



# Workforce Solutions Webinar: The VMS/MSP Landscape

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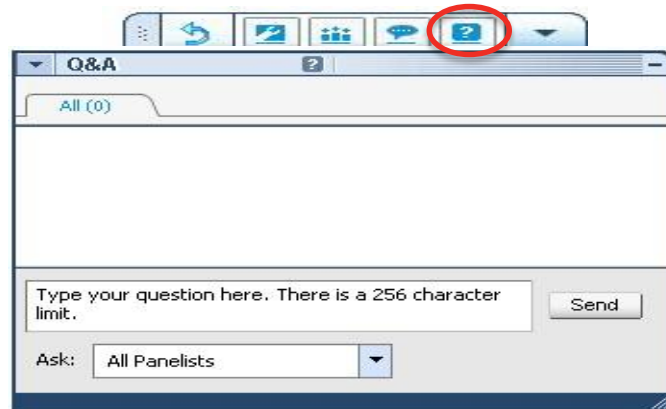
# Staffing Industry Analysts Product Overview



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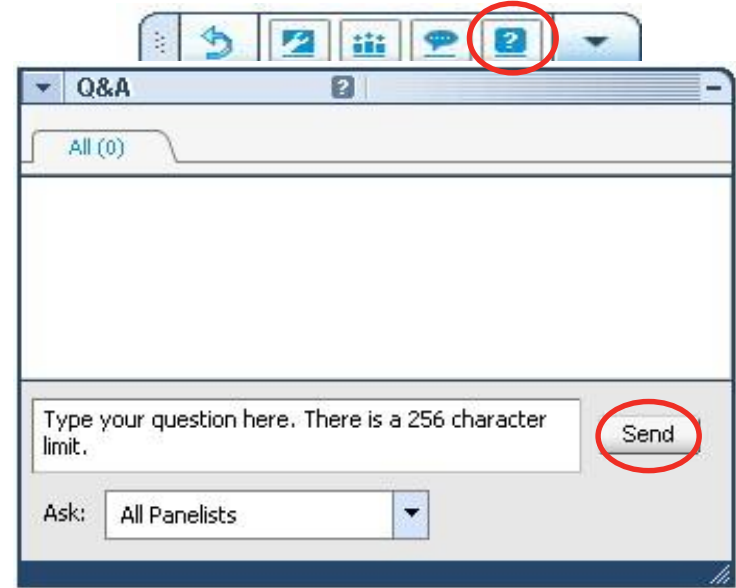
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- Questions may be submitted at any time.
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- Type your question into the small dialog box and click the **Send Button**.





*Speakers:*

- **Tony Gregoire**, Research Director, The Americas, Staffing Industry Analysts
- **Dawn McCartney**, Sr. Director, Contingent Workforce Strategies & Research, The Americas, CCWP, SOW Mgmt. Expert, Staffing Industry Analysts
- **Peter Reagan**, Sr. Director, Contingent Workforce Strategies & Research, EMEA & APAC, CCWP, SOW Mgmt. Expert, Staffing Industry Analysts

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*Thank you to our sponsor:*

- **Ammu Warrior**, Vice President, Coupa Software Inc.



## About Ammu...

- Vice President, Coupa Software Inc.
- Former President and Founder of DCR Workforce
- A believer in disrupting the marketplace for services procurement and non employee management

# A Changing Workplace

- MSP/VMS Programs at 90%+ enterprises
- Mid-market solutions being a need of the day
- Standardising as much as possible
- Total talent management and total spend management
- Internally managed programs becoming more common

# Before we begin...



&





# Managed Service Provider (MSP)



MSP is a service whereby a company takes on primary responsibility for managing an organisation's contingent workforce programme.

Typical responsibilities include overall programme management, reporting and tracking, supplier selection and management, order distribution and often consolidated billing.

Some MSPs also provide their clients with a vendor management system and may have a presence on the client's site.

An MSP may or may not be independent of a staffing supplier.

# Vendor Management System (VMS)



An Internet-enabled application that acts as a mechanism for business to manage and procure staffing services through third party staffing suppliers.

Many VMS systems now offer the bidding & management of Statement of Work (SOW) services.

Typical features of a VMS include supplier management, order distribution, consolidated billing, risk mitigation, headcount tracking and significant enhancements in reporting capability over manual systems and processes.

# The Workforce Ecosystem



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# Released so far in 2018...

