



*Market Information and Forecasts*

# VMS Market Developments

## Part 1: Drivers, Innovations & Geographical Capability

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### Other useful reference documents:

- Workforce Solutions Buyers Survey: Satisfaction with staffing supplier/VMS/MSP and advice to staffing firms
- 2017 Contingent Buyers Survey (available for North America, Europe and Asia Pacific)
- Total Talent Acquisition Market Developments
- Lexicon of Global Workforce Solutions-Related Terms
- The Middleman MSP: A Global Overview
- QECR Performance Framework



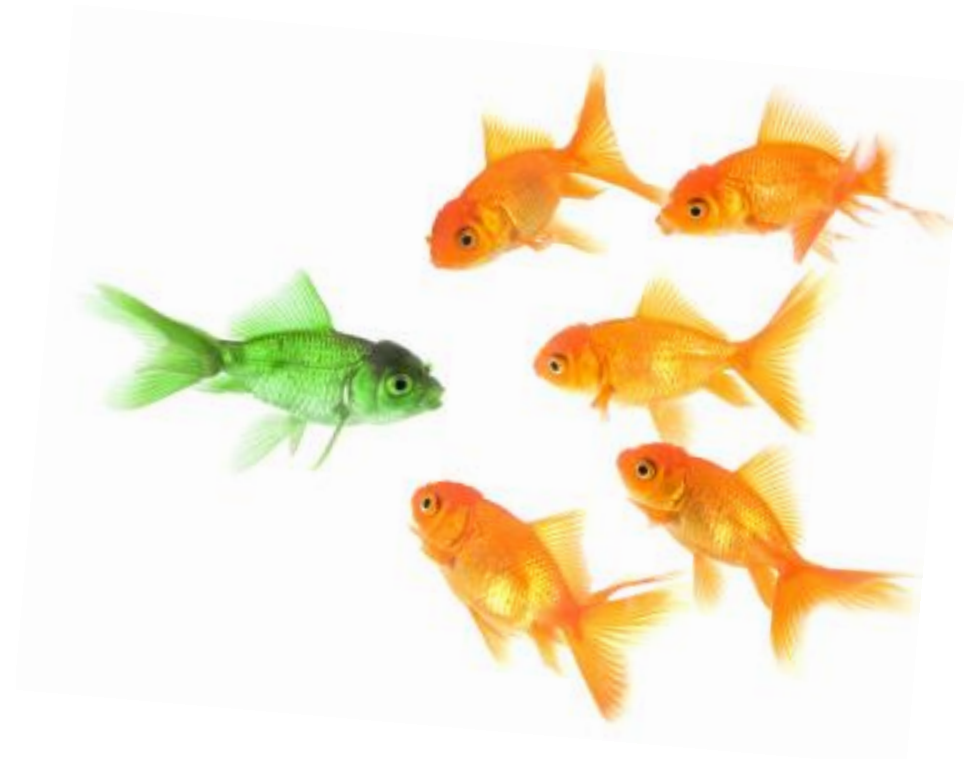
## How to use this information

This report can be used by contingent workforce programs owners and stakeholders to:

- Understand how a given provider is positioned in the market
- Create a shortlist of prospective providers
- Identify the predominant model(s) being used
- Confirm veracity of supplier statements
- Identify strengths and weaknesses of certain suppliers versus peers
- Infer trends about the evolution of contingent workforce management
- Establish base requirements for an eventual RFX initiative
- Identify providers that have an established presence in a certain geographical market

### *Vendor Management System Definition:*

*An Internet-enabled contingent worker sourcing and billing application that enables a company to procure and manage a wide range of contingent workers and services in accordance with client business rules. Typical features of a VMS include supplier profiling, requisition or order creation and distribution, candidate submissions, on- and off-boarding, time and expense keeping, vouchering, consolidated billing and reporting.*



## Executive Summary

The Vendor Management Systems (VMS) landscape again saw expansions across the ecosystem supporting greater integrations with Human Capital Management (HCM) platforms as well as growing support for enabling online talent communities. Some have invested significantly in built-in talent community functions to support the self-sourcing of freelancers. AI and analytics continues to be a dominant theme in the market as well as expansions to source talent across all channels. Statement of Work (SOW) capability has also expanded including more integrations with e-procurement platforms.

