays, HCMWorks, nextSource, PRO Unlimited, Volt Consulting Group, Workforce Logiq and Yoh
  - **Aspirants:** Brainnet, Capita Resourcing, Cross Country Healthcare, and Fircroft
  - Everest Group also identified the following providers as Star Performers based on their year-over-year movement on the PEAK Matrix (in alphabetical order): Allegis Global Solutions, Hays, Pontoon Solutions and Yoh
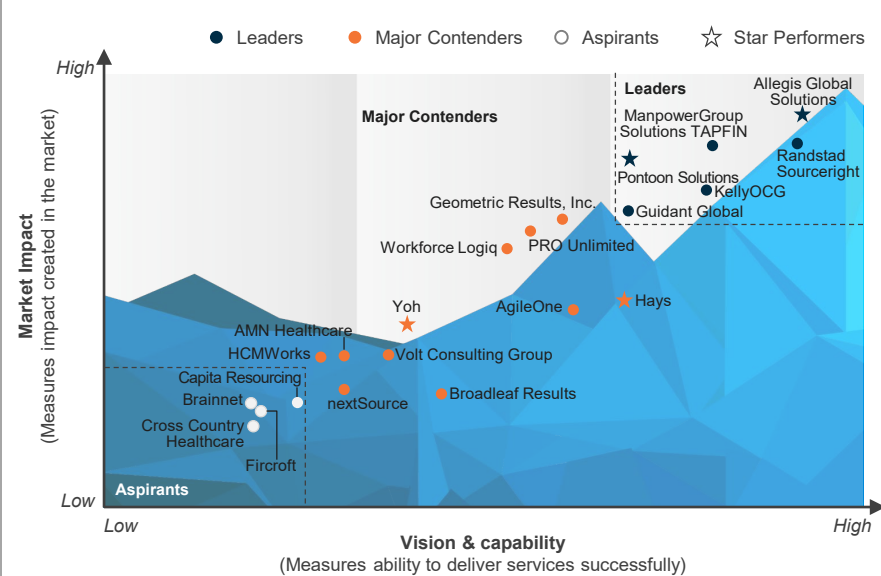
MSP service provider commentary

Everest Group delineates each of the 21 service providers' strengths and areas of improvement
The in-depth commentary is intended to help service providers, enterprise buyers and other stakeholders to understand the current situation and possible future direction of the provider landscape

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This study offers two distinct chapters providing a deep dive into key aspects of MSP market; below are three charts to illustrate the depth of the report

MSP Service Providers PEAK Matrix™ Assessment 2019

● Leaders　● Major Contenders　○ Aspirants　☆ Star Performers

High

Market Impact
(Measures impact created in the market)

Leaders

Allegis Global Solutions ●☆

ManpowerGroup Solutions TAPFIN ●

Major Contenders

Randstad Sourceright ●

Pontoon Solutions ☆

Geometric Results, Inc. ●

KellyOCG ●

Guidant Global ●

Workforce Logiq ●　PRO Unlimited ●

Yoh ★

AgileOne ●　Hays ★

AMN Healthcare ●

HCMWorks ●

Volt Consulting Group ●

Capita Resourcing ○

Brainnet ○

nextSource ●

Broadleaf Results ●

Cross Country Healthcare ○

Fircroft

Aspirants

Low

Low　Vision & capability　High
(Measures ability to deliver services successfully)

Note 1: Amongst the Aspirants and Major Contenders, AMN Healthcare, Hays, Volt Consulting Group and Yoh participated. For other providers, inputs are based on Everest Group's estimates that leverage Everest Group's proprietary Transaction Intelligence (TI) database, service providers' ongoing coverage & public disclosures, and interaction with buyers. For providers who have not participated, Everest Group's data for assessment may be less complete

Note 2: For a detailed service provider profile, please refer to the forthcoming MSP – Service Provider Profile Compendium 2019 report

Source: Everest Group (2019)

Capability assessment

Illustrative example

Measure of capability: ● High　◔ Low

Service provider	Market impact				Vision & capability				
	Market adoption	Portfolio mix	Value delivered	Overall	Scope of services offered	Innovation and investments	Delivery footprint	Vision and strategy	Overall
Service provider 1									
Service provider 2									
Service provider 3									
Service provider 4									
Service provider 5									
Service provider 6									
Service provider 7									
Service provider 8									
Service provider 9									