## MSP Market Developments

Part 1: Drivers, Innovations & Geographical Capability

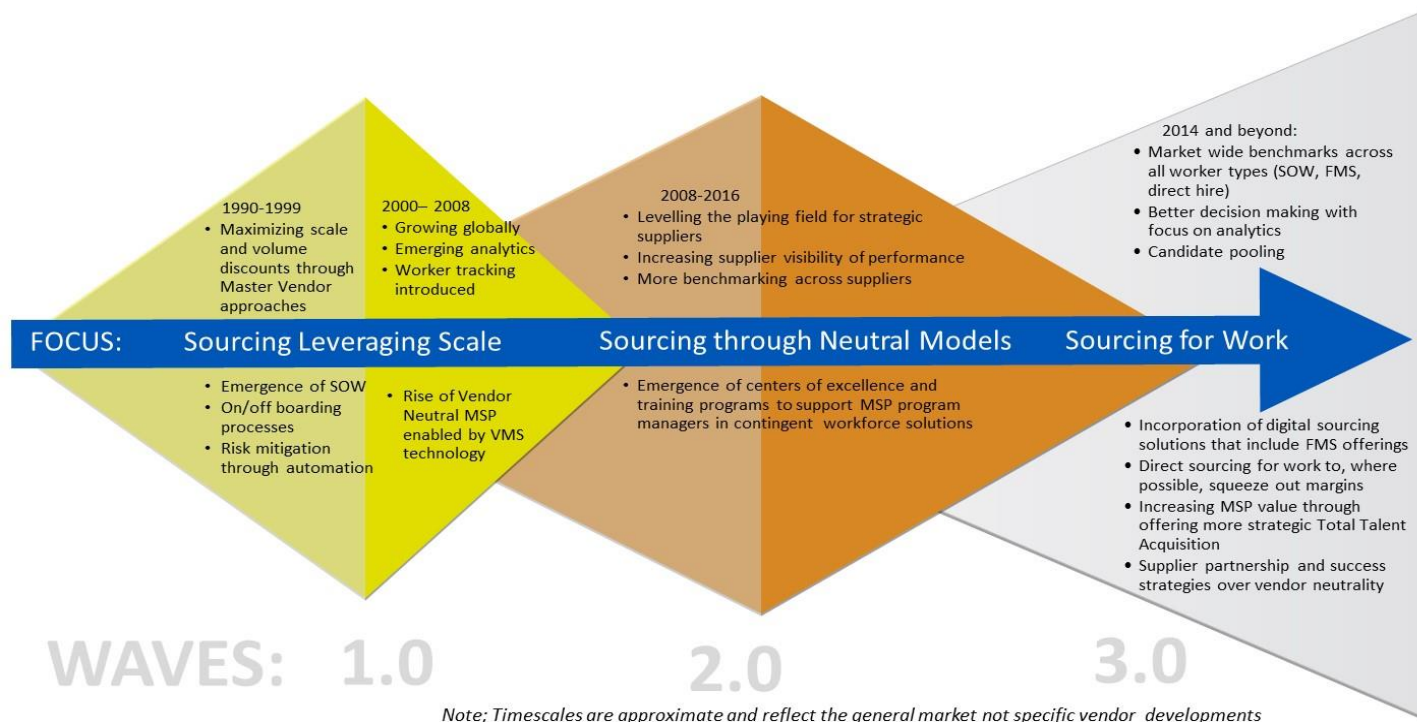
Part 2: Market Size and Growth

## VMS Market Developments

Part 1: Drivers, Innovations & Geographical Capability

Part 2: Market Size and Growth

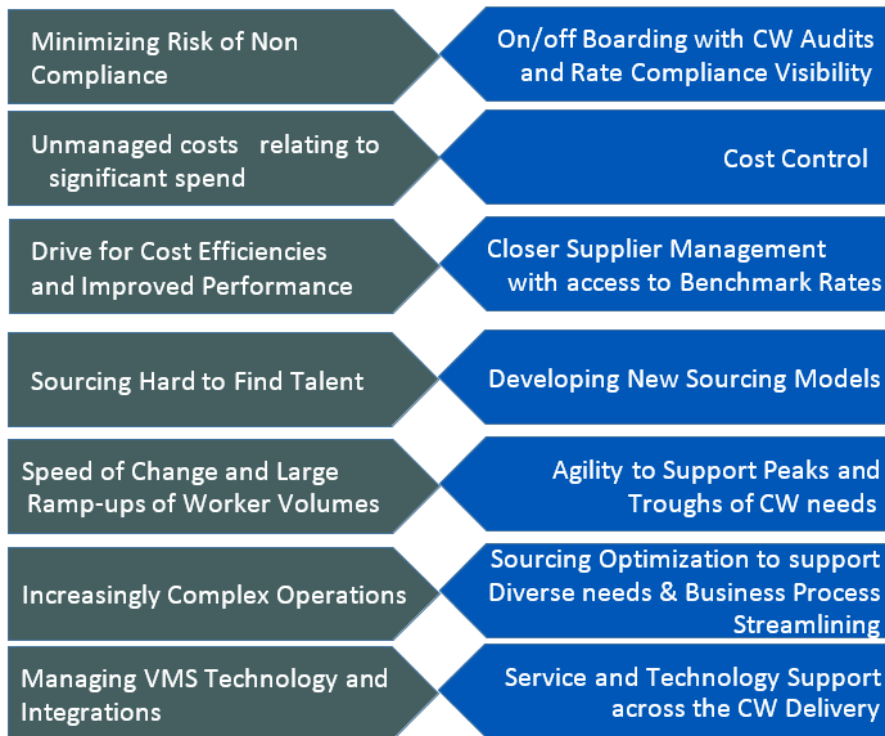
# The evolution of MSP



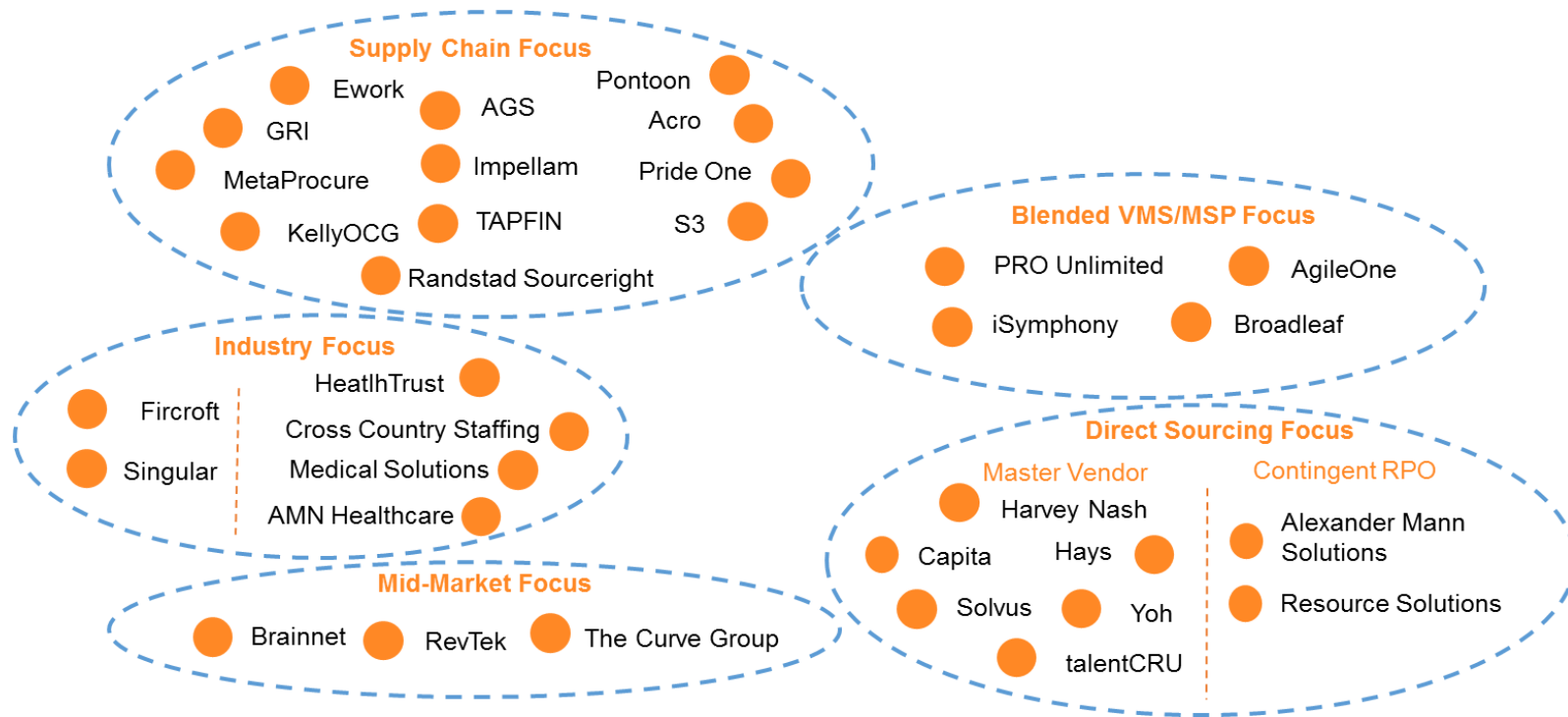