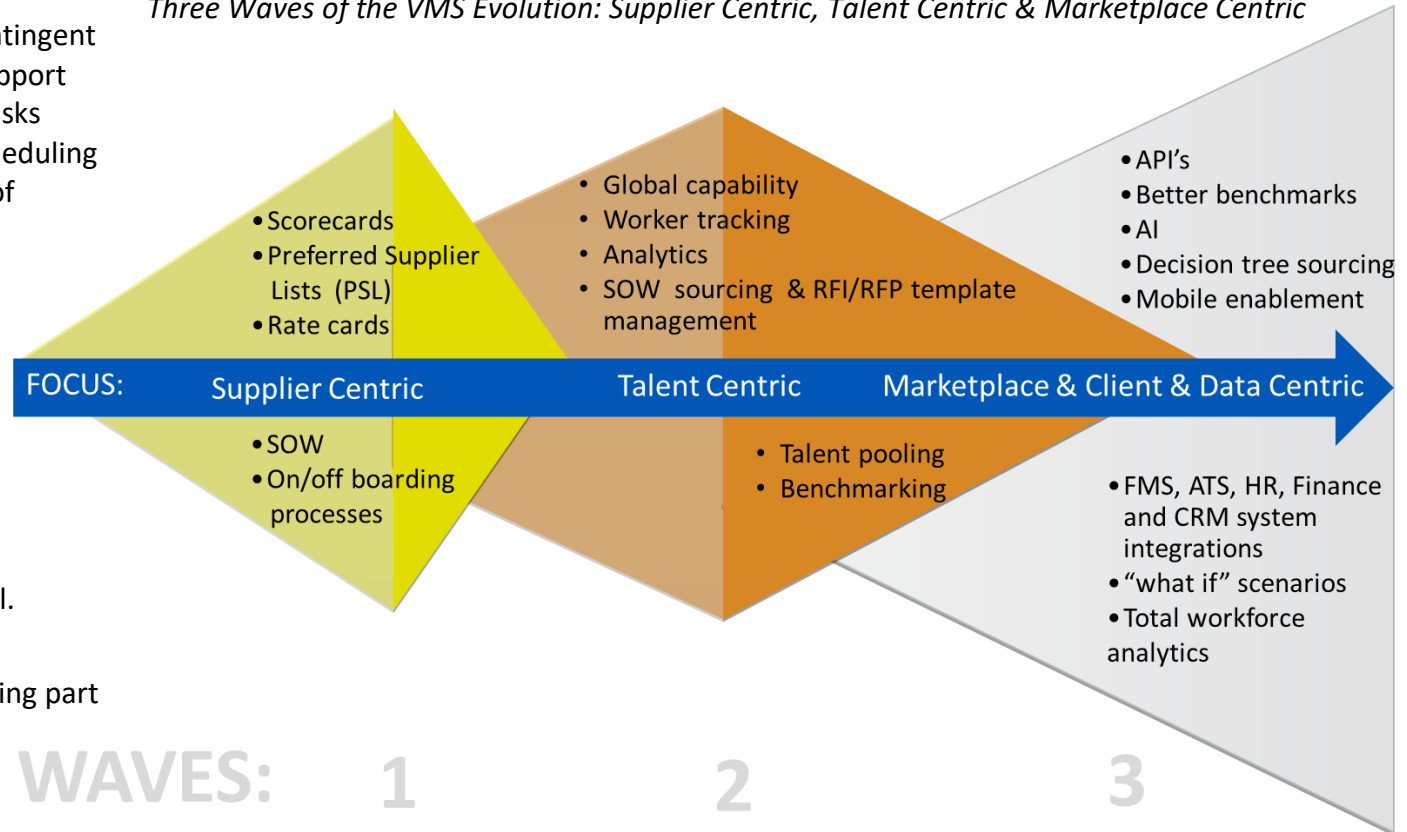
Challenges still exist in fully supporting the increasing interest in direct sourcing of contingent workers as not all platforms adequately support the streamlining of heavy administrative tasks such as interview scheduling. Interview scheduling one of the known administrative burdens of the process which is still mostly managed outside VMS systems.

Included in this report are a number of VMS technologies that support parts of the process. Some are 100% vendor neutral platforms, which by design, give all suppliers and freelancers an equal chance of submitting candidates and profiles. These platforms do not support the creation of preferred supplier lists at all.

Other VMS technologies only support the sourcing, supplier management and reporting part of the process; invoicing is not done in the platform, instead third parties are used.

Sourcing decisions of hiring managers are expected to broaden as the market tightens, to include SOW, permanent (direct) hiring as well as contingent hiring. Buyers can expect to see greater ATS, HR and finance integrations. As a result, the wider technology stack with a greater use of middleware to support integrations is likely to be an important factor when selecting VMS providers.

*Three Waves of the VMS Evolution: Supplier Centric, Talent Centric & Marketplace Centric*



There have broadly been three waves of VMS market evolution with key investments made in each, and we are currently in the third of these waves.

### **Wave 1: Supplier Centric**

- VMS solutions emerged, mostly driven from the US to service a particular business problem of increasing visibility of the spend and quality of staffing agencies that were supplying contingent workers to support procurement processes. Supplier scorecards, the development of PSL's and relevant workflows for requisition distribution as well as the definition of rate cards and consolidated billing were core features.
- Statement of Work emerged as an offering as did on/off boarding process management and workflows.

### **Wave 2: Talent Centric**

- Greater geographical capability developed through increased localizations, supporting multi-country programs. Worker tracking capability became more common to enable spend to be simply captured before deciding if it needed to be managed spend as part of the program. To support this, fields in some countries needed to be hidden to support data protection requirements and "light solutions" were delivered.
- Analytics improvements, especially to support supplier scorecards, with greater "out-of-the-box" standard reporting capability to support the hiring manager role, not just the program manager role.
- Investments in expanding SOW solutions to include SOW sourcing including RFI/RFP template management.
- Capability to attract candidates directly (not through staffing agencies). Mobile apps to support interview scheduling and candidate engagement began e.g. enabling requisitions to be forwarded to a friend where they can directly submit profiles through a company career site.
- Benchmarking capability to assess costs of workforces by skillset across different talent segments emerged.

### **Wave 3: Marketplace. Client and Data Centric**

- Increasing partnerships across talent ecosystems with enabling technology products to better leverage best-of-breed tools such as video interviewing and background checking supported with APIs.
- Processes enabled with greater analytics to support executive dashboards, interactive and personalised dashboards as well as improved market-wide benchmarks to drive informed decisions.
- Greater client focus on the candidate, hiring manager, executive and supplier experiences with greater mobile enablement.
- Improved business process integrations to support wider business outcomes, through ATS integrations, and/or FMS functionality or FMS integrations, HR, Finance and CRM systems integrations.
- Utilization of AI and predictive analytics to assist forecasting, "what if" scenario analysis and matching candidates and for some, visualization of the total workforce across all worker types to support workforce mix modelling with a view to optimizing the workforce structure to better meet strategic organizational objectives.

