



Everest Group PEAK Matrix™ for Services Procurement Service Providers 2018

Focus on Allegis Global Solutions
January 2019



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Introduction and scope

Everest Group recently released its report titled “[Services Procurement – Service Provider Landscape with PEAK Matrix™ Assessment 2018](#).” This report analyzes the changing dynamics of the services procurement landscape and assesses service providers across several key dimensions.

As a part of this report, Everest Group classified 14 service providers on the Everest Group PEAK Matrix™ for services procurement into Leaders, Major Contenders, and Aspirants. The PEAK Matrix is a framework that provides an objective, data-driven, and comparative assessment of services procurement service providers based on their absolute market success and delivery capability.

Based on the analysis, **Allegis Global Solutions emerged as a Leader**. This document focuses on **Allegis Global Solutions’** services procurement experience and capabilities and includes:

- Allegis Global Solutions’ position on the services procurement PEAK Matrix
- Detailed services procurement profile of Allegis Global Solutions

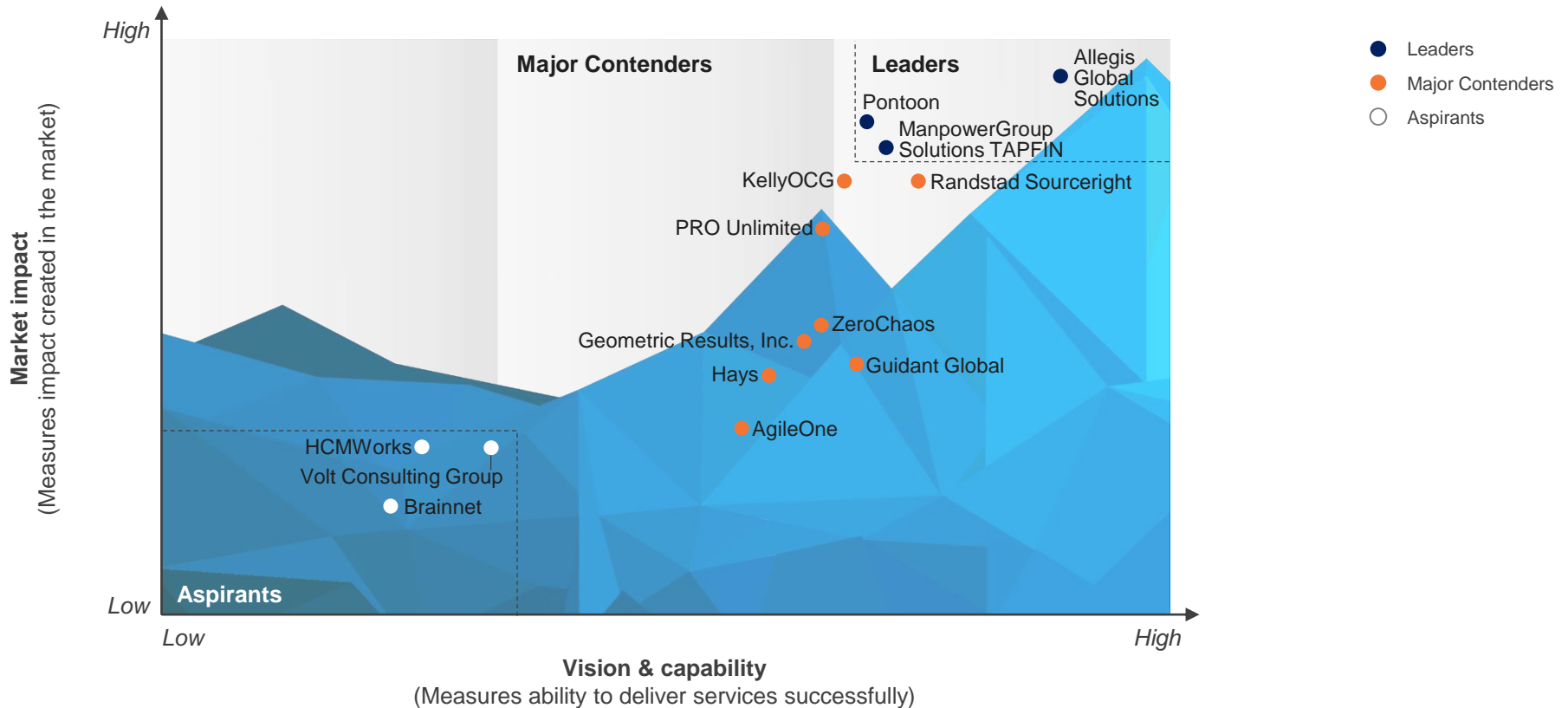
Buyers can use the PEAK Matrix to identify and evaluate different service providers. It helps them understand the service providers’ relative strengths and gaps. However, it is also important to note that while the PEAK Matrix is a useful starting point, the results from the assessment may not be directly prescriptive for each buyer. Buyers will have to consider their unique situation and requirements, and match them against service provider capability for an ideal fit.