# MSP Drivers and Benefits

## Organizational Challenges

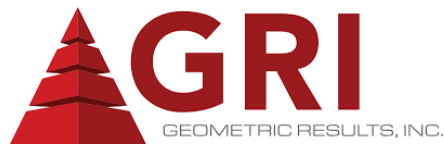
## MSP Focus



# MSP Vendor Landscape



# M&A, Investment and Rebranding Activity



acquired



acquired



acquired





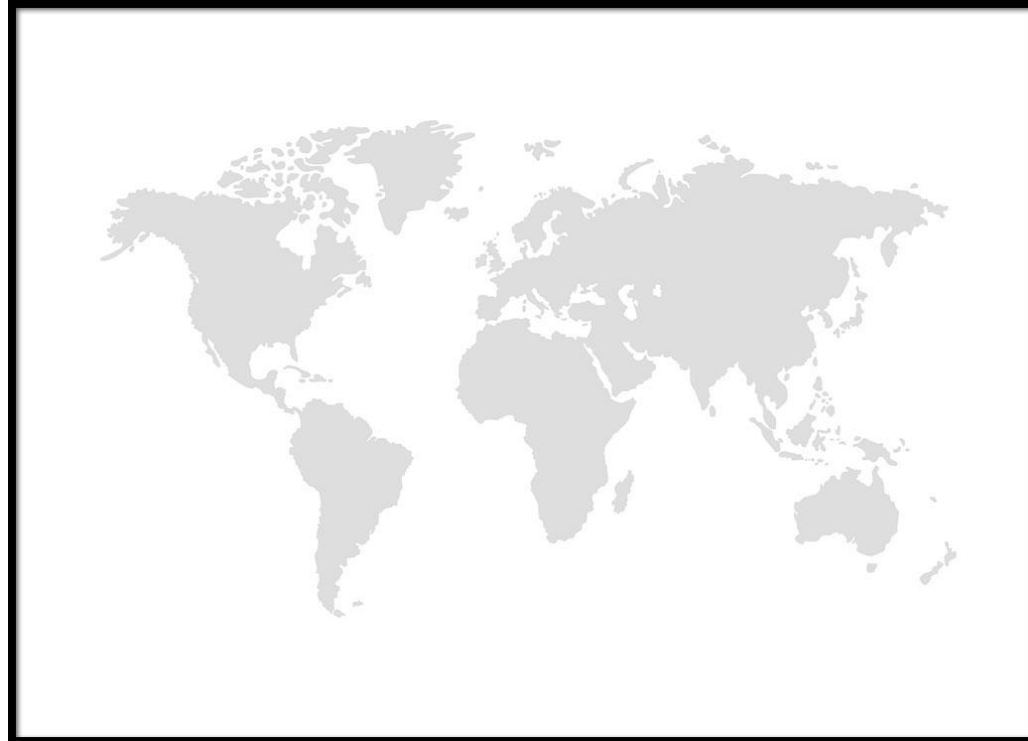
# Investments in New Offerings and Delivery Capability (1 of 2)