## The Future of Best of Breed VMS

For the foreseeable future, VMS specialist applications are expected to remain a key component of a HR technology stack due to their strength in both:

- Ability to streamline and consolidate supplier invoicing to drive efficiency
- Support legislative and compliance needs
- Supplier role-based functionality enabling suppliers to have system access to receive requisitions, submit candidates and view metrics

HR and ERP systems have not traditionally enabled this functionality. With an increased appetite for the managing contingent workers within organizations, there is likely to be a growing trend of HR software companies aspiring to deliver this functionality and some have begun to do so, such as Ramco and, more notably, SAP through its acquisition of SAP Fieldglass. Several MSP's have also invested in VMS products to better support their programs and upon which investments in analytics can be driven. The logic behind such investments is that MSP's can better drive client innovation, thought leadership and strategic partnership with a technology-led service. There are few VMS systems now that are truly independent and are not affiliated with either an ERP product or a staffing supplier.



## Future predictions

In the mid-term, SIA expect to see the following market developments:

- Availability of more reliable and more sophisticated analytics, leveraging AI. Some VMS systems already able to offer “what if” scenario planning. For example, Nétive which leverages the Salesforce Einstein AI platform.
- Increasingly sophisticated executive dashboard offerings to better engage key stakeholders and functionality to drive user adoption. For example, ability to annotate and email graphs and the ability to report on system user adoption to tune configuration as needed. The latter has just been released by PeopleFluent.
- Greater standardized integration across different ERP and other enterprise platforms (finance systems/external benchmarking systems) to better support sourcing decisions across worker types as well as contingent supply and demand being embedded in workforce planning programs for proactive forecasting and supporting new workforce segmentations.
- Richer direct sourcing processes being offered within the VMS application which can measure recruiter productivity and offer greater matching functionality and candidate engagement, interview scheduling, availability of candidates including notice periods and candidate marketing capability. Functionality to support referrals and temp to perm and/or perm to temp conversions and in doing so, leveraging wider marketplaces for bots and specialist applications.
- Increased momentum for adoption of mobile apps for workers and managers to support entry of data, approvals, digital signatures for contracts, contract extensions, time and expense as well as candidate comparisons and matching.
- Greater ability to support “Just-in-time” staffing being able to submit multiple candidates to multiple shifts without repeated key strokes.
- Increased appetite for regional solutions
- Greater functionality around managing data privacy to comply with increasing legislative oversight



## Research Methodology

SIA invited VMS providers ranging from large multinational staffing suppliers with VMS subsidiaries to niche software suppliers globally.

The data and analysis included in this report are based on the results of a survey of VMS providers combined with interviews whereby offerings and key developments were reviewed. During the interviews vendors were asked to demonstrate functionality and asked to provide detailed information regarding their company profile, geographic footprint, customer segments, and sourcing models.

To ensure common data standards, a common set of definitions and assumptions was created. Steps have been taken to verify and cross-reference to material submitted. Further, NDA's have been signed to support greater disclosure as part of the validation process. SIA validates reported spend through supporting evidence of worker volumes, client-base and financial reporting.

A total of 24 VMS providers submitted sufficient data to qualify for inclusion in this report. While we are still striving for 100% participation, we are confident that we have the most complete overview of VMS available in the contingent workforce market. A full list of participants is provided from page 42 onwards. Changes in participation from the prior year include the following:

New participants:

- AHSA (product Trio)
- Gustav

Removed participants:

- None

Participants rebranded/renamed:

- ShiftWise and Medefis submitted under the AMN Healthcare brand
- Superior Group rebranded as Broadleaf
- Agile-1 rebranded as AgileOne

## VMS Drivers and Benefits (including Case Studies)

The top four drivers for using VMS systems include:

- Greater contingent worker visibility and thus mitigating risk through improved compliance when acquiring contingent workforces with worker on/off boarding process management as well as offering an ability to appropriately classify the worker and mitigate co-employment risks. Organizations can gain greater visibility of global workforce risk as programs are expanding and as VMS providers invest in more localized solutions. Visibility of the workforce risks can apply to all types of contingent workers including those operating under service contracts or projects through SOW functionality where, traditionally, organizations had little or no visibility of these workers.
- Greater process efficiencies mostly from simplified and consolidated invoicing and improved milestone tracking through automated invoicing of SOW contracts at the time of deliverable acceptance. Efficiencies are also gained as a result of better approval processes such as mobile enablement of timesheet and expense input by workers.
- Increased quality and performance (time-to-fill) in fulfilling contingent workforce needs through supplier base optimization and requisition optimization. With an improved visibility of supplier performance, supplier tiering approaches and sourcing decisions can be tuned accordingly.
- Cost management and reduction through supplier optimization programs using supplier scorecards to support rate negotiations and develop appropriate sourcing strategies. VMS solutions can also offer suppliers lower cost of sales and a greater opportunity to scale.