Source: Everest Group (2018) unless cited otherwise

Everest Group PEAK Matrix™

Services Procurement – PEAK Matrix™ Assessment 2018 | Allegis Global Solutions positioned as Leader

Everest Group Services Procurement – PEAK Matrix™ Assessment 2018



Note 1: Amongst Leaders, Pontoon did not participate in the study. Amongst Aspirants and Major Contenders, Guidant Global, KellyOCG, Hays and Randstad Sourceright participated. For other providers, inputs are based on Everest Group's estimates that leverage Everest Group's proprietary Transaction Intelligence (TI) database, service providers' ongoing coverage & public disclosures, and interaction with buyers

Source: Everest Group (2018)

Overview and capability

Company profile

Allegis Global Solutions is a leading talent solutions provider. It provides consultative talent management solutions to customers seeking to improve the efficiency and effectiveness of their workforce programs.

Headquarter: Hanover, Maryland, the United States of America

Leadership: Chad Lane, President

Website: www.allegisglobalsolutions.com

Services procurement experience

- Total services procurement managed spend: **US\$7.8 billion**
- Total number of MSP clients with SOW inclusion: **34**

Tools and technology

Tools	Proprietary/partnership
Vendor Management System (VMS)	Partnership: Beeline/IQN, Fieldglass, DCR, and Peoplefluent
Services procurement (SOW)-related tools	Proprietary: Artificial Intelligence Tool Partnership: Ariba and Coupa
Freelancer Management System (FMS)	Proprietary: QUANTUM Partnership: OnForce and WorkMarket
Analytics	Proprietary: Acumen and Allegis Group DSIA Partnership: TDX/Brightfield Strategies, PowerBI Custom

Contingent workforce spend split by type of workers managed

As percentage of total contingent managed spend



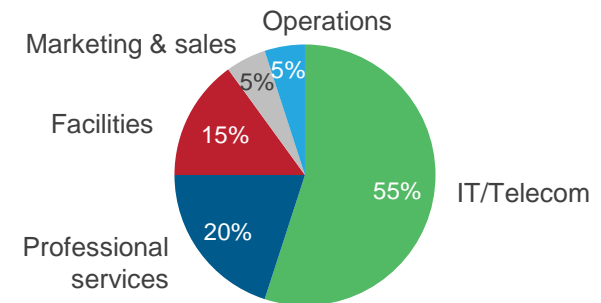
Services procurement spend managed by geography

As percentage of services procurement managed spend












Services procurement portfolio by category

As percentage of services procurement managed spend



Everest Group assessment – Leader

Measure of capability:  High  Low

Market impact				Vision & capability				
Market adoption	Portfolio mix	Value delivered	Overall	Scope of services offered	Innovation and investments	Delivery footprint	Vision and strategy	Overall
								

Strengths

- Allegis Global Solutions (AGS) provides a range of services including RPO, traditional MSP, SOW, advisory, and integrated talent solutions
- The sheer scale of AGS' SOW Spend Under Management (SUM) makes it stand head and shoulders above the rest of its competitors in this space
 - A higher proportion of AGS' MSP deals have SOW management included in scope, which showcases its success in expanding its existing MSP deals
 - It is also one of the few players to have exclusive SOW-focused deals, which is a testament to its strong capabilities in this space
- AGS is one of the few players to have strong SOW management capabilities, even in strategic areas such as category management, supplier sourcing, and contract negotiation. It is taking steps to consolidate its leadership position by hiring category experts to further improve its SOW sourcing practice
- AGS is ahead of several of its competitors with respect to the geographical spread in its SOW portfolio. It has tasted success in the SOW segment in the Asia Pacific region where other players have low to no presence at all
- AGS has a strong analytics platform, ACUMEN, which provides advanced analytics to its clients, providing visibility into all types of contingent spend

