



Targeting Managed Service Programs

Market Analysis
Abstract

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Who Is This Report For?

NelsonHall's "Targeting Managed Service Programs" report is a comprehensive market assessment report designed for:

- Sourcing managers investigating sourcing developments within Managed Service Program (MSP) outsourcing
- HR decision makers exploring the benefits and inhibitors of MSP outsourcing as evidenced from the clients and vendor capability
- Vendor marketing, sales and business managers developing strategies to target MSP opportunities
- Financial analysts and investors specializing in the IT services and BPO sector, including MSP outsourcing.

Scope of the Report

The report provides insightful analysis to drive your talent acquisition and talent management strategy through Managed Services Program (MSP) outsourcing (including contingent worker management outsourcing). NelsonHall's MSP outsourcing program is a dedicated service for organizations evaluating, or actively engaged in, the outsourcing of all or part of their talent acquisition function, and addresses the following questions:

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



Key Findings & Highlights

NelsonHall's market analysis of the Managed Service Programs industry and trends consists of 82 pages.

The Managed Services Programs (MSP) market remains strong in 2014, with many organizations looking for greater compliance as well as greater visibility and management of cost of contingent spend.

Costs factors include costs relating to day rates, overtime and per diems, volume discounts, managing requested rate increases, proportion of direct source (pre-identified) candidate, elimination of third party vendors, and rebates. Cost reductions can come from a number of areas including:

- Direct sourcing (rather than agency sourcing)
- One-time overcharging, pay rate alignment
- Daily rate negotiations
- Improved billing/payment and invoicing accuracy
- Overtime rate negotiations
- Drug screens and background verification savings
- Tenure management
- Improvements and standardization of net payment terms.

By using MSP services, organizations seek to improve their engagement with staffing agencies to drive greater performance. Over time, organizations have a tendency to increase the number agencies they use and unless these are actively managed, using a disproportionate number of agencies will inherently dilute the focus of any agency engaged.

MSP services include:

- Vendor neutral services
- Master vendor services
- Direct MSP
- Statement of work (SOW).

SOW services are increasing in importance to offer enhanced management of contingent workforce performance.

At the same time, organizations are increasingly seeking blended workforce services, combining support for both permanent and temporary hiring. Blending MSP services with RPO services is common for ~6% of contracts, whereby vendors provide integrated workforce management services. With integrated talent acquisition, employment branding and talent pool development can be leveraged across both workforces.

Acquisitions continue, in part driven by the need to support buyers' increasingly global recruiting requirements, with the incidence of global and multi-country MSP deals continuing to increase.

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Report Length

82 pages, consisting of 10 chapters

Vendor Assessments

The report includes vendor assessments of the following RPO vendors:

- Advantage xPO
- Alexander Mann Solutions
- Allegis Global Solutions
- Bartech
- Capita
- Guidant Group
- Hudson
- KellyOCG
- Pontoon
- Resource Solutions
- TAPFIN (ManpowerGroup Solutions)
- Volt Consulting

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