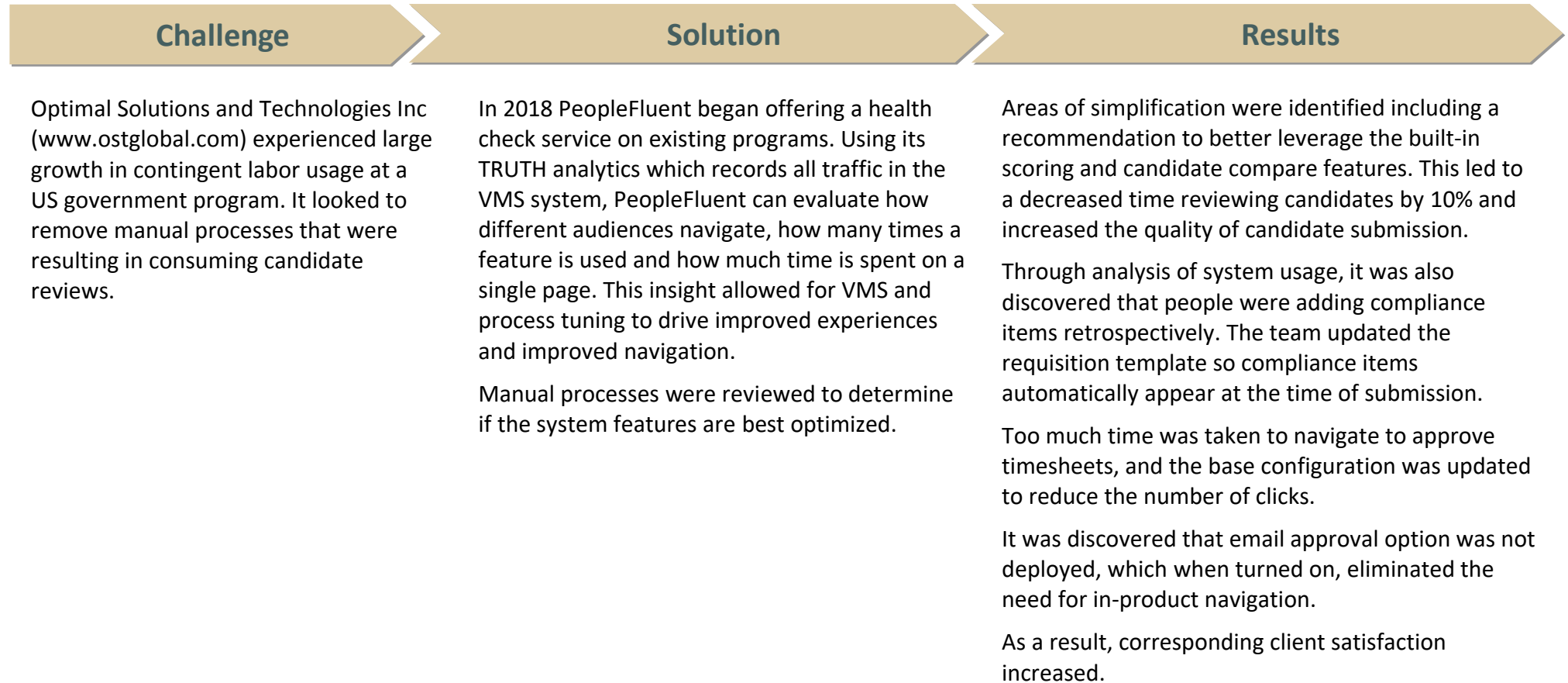
Additional benefits, on top of the drivers above include:

- Ability to access talent and reduce costs leveraging self-sourcing, such as FMS in a controlled way, offering greater flexibility to find and source any type of profile to further drive time-to-fill and cost efficiency. Many VMS platforms offer self-sourcing through private talent pools that are native in the VMS and some also support sourcing through third party FMS platforms supported via API integrations.
- Ability to support strategic sourcing decisions and policy development by analyzing contingent workforce demand and labor supply.
- Leveraging total talent management benefits such as using contractors as a key source to hire and better leveraging the employee workforce as a source of referrals.
- Improved retention and quality as contingent workers can be engaged through talent pools and targeted marketing, including visibility of returning contractors. VMS users will also better be able to assess contractor performance before re-engagement where they maintain a closer network.

Case studies highlight the business organizational challenges, key drivers as well as level of benefits achieved by VMS customers are described in the following pages. The exact benefits have not been verified by SIA. Nevertheless, these case studies offer an overview of the different types of benefits VMS's claim that clients are achieving together with an indication of cost and/or efficiency benefits.

Contingent workforce buyers may like to review these case studies when building business cases, or creating RFI/RFP material or when conducting vendor evaluations. Not all case studies submitted by vendors have been used as we have selected those that demonstrate clear quantitative as well as qualitative data.

## Case Study: A US State Government MSP supplier leveraged a “health check” service to review system adoption of the PeopleFluent VMS solution with the goal of increasing program efficiency and remove manual processing