- Contingent Talent Pool Management and Direct Sourcing Offerings
- Analytics, Benchmarking and Predictive Demand Management
- One stop for All People and Analytics Data – Total Talent Acquisition
- SOW Capability and Offerings

# Investments in New Offerings and Delivery Capability (2 of 2)

- Developing Supply Chains
- Technology Stacks and Implementation Capability
- Geographical Service Expansions and Localisations
- Delivery Investments: Shared Service Centers, Standardisation, Quality Standards, Best Practices and People

# MSP Vendor Geographical Capability and Targeting



# Released so far in 2018...

## MSP Market Developments

Part 1: Drivers, Innovations & Geographical Capability

Part 2: Market Size and Growth

## VMS Market Developments

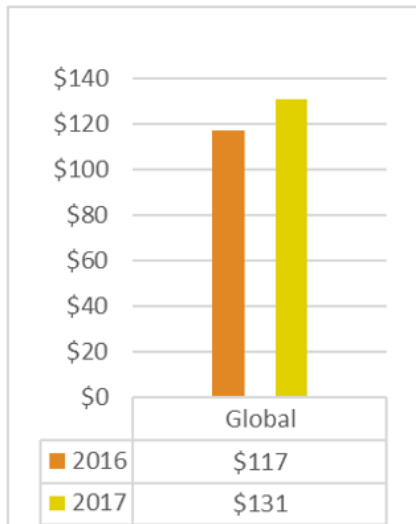
Part 1: Drivers, Innovations & Geographical Capability

Part 2: Market Size and Growth

# Global MSP Market Size with Regional Estimates

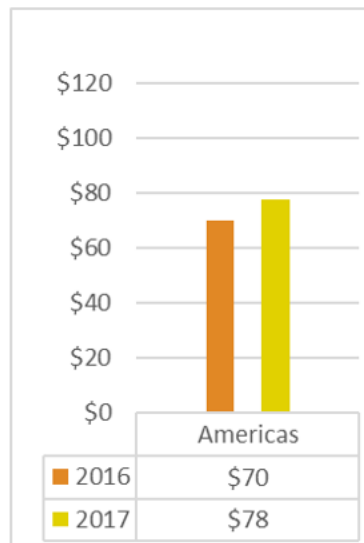
Annual Growth: +12%

Share (2017):



