

HR Technology & Services

Transforming Contingent Workforce Solutions (CWS) to Meet 2021 Hiring Needs

Report Abstract

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Who is This Market Analysis For?

NelsonHall's CWS & MSP report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within the CWS & MSP market
- Vendor marketing, sales, and business managers developing strategies to target CWS & MSP services
- Financial analysts and investors specializing in the CWS & MSP services sector.

Key Findings & Highlights

NelsonHall's market analysis of the CWS & MSP services market consists of 154 pages. The report focuses on developments made over 2020 and strategies for 2021 and beyond.

The global CWS & MSP market will be ~\$3.8bn in 2021, with a predicted CAAGR of 10.0% through 2025. Global CWS & MSP SUM will be \$163bn in 2021, with an anticipated CAAGR of 5.6%.

Economic instability will likely prevail until 2025 with individual regions/countries subject to ongoing COVID-related incidents such as lockdowns and variant outbreaks, requiring organizations to adapt and pivot their businesses at short notice. Environmental issues such as the impact of global warming are also important in influencing business location and workforce/hiring strategies. These factors are driving on-demand CWS & MSP needs.

Organizations' need to take a holistic, multi-channel approach to hiring as the war on talent intensifies with a merging of CWS/MSP, RPO, and learning services as organizations look to secure in-demand skillsets by whatever means: borrowing, buying, or building talent. Hence, organizations will need to become more proactive and embrace strategic workforce planning (SWP).

The critical social issues such as the health, safety, and wellbeing of people at work and diversity, equity, inclusion, and belonging (DEIB) highlighted since the beginning of 2020 will grow in importance, with DEIB being embedded into working culture across both contingent and permanent hiring. These issues will continue to underpin hiring practices.

The broader skills crisis across digital, niche, professional, and some blue-collar skills will be the biggest challenge in the immediate future (2021-2023). With CWS & MSP vendors already under pressure to deliver talent for their highly expectant customer base, this will intensify while the mobility of talent remains restricted. Organizations will require imaginative solutions for multi-channel sourcing, attracting, securing, and retaining of candidates.

The demand for technology deployment within MSP & CWS services has increased considerably. In 2021, CWS & MSP vendors have seen a ~33% expansion in the breadth/range of talent technology categories they are regularly deploying, and new categories will continue to be added. A significant proportion of this demand is focused on intelligence platforms (for hiring insights), generic learning platforms and modalities, developer skills platforms, and assessments. Use of human cloud platforms, intelligent sourcing/matching platforms, direct sourcing, CRM/talent pooling platforms will expand as means to source (and nurture) talent.

Next-generation service delivery, with an uptick in the rise of virtual SSCs, is emerging, underpinned by the latest platforms and the building of more expert customer service teams.

Scope of the Report

The report analyzes the worldwide market for CWS & MSP and addresses the following questions:

- What is the market size and projected growth for the CWS & MSP services market by geography?
- What is the profile of activity in the global CWS & MSP market by industry sector?
- What are the top drivers for the adoption of CWS & MSP services?
- What are the benefits currently achieved by users of CWS & MSP services?
- What factors are inhibiting user adoption of CWS & MSP services?
- Who are the leading CWS & MSP services vendors globally and by geography?
- What combination of services is typically provided within CWS & MSP services contracts, and what new services are being added?
- What is the current pattern of delivery location used for CWS & MSP services, and how is this changing?
- What are the challenges and success factors within CWS & MSP services?

RPO Vendor Assessments Available for:

AMS

Avencia

CXC Global

Guidant Global

Hudson RPO

KellyOCG

Lorien

Morson Talent

nextSource

Page Outsourcing

Pontoon Solutions

PRO Unlimited

Randstad Sourceright

Resource Solutions

Resourgenix

Sanderson Plc

talentCRU

WilsonHCG

About The Author

Nikki is a Principal Research Analyst at NelsonHall, with shared responsibility for HRO research globally. Nikki is responsible for HRO research in the areas of Recruitment Process Outsourcing (RPO), Managed Service Program (MSP)/Contingent Workforce Services (CWS), and Learning. Nikki has a wealth of operational experience across the entire HR function, including talent acquisition, talent development, employee engagement, employee relations, compensation, benefits, payroll, employment law, and HR systems. She also has significant experience in leading and managing business transformation/integration and cultural change projects, including outsourcing key business functions, accelerated growth via TUPE transfers, organization and process redesign, and M&A initiatives (including due diligence, rebranding, cultural realignment, and compensation and benefits changes).



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About NelsonHall

NelsonHall is the leading global analyst firm dedicated to helping organizations understand the ‘art of the possible’ in digital operations transformation. With analysts in the U.S., U.K., and Continental Europe, NelsonHall provides buy-side organizations with detailed, critical information on markets and vendors (including NEAT assessments) that helps them make fast and highly informed sourcing decisions. And for vendors, NelsonHall provides deep knowledge of market dynamics and user requirements to help them hone their go-to-market strategies. NelsonHall’s research is based on rigorous, primary research, and is widely respected for the quality, depth and insight of its analysis.

We would be pleased to discuss how we can bring benefit to your organization. You can contact us via the following relationship manager: Guy Saunders at guy.saunders@nelson-hall.com

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