*Source: PeopleFluent*

## VMS Vendor Landscape

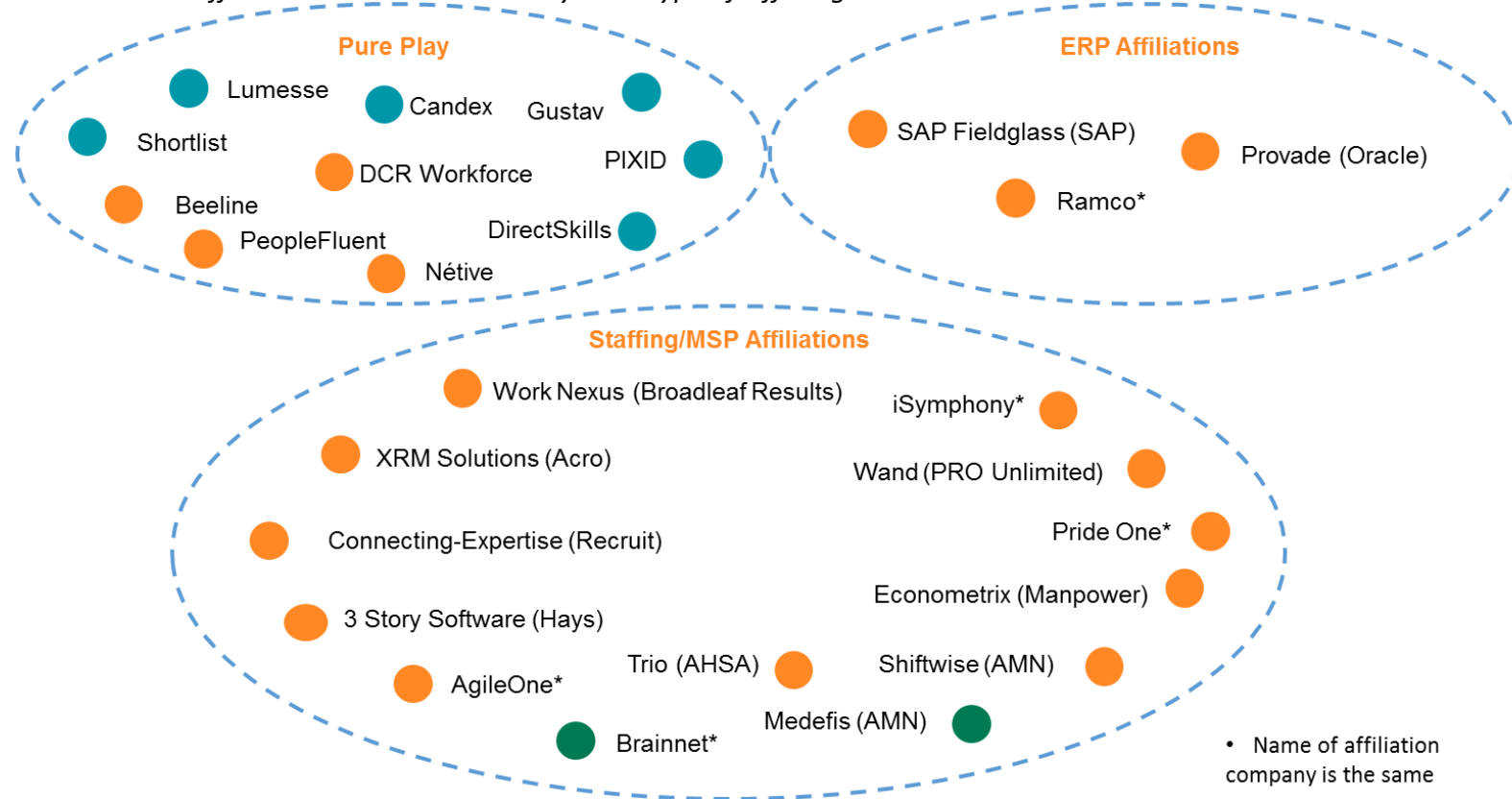
More than half of current VMS vendors originated from the pure-play VMS market and have since formed affiliations with ERP providers and/or staffing providers as outlined in the figure below. “Affiliation” in this context relates to either alignment through ownership or alignment through a close partnership and go-to-market strategy.

Pure play relates to specialized talent software organizations that do not have an established recruiting service component other than the provision of the technology.

ERP Affiliations relates to vendors that have a close alignment and integration and/or ownership by an Enterprise Resource Planning software organization.

Staffing/MSP Affiliations relates to those companies that are owned by Staffing/MSP organizations and/or where they have complementary MSP services/staffing services. Some MSP/VMS companies only sell VMS through the MSP. More recently, the VMS products are being offered as stand-alone solutions without the MSP service.

*VMS Vendor Affiliations and Color Coded by VMS Type of Offering*



- Partial VMS Capability (sourcing or invoicing, not both)
- All requisitions go to all vendors and freelancers in the system for a vendor neutral marketplace, the staffing companies are already established at set up in the VMS
- Meets all features outlined in the SIA VMS definition and is not vendor neutral as clients can create PSL's and determine which suppliers receive which requisitions

Over the last year, the VMS acquisitions primarily supported a broadening of solutions across the workforce ecosystem as well as new investors and ownership changes.

*VMS Market Activity in the last 12 months*

Date	Type	Acquirer/Investor	Acquired/Invested Company
February 2018	Acquisition	Smart ERP	Provade
<p>Smart ERP Solutions Inc., provider of cloud-based onboarding platform Smart Onboarding, acquired vendor management system firm Provade Inc. Smart ERP Solutions is based in Pleasanton, California, and its Smart Onboarding offering provides an automated onboarding and offboarding solution for employees, contingent workers and vendors. The Provade brand is expected to remain for now. Provade, based in Milwaukee, spun off into its own company in a restructuring of the business in 2016, with Provade Cloudware Inc. as its parent company. It had been owned by Dallas-based staffing provider Pinnacle Technical Resources, which acquired Provade in 2011. The systems integration capability of Smart ERP is expected to strengthen the Provade VMS proposition, supporting additional on and off boarding services to the Provade offering. For more information, click <a href="#">here</a>.</p>			
May 2017	Investment	Harvest Partners (private equity)	PRO Unlimited
<p>PRO Unlimited was recapitalized by private equity firm Harvest Partners, which acquired a stake in the VMS and MSP provider. Citizens Bank announced it closed a \$450 million asset-based revolver loan to support the recapitalization. Financial terms of the transaction were not disclosed, however, the deal included a reinvestment by private equity firm Investcorp, which owned PRO since 2014. Investcorp now holds a minority stake in the company. Maud Brown, managing director of Corporate Investment North America at Investcorp said, "We worked closely with the company's committed management team to grow the business, focusing on new enterprise client wins and key investments in technology, marketing and sales." For more information, click <a href="#">here</a>.</p>			
March 2017	Acquisition	PIXID	The Internet Corporation
<p>This acquisition supports geographical expansions of the PIXID business to the UK and European markets as well as additional service offerings to support end-to-end recruitment processes. The Internet Corporation offers proprietary applicant tracking software platforms including Amris ATS, Zao Social Referrals and Employee-Check Reference Checking. The solution offerings will be expanded to support job posting and candidate management to skill matching and the maintenance of a candidate talent pool. For more information, click <a href="#">here</a>.</p>			

## VMS Developments – New Offerings

Investments and new offerings in the market introduced in 2017 and planned for 2018 primarily focus on:

- Speed of set up and ease of configuration
- User experiences, mobile enablement and user interfaces to drive engagement
- Reporting, analytics and benchmarks
- Direct sourcing capability and building candidate talent pools
- Supplier management
- Increased automation and process enhancements
- Candidate availability, shift management, time and expense and invoicing
- Enhanced statement of work management processes
- Integration, middleware and APIs
- Industry-specific solutions
- Data protection, security, quality standards and infrastructure
- Geographical expansions and localizations
- Wider total talent management offering

Increasingly customers are making connectivity to other business systems a priority for solutions.

