



Next Generation MSP: Optimizing Contingent Talent Strategies

Market Analysis
Abstract

March 2020
research.nelson-hall.com





Who Is This Report For?

NelsonHall's "Next Generation MSP: Optimizing Contingent Talent Strategies" report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within managed service programs (MSPs)
- HR decision makers exploring the benefits and inhibitors of MSPs as evidenced by the clients and vendor capability
- Vendor marketing, sales and business managers developing strategies to target BPO service opportunities within MSPs
- Financial analysts and investors specializing in the BPO sector, including MSPs.

Scope of the Report

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

- What is the market size and projected growth for the global MSP/CWS market by geography?
- What is the profile of activity in the global MSP/CWS market by industry sector?
- What are the top drivers for adoption of MSPs/CWS'?
- What combination of service models/services are typically provided within MSP/CWS contracts and what new service models/services are being added?
- What is the current pattern of delivery location used for MSP/CWS services and how is this changing?
- What are the challenges and success factors within MSP/CWS?



Key Findings & Highlights

NelsonHall's market analysis of the MSP/CWS industry and trends consists of 94 pages.

The MSP/CWS market is as complicated as the RPO market, as organizations seeking MSP/CWS services expect vendors to tailor services to their specific organizational needs (by geography, industry, skill set, organization size, etc.).

In addition to the traditional PESTLE factors affecting the talent acquisition market, there is much talk about the "future of work" and its impact (notably, the five generational workforce and technology as the enabler of work). This complex mix of factors at play has led more organizations to seek the support of MSP/CWS vendors to help them to overcome their hiring challenges.

Vendors typically offer a menu of services as part of their MSP/CWS programs. Vendors' general tendency to focus on/expand services such as Services Procurement and Consulting in 2019/2020, has led to more of these services to become table stakes, with the vendors being less differentiated. Some MSP/CWS vendors are focusing on specialties (such as industries or skills) in a bid to offer something different, playing to their core strengths.

The rapid evolution and choice of suitably robust talent tech/tools have led MSP/CWS vendors to start limiting the number of offerings within their ecosystem, focusing on those that best serve their client mix. There has been investment in proprietary and third-party platforms to support new service offerings and intelligent talent acquisition.

Successful MSP/CWS programs require building a compelling story around the value that a 2020 fit-for-purpose MSP/CWS offering brings. Also, knowing the client audience and what their perceptions of the vendor are (around vendor strengths, areas for improvement, meeting future needs), then tailoring services around those expectations. Vendors must have a deep understanding of clients' industries, the specialty role types hired within their organizations, and the internal struggles those bring so that vendors can advise on the most appropriate talent strategy. Additionally, being able to bring clarity around the fog associated with new concepts, navigating client organizations through to workable solutions.

Contents

1.	The Changing Shape of Managed Service Programs
2.	Customer Requirements
3.	Market Size and Growth
4.	Vendor Market Shares
5.	Vendor Offerings and Targeting
6.	Vendor Delivery in Managed Service Programs
7.	Challenges and Success Factors
	Appendix I – Services Offered by Vendors
	Appendix II – Third-Party Platforms
	Appendix III – Vendors' Proprietary Platform Enhancements
	Appendix IV – Vendor Tech Team Focus
	Appendix V – Vendors Researched
	Appendix VI – Abbreviations and Definitions

Report Length

94 pages, consisting of 7 chapters

Vendor Assessments

The report includes vendor assessments of the following MSP/CWS vendors:

- Alexander Mann Solutions
- Allegis Global Solutions
- Avencia
- Guidant Global
- KellyOCG
- Lorien
- nextSource
- Pontoon Solutions
- Resource Solutions
- Workspend.

Report Author

Nikki Edwards
Nikki.edwards@nelson-hall.com