Areas of improvement

- While AGS is a clear leader among MSP providers, it needs to beef up its capabilities to fight the bigger fish in the pond – procurement outsourcing providers – where its expertise and capabilities will be tested
- AGS has a balanced SOW portfolio across the major categories such as IT/telecom, marketing & sales, facilities, and operational and professional services. However, being the largest SOW provider, it still has some scope to diversify and expand into all SOW areas. For e.g., more than half of its SOW SUM is in the IT/telecom area and it has further scope to expand into industry-specific and other SOW categories

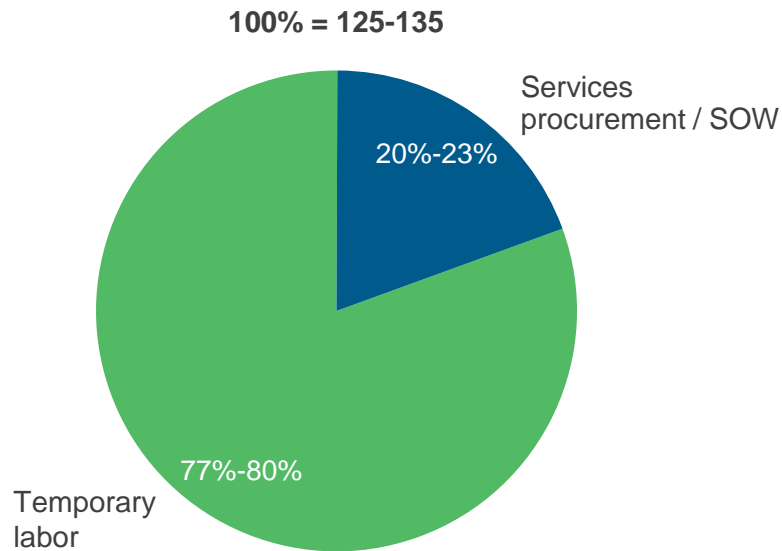
Note: Based on contractual and operational information as of Q1 2018

Source: Everest Group (2018)