Vendor initiatives are outlined below for each of these categories. The items below are based on product roadmap insights provided by the vendors and are not endorsements of what they may or may not achieve. However, these insights can help buyers assess areas of investments and provide context to the changing offerings from which to evaluate VMS technologies.

## Speed of Set Up and Ease of Configuration

- Candex, a new market entrant, has delivered functionality that enables a very rapid vendor set up - one email to the vendor is required and the vendor loads their details and payment terms. Candex offers vendor and cost visibility a single view for suppliers which is a mirror of the single view for the client. By only requiring a few parameters to manage payments it is a light system that enables all activity relating to a project or worker request to be tracked using a chat like function but still able to support on reporting on costs. It also gives a management a view of all engagements and costs within their given division.
- Settings that were previously managed as configuration settings, for example, modifying rate cards or cost allocations, in 2017 were enabled through user import facilities in the Beeline system.

## User Experiences, Mobile Enablement & User Interfaces to Drive Engagement

Mobile access greatly improves the efficiency of a process, however few vendors offer full functionality through the app and most providers are still building out functionality. Messaging tools are also increasingly being developed to ensure the communication can be linked to a requisition.

- Mobile capability is planned to be developed by Gustav by the end of 2018. Mobile capability for XRM Solutions now supports all time/expense records and approvals, requisition details with approvals and contract extensions. XRM Solutions can also report an accident/incident and see who has shown up to a shift and back-fill any missing resource needs. User interface enhancements including auto-scaling to screen sizes, voice integration (Siri, Echo, Cortana, Google Assistant) are roadmap development focus areas for AgileOne over the coming 2 years. Branding of the application can be made specific to the client brand. Provade plan to update its UI to be fully mobile for all pages and features as well as offering customer/ERP stylesheets later in 2018. ShiftWise is rolling out mobile applications from May 2018. Beeline offers a mobile UI for manager roles for time and expense approvals as well as assignment amendment/ extension and request approvals. The Beeline Manager App now includes an assistant messaging system for managers that can manage a chat communication channel to the program office. Later in 2018, it plans to add a dashboard to the manager app giving managers the ability to perform additional VMS tasks including contract extensions, reviewing reports, and creating requests. Over 2018, it plans to develop Alexa Bot and MS Bot integrations for the manager app. They will also release a new Beeline Contractor App in 2018, allowing worker time and expense entry. The WAND mobile app (from PRO Unlimited) offers extensive functionality and now has the ability to register feedback of the hiring manager on the performance of workers, a feature which few VMS technologies are offering today.



- The ability to ask clarification questions by suppliers has typically been very limited in a VMS. A question and answer feature on requisitions is now enabled in the Gustav VMS system which helps staffing suppliers raise questions but the questions are seen by all as anonymous and answers are visible for all suppliers who are working on the requisition. Although not all VMS systems offer this, an example of another VMS platforms that brought this feature to market was Provade, who expanded its chat feature back in 2016. Further, in 2018 PRO Unlimited plan to offer “text-like” messaging capability between the MSP, suppliers and managers. Communication strings can be associated to roles, workers, and/or documents. In Q1 2018, it will offer mobile ability to confirm and agree interview times.
- Medefis has enabled a dashboard view which includes a running task list of what actions need to be taken as well as full drill-down capability. It has also added customizable practice descriptions in its Medefis 5.0 release. The screen design shows running totals on tab options increasing visibility of data, in addition, running totals on how many temporaries are to be converted is closely monitored in the product design. ShiftWise is also building a dashboard with the same concept.
- PeopleFluent released its “Productivity Platform” in early 2017 which enables users to navigate easily across all of the PeopleFluent suite of talent applications through a single sign on as well as supporting a greater use of third party providers through the enablement of API integrations, leveraging its IPaaS infrastructure. Integrations with partners such as healthcare scheduling partners and FMS provider platforms can be added to the user dashboard of a client. Its productivity platform also supports client branding with an ability to change the “skin” and colours of the application. Clients also have the ability to add the more important and heavily used transactions and activities to the home page by persona. The platform monitors the frequency of page and feature usage by client to assist clients determining which transactions to position on the home page. PeopleFluent has approximately 100 clients already using the new platform. Over 2017, PeopleFluent also improved its user experience by increasing space, changing icons, improving calendar drop downs and creating workflow process guides and circles.
- Mass actions such as engagement and disengagements of workers and/or candidates (sometimes known as bulk processing) has been released by PeopleFluent in 2017 to improve user experiences. The reason for disengagement and other fields such as “eligible for return” can also be applied across multiple workers.

## Reporting, Analytics and Benchmarks and AI

Reporting, benchmarks and analytics are fundamental for any VMS to support the visibility and control of costs and to manage supplier engagements. Providers who are investing in growing capability in reporting are typically adding to standard reports, enabling more forecasting capability and some are starting to explore AI. Some examples are below.

