Contingent Workforce Management (CWM) / Managed Service Provider (MSP) and Services Procurement / Statement of Work (SOW) – Service Provider Compendium 2023

November 2022: Complimentary Abstract / Table of Contents

Our research offerings

This report is included in the following research program(s):
Contingent Workforce Management

- Application Services
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- Banking and Financial Services Business Process
- Banking and Financial Services Information Technology
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- Contingent Workforce Management
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- Customer Experience Management Services
- CX Excellence
- Cybersecurity
- Data and Analytics
- Digital Adoption Platforms (DAP)
- Digital Engineering Services
- Digital Services
- Digital Workplace
- Employee Experience Management (EXM) Platforms
- Employer of Record (EOR)
- Engineering Services

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- Healthcare Information Technology
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- Insurance Business Process
- Insurance Information Technology
- Insurance Technology (InsurTech)
- Insurance Third-Party Administration (TPA) Services
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- Life Sciences Information Technology
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- Network Services and 5G
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- Process Mining
- Procurement and Supply Chain
- Recruitment
- Retirement Technologies
- Revenue Cycle Management
- Rewards and Recognition
- Service Optimization Technologies
- Software Product Engineering Services
- Supply Chain Management (SCM) Services
- Sustainability Technology and Services
- Talent Excellence GBS
- Talent Excellence ITS
- Technology Skills and Talent
- Trust and Safety
- Work at Home Agent (WAHA) Customer Experience Management (CXM)

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Benchmarking

Contract assessment

Peer analysis

Market intelligence

Tracking: providers, locations, risk, technologies

Locations: costs, skills, sustainability, portfolios

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Everest Group's CWM/MSP and services procurement research is based on multiple key sources of proprietary information

- Everest Group's proprietary database of over **1,700 CWM/MSP and services procurement deals** (updated annually)
- The database tracks the following elements of each CWM/MSP deal:
  - Buyer details including industry, size, location, and signing region
  - Deal details including ACV, signing date, term, spend managed, primary pricing structure, process coverage, and geographic coverage (at a country level)
  - Technology ownership and maintenance
  - Global sourcing

- Everest Group's proprietary database of operational capability of 24+ service providers (updated annually)
- The database tracks the following capability elements for each provider:
  - CWM/MSP deals, managed spend, revenue, service suite, and employees
  - Recent CWM-/MSP-related developments (investments and partnerships)
  - CWM/MSP deals split by geography, industry, scope, funding model, and buyer size
  - Managed spend split by geography, industry, job family, and type of sourcing model
  - Delivery locations and level of offshoring
  - Supplier partners by geography

- Ongoing buyer surveys and interactions
- Everest Group's executive interviews and data collected from CWM/MSP & services procurement buyers
- The data contains the following detailed buyer perspectives about services procurement deals:
  - Drivers for adopting CWM/MSP and buyer-provider relationships
  - The level of buyer satisfaction and the underlying reasons

- The analysis in this report is presented at three levels:
  - Service provider landscape and overview
  - CWM and services procurement PEAK Matrix® characteristics
  - Sourcing considerations for enterprises

Providers assessed

AgileOne ALLEGIS GLOBAL SOLUTIONS AMN Healthcare

A|M|S Broadleaf CROSS COUNTRY HEALTHCARE

DZConneX A Day & Zimmermann Company HAYS Working for your tomorrow HCMWORKS

Impellam Group KellyOCG Magnit

MONUMENT CONSULTING morson group nextSource Advancing the way the world connects with talent.