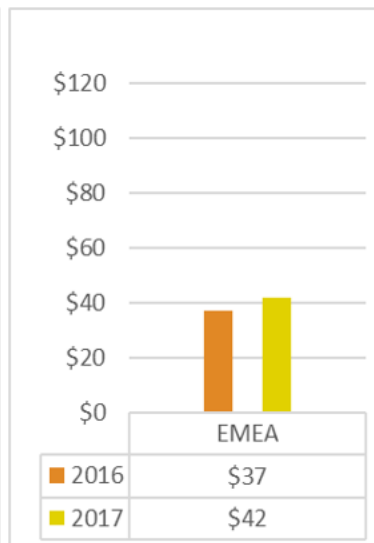
+11%

59%



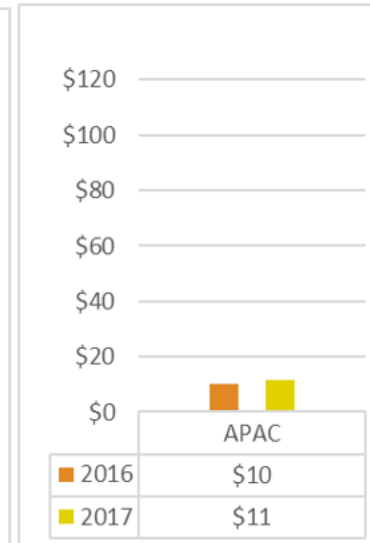
+13%

32%

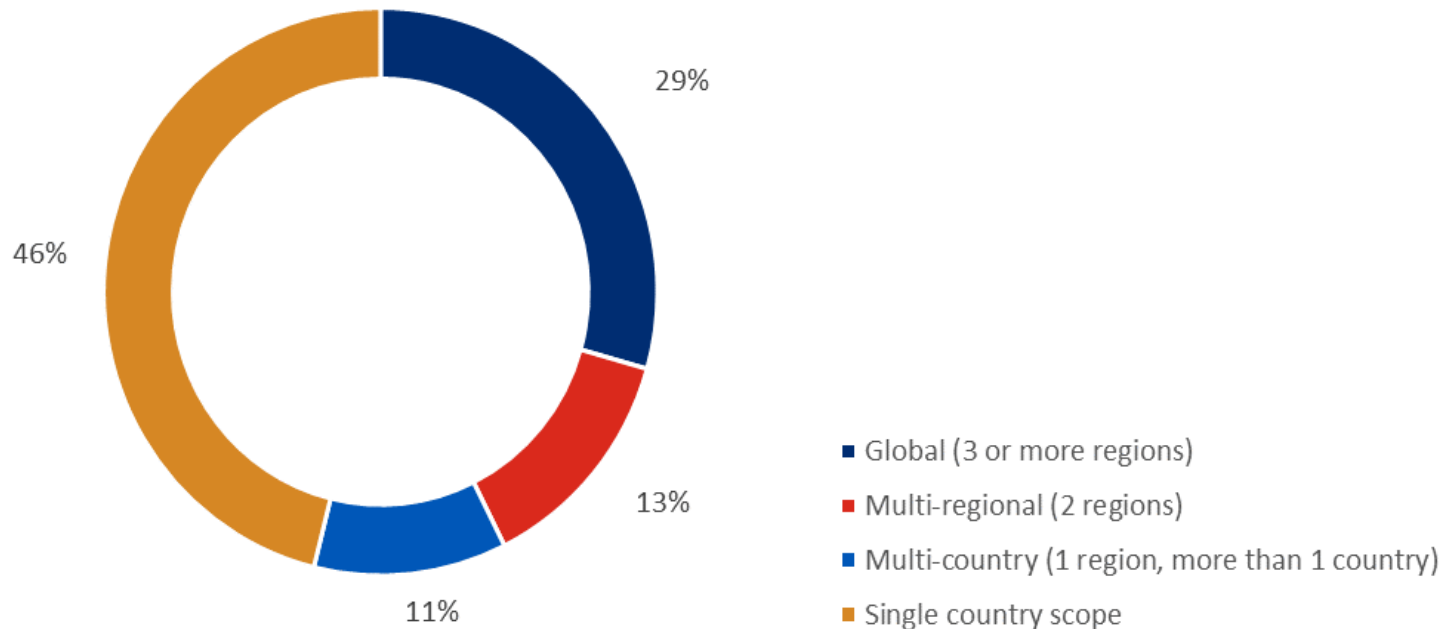


+14%

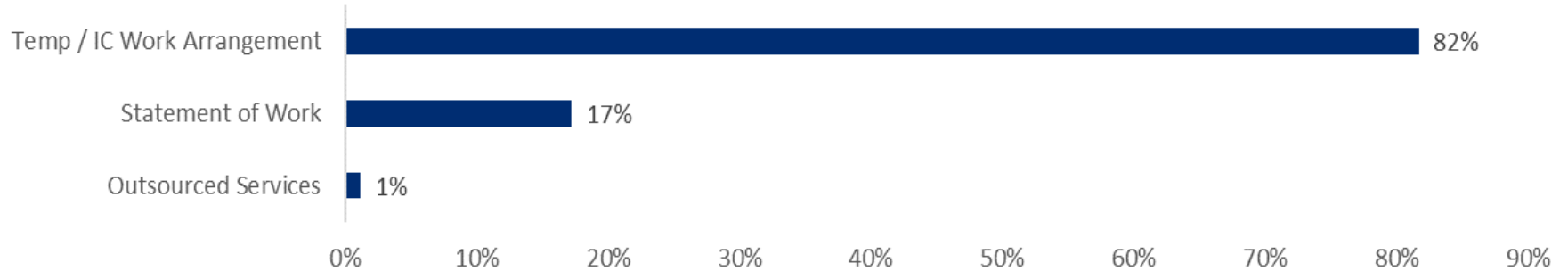
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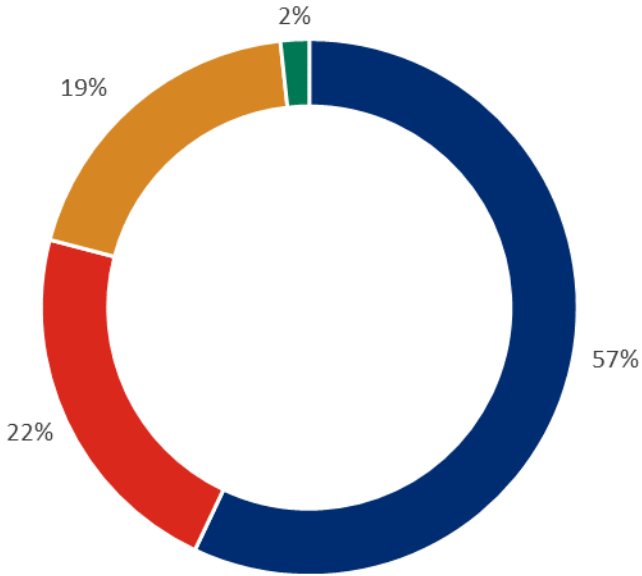
# Geographical Scope of Programmes



# Work Arrangements



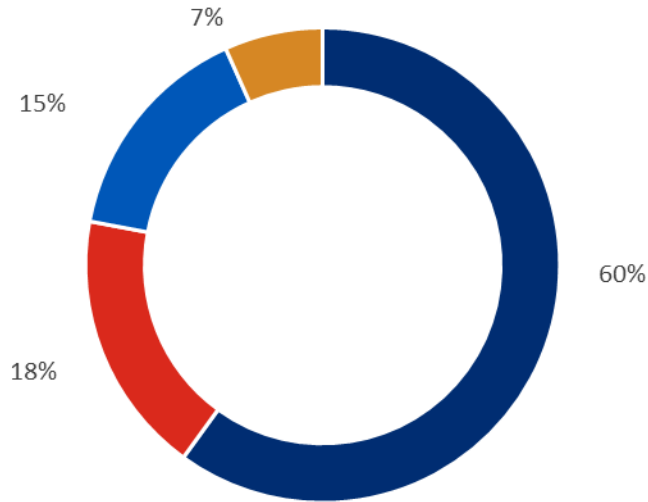
# Temp/Contract Sourcing Models



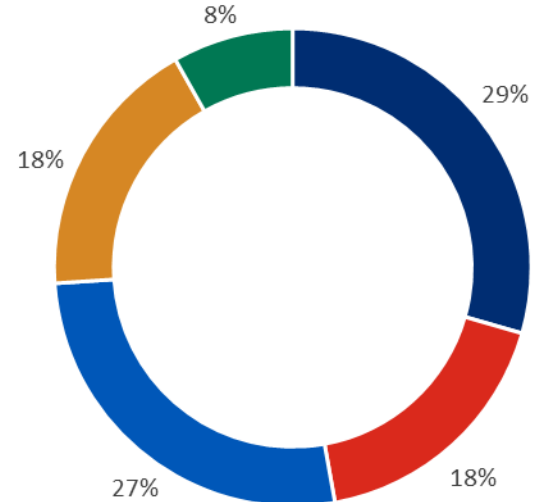
■ Vendor Neutral ■ Master Supplier MSP ■ Hybrid ■ Contingent RPO