- Beeline is due to launch (April 2018) the next version of its SmartView analytics engine which includes a program scoreboard showing interactive KPI reporting with red/green traffic light indicators together with forecasting capability. The engine will also support correlation views and decision support tools.
- Medefis has expanded its standard reports offer. Two new key reports are: (i) its standard healthcare market pricing benchmark report which offers breakdowns of pricing of workers by job type (e.g Mamographer v's Phlebotomist) to assist users determine pricing at the time of creating requisitions and (ii) its agency scorecard comparison report. PeopleFluent has added new reports to their library of standard reports, for instance, a "next quarter projection report" is now available. Updates to its reporting universe increased the SOW fields available and made query and reporting easier.
- The Avantis solution (an AMN product that complements Medefis and ShiftWise) enhances its analytics offering through complementary workforce analysis. The technology helps identify where workforce optimisation issues exist (including over and under resourcing) and supports the development of workforce strategies to drive improved staff utilization and identify core FTE leakage.
- XRM Solutions typically integrates with Tableau to support the visualisation of analytics and, in 2018, it plans to integrate with providers of data to improve benchmarking capability.
- The Work Nexus VMS added personalised dashboard capability, new standard charts and graphs including financial analysis, attrition, key performance metrics, supplier metrics, worker time and an ad hoc search capability.
- 3 Story Software is enhancing its existing reporting using SSRS (Microsoft) and developing native, embedded analytics support using Logi Analytics that allows its customers to generate locally developed content. It is currently in a beta version with pilot customers and plans to be available for general release by mid-2018. It will offer user dashboard capability, faster aggregation and will be mobile friendly and support a power user role. Its core dashboard was enhanced in 2017 adding widget boxes enabling MSP program suppliers to view all clients on one screen. Examples of widgets include spend by supplier (top 10), assignments starting within n days, assignments ending within n days, tenure, etc.

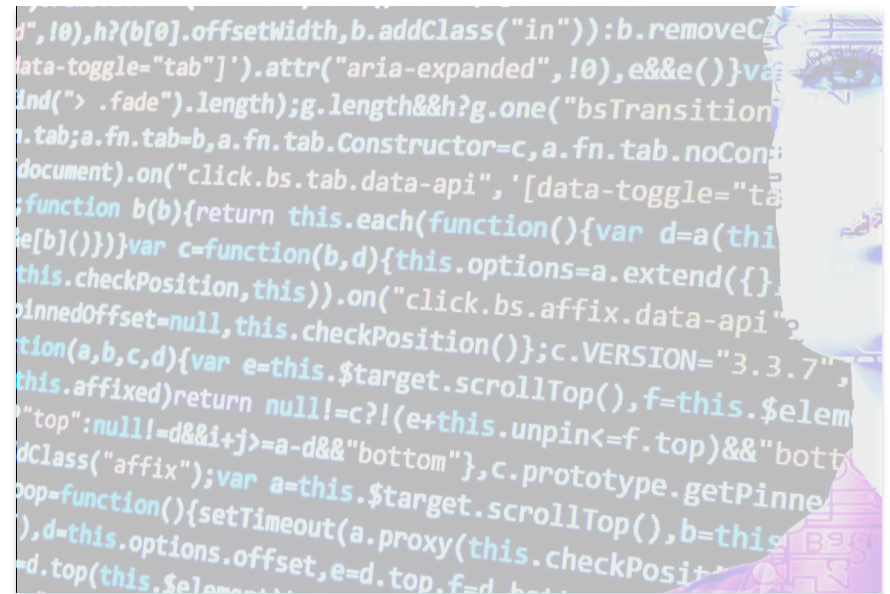


- Medefis is building a BI engine in Q1 2018 to report across all data. ShiftWise will also leverage the same technology to build out its analytics in Q2 2018.

In addition, and although not formalized in roadmaps with any estimated release dates, the value of applying AI to VMS solutions is already recognized and starting to be applied. For example, for formulating strategies on how to reach a program target, predicting performance of candidates through adaptive personality & cognitive, online assessments to enhance recruitment events and campus solutions where a mobile app can contain maps and provides content based on location. These developments if and when fully realized may prove to be truly disruptive forces in the future of workforce management.

- Nétive has enabled the Einstein AI technology on the salesforce.com technology that underpins Nétive to support contingent workforce programs. This enables “what if” scenarios to be developed such as setting goals (.i.e “reduce costs by 5%”) and Einstein will propose how this could be managed and build a story board of the possible actions that could be taken. Einstein builds the relevant graphs on how the scenario could evolve and these can be exported to a powerpoint or word document for presentation and review. Although no clients are using this yet, it is expected that increased interest will grow as program owners become aware of the capability of AI and begin trials.

Proactive program management is supported where rather than looking at a screen to see where tolerances on KPI’s have been exceeded, users can receive notifications if a tolerance level is exceeded. Users can set these themselves under a “notify me when” widget and a status can be set on the tolerance such that it remains as an “open issue” until specifically closed with a comment or action through messaging and user workflows. This helps vendor management as vendors can be part of the workflows. Nétive also offer ability to annotate graphs before they are emailed. As this functionality runs on a tablet or smartphone on a free app, it increases program management agility.



## Direct Sourcing Capability and Building Candidate Talent Pools

VMS vendors are increasingly investing in direct sourcing as some buyers look for direct sourcing solutions as a way to either further reduce costs or as another way to access talent. PRO Unlimited through its WAND Discovery tool can now compare cost, time-to-hire and other metrics of self-sourced versus agency sourced and claims that self-sourcing is a major area for savings. 40% of its top clients' self-source. Contingent self-sourcing conversions to Permanent/Direct Hire has the advantage that there are no fees attached for the conversion if they are self-sourced. This has facilitated greater conversion ratios and PRO Unlimited now claim approximately 30%-35% of contingent self-sourced workers are converted to full time roles. In light of the current low unemployment rates, contingent workers are becoming an important source of full-time hires. The concept of sourcing candidates as users to create requisitions (rather than waiting for submittals) is becoming possible where talent pools are maintained. Also, as you drop a CV into the talent pool, with parsing, that CV can be immediately matched to possible positions. Traditionally, VMS systems did not have very sophisticated matching functionality. Staffing suppliers were relied on to make candidate submissions and, if the submissions did not match the needs of the requisition, the supplier ratings were affected. To support direct sourcing, VMS technologies have invested in building talent pool capability, candidate tagging and CV parsing along with developing matching capability using algorithms similar to those found in ATS solutions.