pontoon QUESS WINNING TOGETHER randstad sourceright

Reed Talent Solutions RGF Staffing SEVENSTEP

Talent Solutions TAPFIN ManpowerGroup® VOLT Consulting Group workspend

Note 1: The term Contingent Workforce Management (CWM) and Managed Service Provider (MSP) are used interchangeably
Note 2: The analysis for RGF Staffing includes Advantage Group (US), Solvus/Public-Sourcing (BE), Unique (GE), Chandler Macleod (AUS) MSP brands of RGF Staffing
Note 3: The analysis for Impellam Group aggregates data for Guidant Global, Comensura, Lorien, and Medacs Global Group (MGG) brands of the firm
Note 4: The analysis for Magnit (previously PRO Unlimited) also aggregates Workforce Logiq and Brainnet MSPs of the firm (acquired in 2021)
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

Background of the research

The CWM/MSP market is a growing outsourcing market in the world today. The industry is further experiencing traction on account of the aftereffects of the pandemic, with contingent hiring increasing across the globe. The service provider landscape is evolving, with providers increasing the breadth and depth of their offerings. They are making investments to manage all types of contingent workers, to enhance scope of services, and to ensure process digitization.

This report examines the dynamics of the global CWM/MSP and services procurement service providers and its impact on the CWM/MSP and services procurement market. The capabilities required for service providers to differentiate themselves in the CWM/MSP outsourcing market are different from the capabilities required in the services procurement market and thus, the report features providers on two PEAK Matrix® Assessments, one for the overall CWM/MSP outsourcing landscape and one for the services procurement outsourcing landscape. Based on the comprehensive Everest Group PEAK Matrix evaluation, each of the 24 CWM/MSP service providers are segmented into the categories of Leaders, Major Contenders, Aspirants, and Star Performers.

In this research, we focus on:

- Everest Group's CWM/MSP PEAK Matrix evaluation, a comprehensive assessment of 24 service providers
- Everest Group's Services procurement / SOW PEAK Matrix evaluation, a comprehensive assessment of 18 service providers
- Service provider delivery capability assessment
- Remarks on key strengths and areas of improvement for each service provider
- Service provider landscape

Scope of this report

Geography
Global

Providers
24 leading CWM/MSP providers

Services
Contingent Workforce Management (CWM) and services procurement

The CWM/MSP and service procurement/SOW compendium has over 24 service provider profiles

Provider | contingent workforce management profile (page 1 of 5)
Service capability and strategy

Company profile
XYZ connects organizations with diverse and talented people t[...]
group of a workforce solutions provider, XYZ, and provides sol[...]
process outsourcing, and recruitment process outsourcing.

Total managed spend: US$XYZ billion
Total number of current CWM clients: XYZ
Total contingent workers managed: XYZ

Headquarter[...]
Leadership: [...]
Website: ww[...]

Recent investments
- **2021:** invested in Total Talent Management (TTM) via its pro[...] interface across the entire product line
- **2021:** invested in people, processes, and technology for a di[...]
- **2021:** launched the Helix Analytics platform (formerly TSCA[...]
- **2021:** partnered with two AI-based procurement technologie[...]

Tools and technology

Tools

Vendor Management System (VMS)

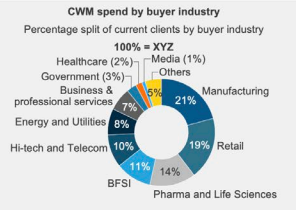Services procurement / Statement Of Work (SOW)-related tool[...]

Freelancer Management System (FMS)

Analytics

Provider | contingent workforce management profile (page 2 of 5)
Portfolio

Large global oil & gas company

Leading global oil & gas company

CWM spend by buyer industry
Percentage split of current clients by buyer industry
100% = XYZ

- Healthcare (2%)
- Government (3%)
- Media (1%)
- Others
- Business & professional services 7%
- 5%
- Manufacturing 21%
- Energy and Utilities 8%
- Hi-tech and Telecom 10%
- Retail 19%
- BFSI 11%
- Pharma and Life Sciences 14%

Note: Percentages have been rounded to the nearest integer percen[...]

Provider | contingent workforce management profile (page 3 of 5)
Location landscape

CWM delivery locations

Provider | contingent workforce management profile (page 4 of 5)
Everest Group CWM/MSP assessment – Leader and Star Performer
Everest Group services procure[...]