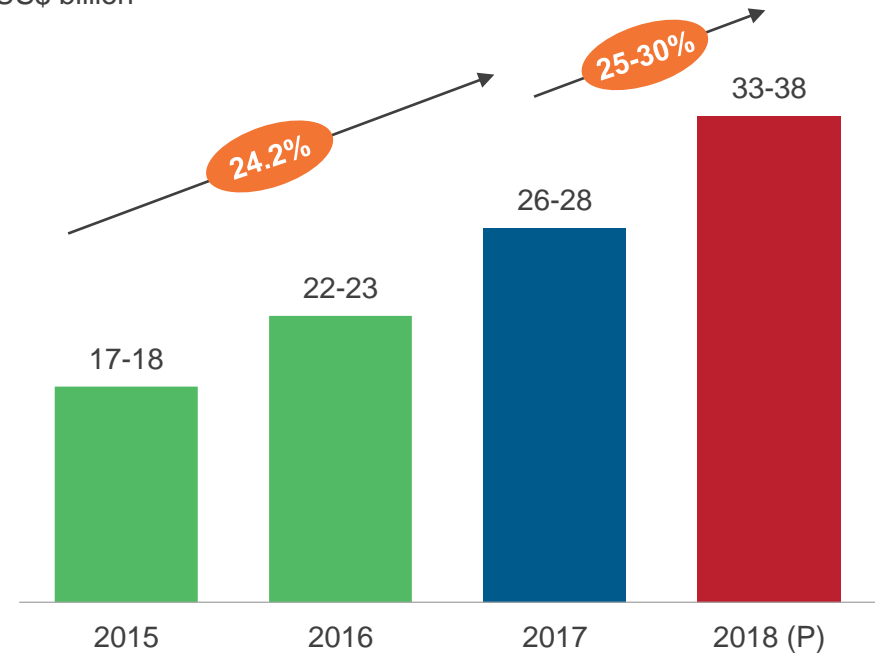
Services procurement market overview

Service procurement managed spend by MSPs

MSP managed spend
2017; Numbers in US\$ billion



Services procurement spend managed by MSPs
US\$ billion

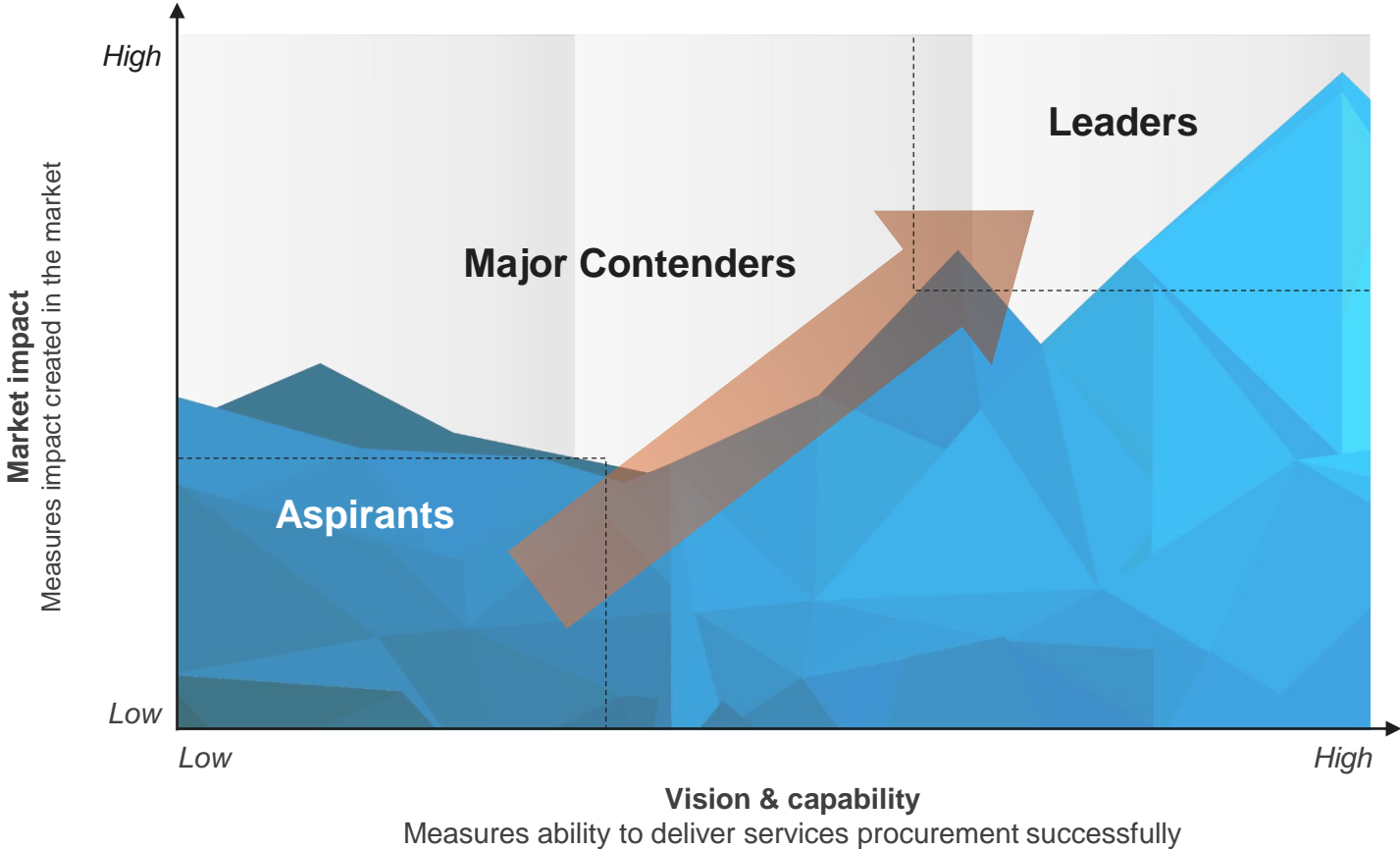


- The share of services procurement (SOW) in the total spend managed by the MSPs is increasing steadily. As MSP market matures, more and more buyers are entrusting MSPs to manage the spend categories beyond just the traditional temporary labor management
- This is a good sign for MSPs, as this provides new avenues for growth. Conversely, this also poses a threat to providers that fail to make suitable investments to diversify their offerings, as buyers look to channel more of their contingent spend under management to MSPs
- This includes specialized offerings for different categories of contingent spend, and integration of specific technology modules for managing freelancers / services procurement with mainstream VMS products

Appendix

Everest Group PEAK Matrix™ is a proprietary framework for assessment of market impact and vision & capability