Everest Group's remarks on service providers

Illustrative example

Measure of capability: ● High　◔ Low

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Scope of services offered	Innovation and investments	Delivery footprint	Vision and strategy	Overall

Strengths

- Service provider 1, has a robust delivery presence in Asia Pacific with multiple delivery centers in India, Australia, the Philippines, and China, enabling it to service client requirements efficiently

- It has a good number of multi-country as well as single-country clients across the world

Areas of improvement

- Service provider 1 should increase offerings of value-added services such as employer branding, talent communities and workforce planning

- It should try to expand into larger multi-country deals and also scout for engagements in other Asia Pacific markets to strengthen its presence in the region

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Research calendar – Managed Service Provider (MSP)

Flagship MSP reports	Release date
Managed Service Provider (MSP) Service Provider Landscape with PEAK™ Matrix Assessment 2018	September 2018
Managed Service Provider (MSP) Service Provider Compendium 2019	December 2018
Managed Service Provider (MSP) Annual Report 2019 – Navigating through unchartered territories: Is the industry compass ready?	December 2018
Managed Service Provider (MSP) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2019	June 2019
Managed Service Provider (MSP) Service Provider Compendium	Q3 2019
Managed Service Provider (MSP) Annual Report	Q3 2019
Services Procurement (SOW) Service Provider landscape with PEAK™ Matrix Assessment 2019 including market trends	Q4 2019

Thematic MSP reports	
Digital Technologies: The Next Frontier in Talent Acquisition	December 2017
Reimagining Talent Acquisition in a Digital – First Era	March 2018
MSP: A peek into Buyers' mind – Digital and Futuristic Outlook is the Key to Buyers' Delight	August 2018
Digital startups in Talent Acquisition (Part 3 of 3)	October 2018
Managed Service Provider : A Peek Into the Buyers' Mind	March 2019
Clash of MSP and PO Markets	March 2019
Insights – Best in Class MSP Programs	Q3 2019

Note: For a list of all of our published reports, please refer to our website page

Additional MSP research references

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

1. **Managed Service Provider (MSP) Annual Report 2019 – Navigating Through Uncharted Territories: Is the Industry Compass-Ready?** (EGR-2018-25-R-2894); The global Managed Service Provider (MSP) market is growing steadily on the back of rising demand for contingent workforce across geographies and industries. It is expected to witness a growth rate of 10-12% in 2018, backed by ever-increasing demand for temporary workers, rise in adoption of services procurement, and the emergence of the gig economy, resulting in rapidly-increasing numbers of freelancers/ICs

2. **Managed Service Provider (MSP) – Service Provider Landscape with Services PEAK Matrix™ Assessment 2018** (EGR-2018-25-R-2775); The global Managed Service Provider (MSP) market is undergoing tremendous change owing to buyer requirements for more strategic solutions. In additional to the traditional temporary labor, buyers are increasingly relying on their service providers to manage additional types of labor including services procurement/SOW, independent contractor (IC), and permanent labor.

3. **Managed Service Provider (MSP) Annual Report 2018 – Towards the Next Frontier – Boldly Going Where Few Have Gone Before** (EGR-2017-3-R-2471);. The global Managed Service Provider (MSP) market continued to remain one of the fastest-growing single-process HRO markets. It is expected to pose a high growth rate of 9-11% in 2017, backed by ever-increasing demand for contingent workers, rise in adoption of Statement of Work (SOW), and the emergence of the gig economy, resulting in rapidly-increasing numbers of freelancers/ICs.

4. **Managed Service Provider (MSP) – Service Provider Landscape with PEAK Matrix™ Assessment 2017** (EGR-2017-3-R-2354); In an age of rapid economic, demographic, and digital & technological evolution, the MSP market is undergoing transformative changes as well. Providers investing substantially and continuously in innovation over the next few months will be able to meet the upcoming challenges most effectively and surge ahead of competition

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

Arkadev Basak, Vice President: arkadev.basak@everestgrp.com

Vishal Gupta, Practice Director   vishal.gupta@everestgrp.com

Ankaj Mohindroo, Senior Analyst: ankaj.mohindroo@everestgrp.com

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

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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 empower 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
+91-80-61463500

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
+1-416-388-6765

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