# Client Size

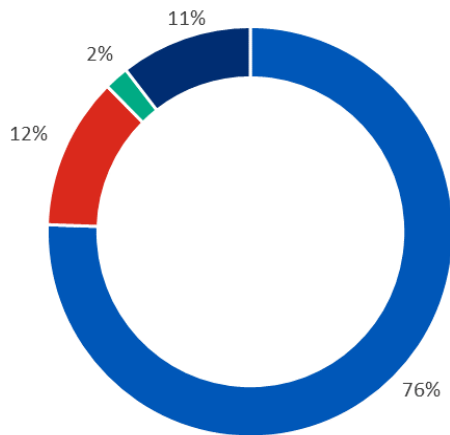


- Over 10,000 Employees (FTE)
- 5,000-9,000 Employees (FTE)
- 2,000-4,999 Employees (FTE)
- Less than 2,000 Employees (FTE)

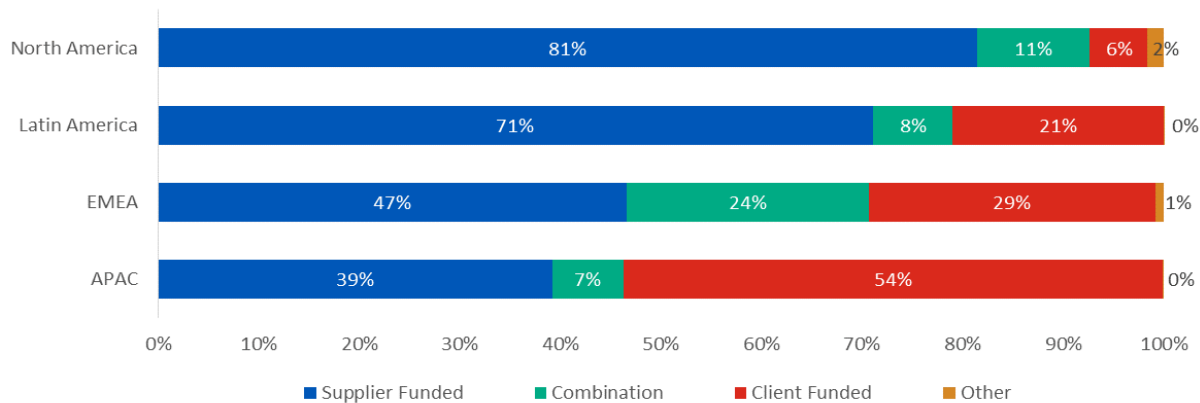


- Less than \$50m
- \$50-\$100m
- \$100-\$300m
- \$300-\$1,000m
- Over \$1,000m

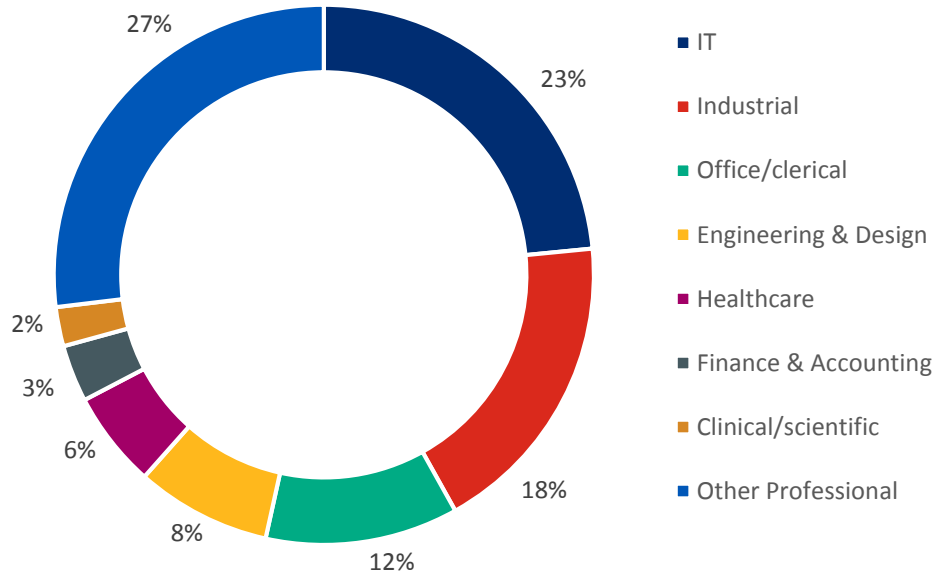
# MSP Funding and Pricing Models



- Percentage of Spend
- Per Worker
- Monthly Fee
- Other / Combination



# Occupational Mix



# Released so far in 2018...

## MSP Market Developments

Part 1: Drivers, Innovations & Geographical Capability

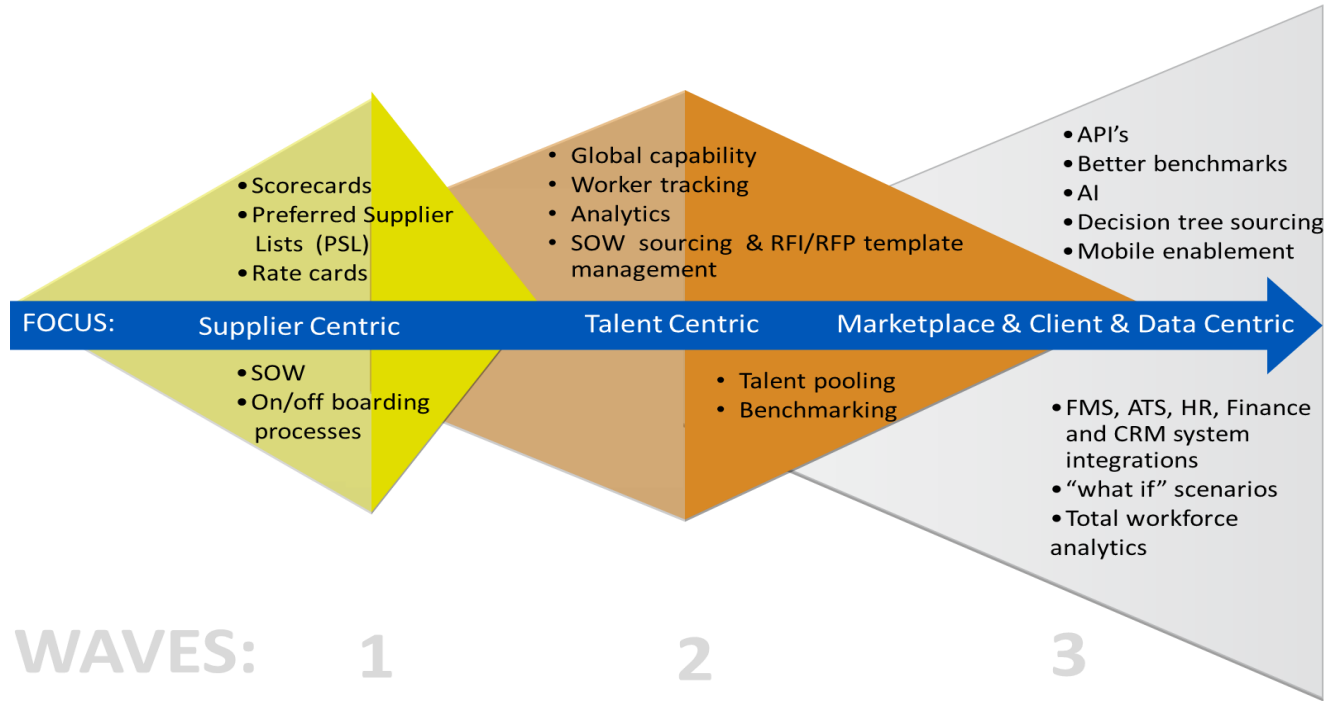
Part 2: Market Size and Growth

## VMS Market Developments

Part 1: Drivers, Innovations & Geographical Capability

Part 2: Market Size and Growth