Everest Group PEAK Matrix



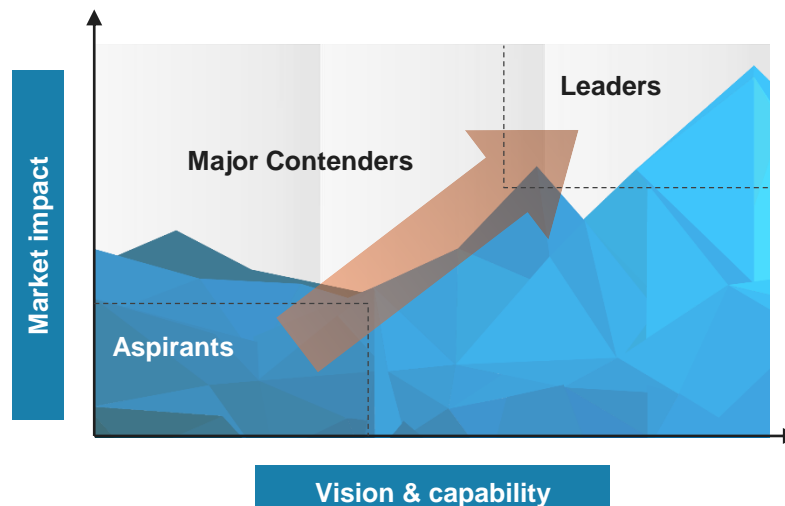
Services PEAK Matrix™ evaluation dimensions

Measures impact created in the market – captured through three subdimensions

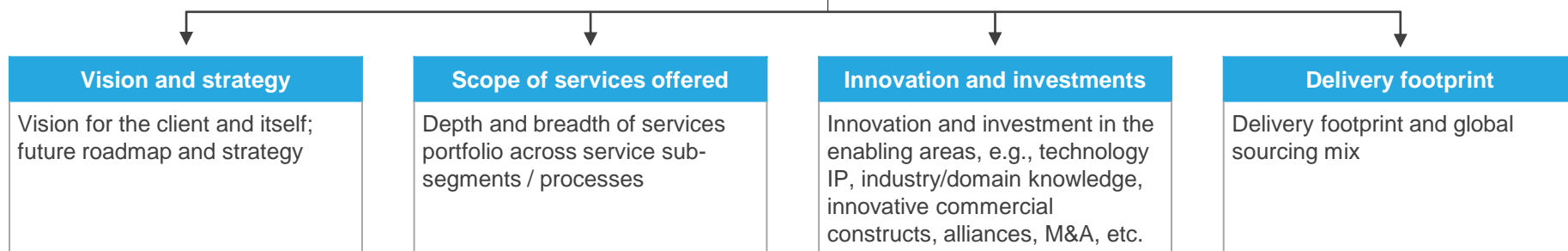
Market adoption
No. of clients, revenue base, and YOY growth, deal value/volume

Portfolio mix
Diversity of client/revenue base across geos and type of engagements

Value delivered
Value delivered to the client based on customer case studies and transformational impact



Measures ability to deliver services successfully. This is captured through four subdimensions



Does the PEAK Matrix™ assessment incorporate any subjective criteria?

Everest Group's PEAK Matrix assessment adopts an unbiased and fact-based approach (leveraging service provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information). In addition, these results are validated / fine-tuned based on our market experience, buyer interaction, and provider/vendor briefings

Is being a “Major Contender” or “Aspirant” on the PEAK Matrix, an unfavorable outcome?

No. The PEAK Matrix highlights and positions only the best-in-class service providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition

What other aspects of PEAK Matrix assessment are relevant to buyers and providers besides the “PEAK Matrix position”?

A PEAK Matrix position is only one aspect of Everest Group's overall assessment. In addition to assigning a “Leader”, “Major Contender,” or “Aspirant” title, Everest Group highlights the distinctive capabilities and unique attributes of all the PEAK Matrix providers assessed in its report. The detailed metric-level assessment and associated commentary is helpful for buyers in selecting particular providers/vendors for their specific requirements. It also helps providers/vendors showcase their strengths in specific areas

What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?

- Participation incentives for buyers include a summary of key findings from the PEAK Matrix assessment
- Participation incentives for providers/vendors include adequate representation and recognition of their capabilities/success in the market place, and a copy of their own “profile” that is published by Everest Group as part of the “compendium of PEAK Matrix providers” profiles

What is the process for a service provider / technology vendor to leverage their PEAK Matrix positioning and/or “Star Performer” status ?

- Providers/vendors can use their PEAK Matrix positioning or “Star Performer” rating in multiple ways including:
 - Issue a press release declaring their positioning. See [citation policies](#)
 - Customized PEAK Matrix profile for circulation (with clients, prospects, etc.)
 - Quotes from Everest Group analysts could be disseminated to the media
 - Leverage PEAK Matrix branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)
- The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with the designated POC at Everest Group.

Does the PEAK Matrix evaluation criteria change over a period of time?

PEAK Matrix assessments are designed to serve present and future needs of the enterprises. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality as well as serve the future expectations of enterprises



About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

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