	Market adoption	Portfolio
CWM/MSP assessment		
Services procurement / SOW assessment		

Strengths
- XYZ is the outsourcing and consulting arm of XYZ, a US-base[...]
- It has a diversified portfolio across geographies, categories, a[...] capabilities
- XYZ is building a strong technology stack by combining propr[...]
  - Enhanced its proprietary portal for engagement managers t[...] (TTA) offering
  - Developed a white-labeled talent marketplace that can inte[...]
  - Developed a human cloud and IC sourcing and evaluation s[...]
- It has a diversified portfolio with services procurement spend [...] value chain. Some of its investments include:
  - Enabled Analytics to provide insights around services procu[...]
  - Invested in a CoE that works with solution architects to des[...]
- XYZ continues to rapidly launch innovative productized offerin[...]

Provider | contingent workforce management profile (page 5 of 5)
Everest Group CWM/MSP assessment – Leader and Star Performer
Everest Group services procurement assessment – Leader and Star Performer

Measure of capability: ○ Low ● High

	Market impact				Vision & capability				
	Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall
CWM/MSP assessment									
Services procurement / SOW assessment									

Limitations
- While XYZ serves clients across geographies, referenced clients expect it to increase its footprint further in Latin America and APAC
- Its onshore- and onsite-centric delivery model may prevent its clients from capturing labor arbitrage opportunities
- Although XYZ has experience in managing deals of all sizes, clients wishing to outsource very large and complex services procurement deals should evaluate the depth and breadth of its capabilities
- While it is focusing on and making investments to strengthen its direct sourcing capabilities and provides access to external talent pools as well, its market success in delivering direct sourcing solutions is not fully tested
- Although it is making investments in its technology and analytics offerings, referenced clients highlighted the scope to improve its advanced analytics capabilities such as predictive dashboards
- Referenced clients expect XYZ to be more proactive in bringing technologies beyond VMS to digitize CWM processes

Research calendar
Contingent Workforce Management

<table>
<tr><td></td><td></td><td>■ Published</td><td>■ Planned</td><td>■ Current release</td></tr>
</table>

Reports title	Release date
Vendor Management System (VMS) State of the Market Report 2021 – Keeping Pace with Rapidly Evolving Buyer Expectations	September 2021
Contingent Workforce Management (CWM) State of the Market Report 2022 – The Next Frontier to Address Unprecedented Talent Challenges	October 2021
The Next Era in Talent Management: Leveraging a Once-in-a-Lifetime Strategic Shift	November 2021
Workday Acquires VNDLY: Enabling an Integrated Platform-Driven Approach for Total Talent Management (TTM)	December 2021
Future of Work Series | Reimagining Workforce and Workplace Mechanics: Who Will Do the Work?	February 2022
Direct Sourcing for Contingent Workforce: a Talent-Centric Approach to Address Today's Unprecedented Workforce Challenges	March 2022
Vendor Management System (VMS) PEAK Matrix® Assessment with Technology Vendor Landscape 2022	May 2021
Vendor Management System (VMS) – Technology Vendor Compendium 2022	July 2022
Future of Work Series | Reimagining Workforce and Workplace Mechanics: How Will Work Be Done	August 2022
Contingent Workforce Management (CWM) / Managed Service Provider (MSP) and Services Procurement / Statement of Work (SOW) PEAK Matrix® Assessments 2022	August 2022
Direct Sourcing Technology as a Gateway to Total Talent Acquisition (TTA)	September 2022
The Role of Technology in Enabling Strategic Contingent Workforce Management (CWM)	October 2022
Contingent Workforce Management (CWM) / Managed Service Provider (MSP) and Services Procurement / Statement of Work (SOW) Provider Compendium 2023	**November 2022**
CWM and VMS State of the Market Report 2023	Q4 2022

Note: Click to see a list of all of our published Contingent Workforce Management reports

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