# The Evolution of VMS



# Future Predictions

- More reliable and sophisticated analytics and dashboard
- Greater integration across ERP platforms
- Richer direct sourcing processes
- Increased adoption of mobile apps
- Support of “Just-in-time” staffing
- Increased appetite for regional solutions
- Greater functionality around data privacy

# Released so far in 2018...

## MSP Market Developments

Part 1: Drivers, Innovations & Geographical Capability

Part 2: Market Size and Growth

## VMS Market Developments

Part 1: Drivers, Innovations & Geographical Capability

Part 2: Market Size and Growth

# Global VMS Market Size with Regional

Annual Growth +11%

Share of Market (2017)

+10%

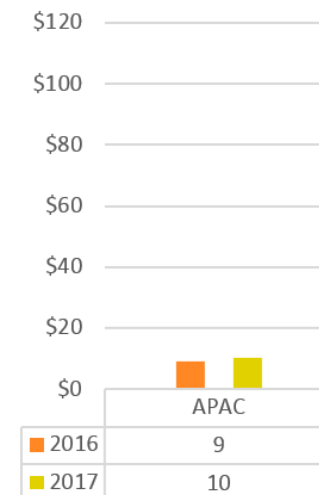
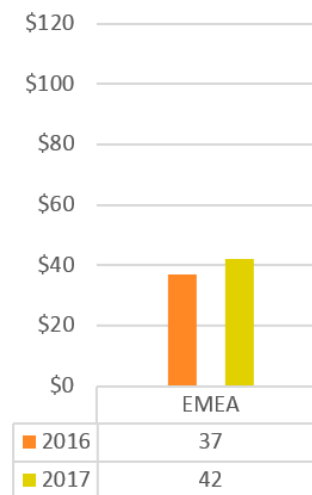
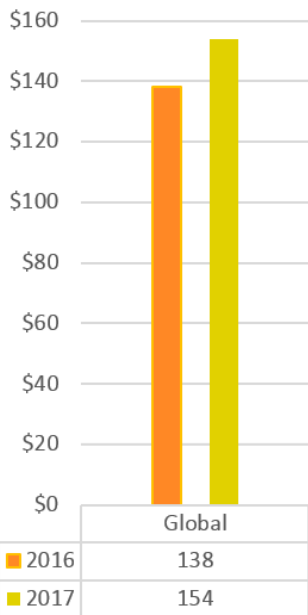
66%

+14%

27%

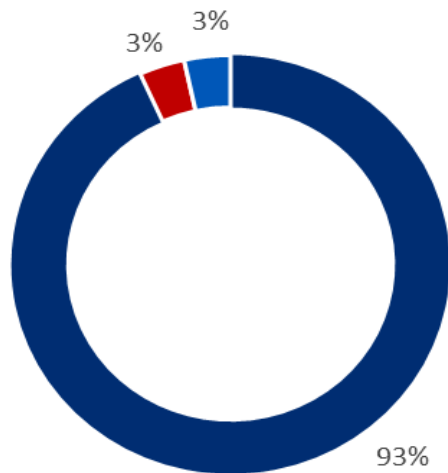
+15%

7%

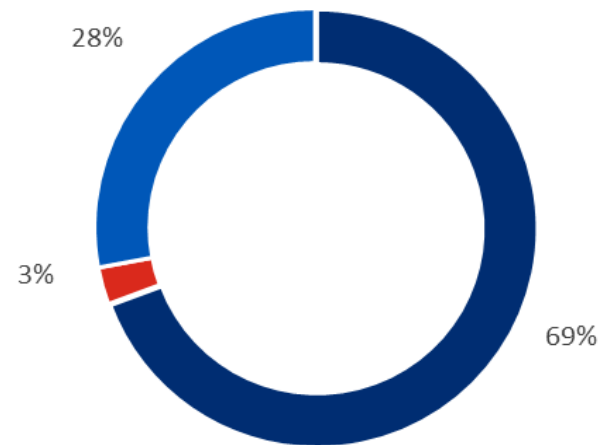




# VMS Funding and Pricing Models

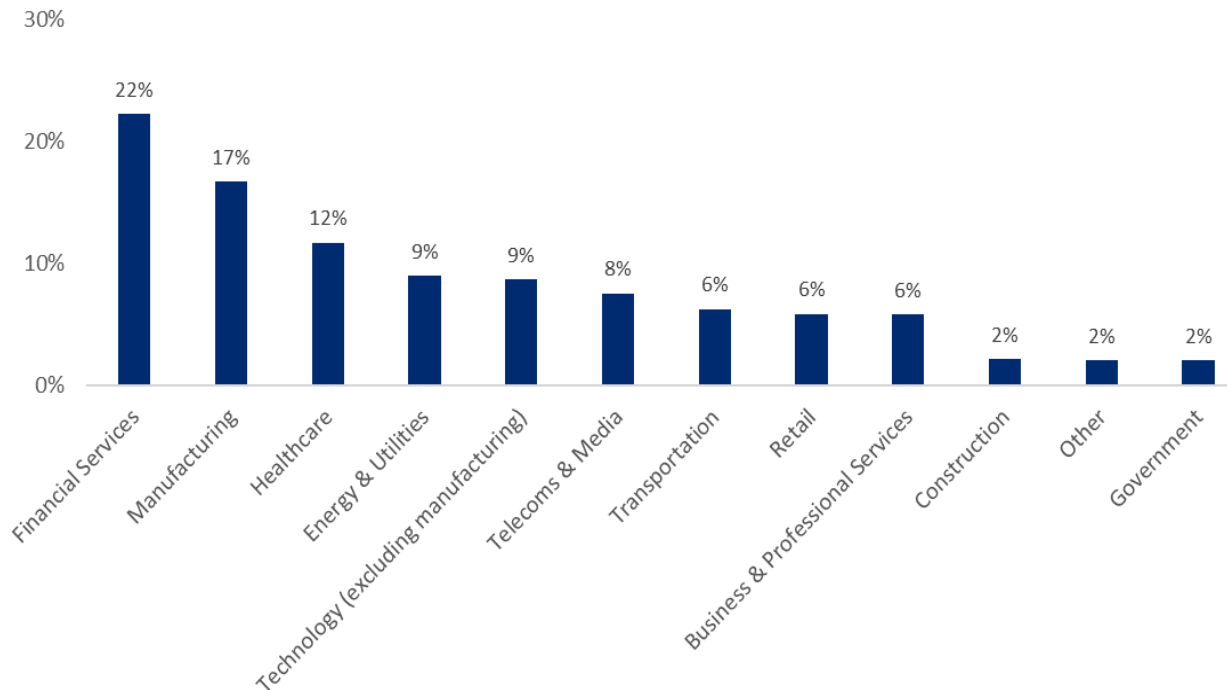


■ Supplier Funded    ■ Client Funded  
■ Combination



■ Percentage of Spend    ■ Fixed Monthly Fee    ■ Other

# Industries of the VMS Market



# VMS Provider Detail

1. By Regional Spend
2. By Geographical Scope of Clients
3. By Work Arrangement
4. By Buyer Spend Size
5. By Buyer Organisational Size
6. By Pricing & Funding Models
7. By Implementation Effort
8. By Client Industry

# Time for Your Questions...



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# Upcoming Webinars

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December 13	Workforce Solutions Webinar – Legal and Legislative APAC (Global)

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Register now at [www.cwssummitwe.eu](http://www.cwssummitwe.eu)



# SIA Resources



## MSP Market Developments

- [Part 1: Drivers, Innovations & Geographical Capability](#)
- [Part 2: Market Size and Growth](#)

## VMS Market Developments

- [Part 1: Drivers, Innovations & Geographical Capability](#)
- [Part 2: Market Size and Growth](#)

Contact the SIA CWS Council team at [enterpriseservices@staffingindustry.com](mailto:enterpriseservices@staffingindustry.com)










# About Staffing Industry Analysts (SIA)

Founded in 1989, SIA is the global advisor on staffing and workforce solutions. Our proprietary research covers all categories of employed and non-employed work including temporary staffing, independent contracting and other types of contingent labor. SIA's independent and objective analysis provides insights into the services and suppliers operating in the workforce solutions ecosystem including staffing firms, managed service providers, recruitment process outsourcers, payrolling/compliance firms and talent acquisition technology specialists such as vendor management systems, online staffing platforms, crowdsourcing and online work services. We also provide training and accreditation with our unique Certified Contingent Workforce Professional (CCWP) program.

Known for our award-winning content, data, support tools, publications, executive conferences and events, we help both suppliers and buyers of workforce solutions make better-informed decisions that improve business results and minimize risk.

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