- The Wand talent network supports retirees, alumni, candidates by invitation, public website or self-identified and in Q2 2017 Wand delivered calendar synchronization for managers' calendars (Microsoft or Gmail) whereby interviews can be scheduled on mobile or apple watch. Further, PRO Unlimited has enabled self-sourcing rate comparisons and potential savings to be visible at the time of creating requisitions, driving up user behaviors in greater self-sourcing adoption where savings are highly transparent at the point of decision making. Wand candidates can self-manage their profiles and confirm their availability to work.
- Gustav has developed CV parsing capability and, in Q3 2018, plans to add semantic matching. By May 2018, Gustav plans to deliver integration with MS Outlook at Gmail to support candidate interview scheduling. It also plans to integrate with other 3rd party tools like, Hellosign or Checkr. Nétive is exploring the use of third party AI interview scheduling tools to integrate into the product. Resume parsing and candidate tagging is also planned for the Work Nexus 8.0 version due out in the longer term (2019+).
- PIXID developed a fixed-term contract solution for the French market in 2017. Its first clients are supported in partnership with Job Minute, a French online staffing platform for hospitality staff.
- Nétive has enabled candidate tagging so it is possible to search for talent based on tags without even needing a requisition. Contextual labels are dynamically proposed for the user to add as needed and searches can also be saved. Further, the product has been built to support 18 languages so when you enter a tag, synonymous terms in the 18 languages are taken into account.



- 3 Story Software platform integrates with a variety of 3<sup>rd</sup> party systems. Recently it has implemented an integration with the TempBuddy application for sourcing new candidates to support self-sourcing and verifying candidate availability as it does so.
- Medefis is building out its flexpool per diem staffing, due to be released in 2018 Q3. The second phase of the enhancement will add calendar functionality for interview scheduling. ShiftWise also plans to release a feature to support interview scheduling, but currently offers messaging capabilities to liaise with suppliers on interview options.
- Internal resource pool functionality has recently been enhanced by ShiftWise.
- Beeline self-sourcing has primarily been supporting the US market, it plans to add support for the UK, European, and Australian markets over 2018-2019 by adding new partners.
- In March 2018, both Beeline and SAP Fieldglass announced new FMS partners. Beeline added to their partner network both Crowdstaffing and InterviewJet. Its existing list of FMS partners included Interactive Resources, Jobaio, and Genesys. Beeline has also started measuring its talent pool coverage and estimates 50% of all requisitions can be supported through the Beeline self-sourcing talent pools and candidates who respond with interest from self-sourcing average 80%. Beeline estimate that with self-sourcing, time-to-fill can generate cost savings of 15% to 35%.

In March, SAP Fieldglass announced it is enabling a digital marketplace of talent through establishing channel partners which now include Catalant, freelance.de, Genesys, MBO Partners, Shiftgig, TalentNet, TalonFMS, The Data Incubator, and twago Enterprise were among the first to participate in the network. SAP Signature Management by DocuSign can also be accessed via SAP Fieldglass to streamline paperwork associated with onboarding new external talent

## Supplier Management

- Gustav, a new VMS entrant in 2017, is building out a supplier marketplace whereby clients can choose to distribute requisitions to their own suppliers or alternatively select a wider supplier marketplace that is maintained in the product for the benefit of all clients.
- To support credentialing requirements in the healthcare market, suppliers now have full visibility of all candidate credentials so they can prepare candidates for the screening processes within the ShiftWise product.
- Messaging between the suppliers and the client/MSP is fully supported in a number of systems to ease communication and engagement to provide clarity where needed to support the process. This has been added in the ShiftWise product in 2017.
- A Supplier Wand Mobile App is planned for release in 2018 by PRO Unlimited. It aims to increase the speed of hiring by enabling staffing suppliers to view and respond to requests, and interviews through mobile. Additionally, the app gives them the ability to approve or reject expenses. Following this release, it plans to offer staffing suppliers a new, intuitive, action-driven, consumerized supplier homepage.
- PeopleFluent released in 2017 a supplier scoreboard enabling suppliers to be ranked by KPI performance.

## Increased Automation and Process Enhancements

- As part of its 18-month roadmap, AgileOne is investing in predictive data modelling and algorithm enhancements to support enhanced candidate matching based on hiring manager patterns. Further, to forecast talent needs, the insertion of location, seasonal, and utilization patterns has been enabled. Machine learning is planned to support supplier models that better target fulfillment success and cycle time. Virtual assistance to guide users and to support pre-screening for best fit modelling are also planned.
- On and off boarding features are planned to be further developed as part of the Provade/Smart ERP product alignment since the recent acquisition.
- By the end of November 2018, Medefis plans to deliver job approval workflows for up to five approvers as well as multiple agency tiering strategies (up to 5) customizable by user.
- Job template functionality has recently been added by ShiftWise.

## Candidate Availability, Shift Management, Time and Expense and Invoicing

- Availability tracking, scheduling management, shift distribution and schedule confirmation has been recently added to the ShiftWise technology as well as expanded reason codes for improved insights.
- Many systems support automatic production of invoices based on time worked and agreed rates. However, as well as making amendments to time entries, from September 2017 ShiftWise enabled direct changes to line items in an invoice to simplify invoice error management.
- IQN VMS has built out its Rate Time and Expense (RTE) functionality for the US market over 2017. It has now expanded the functionality to support the UK and Germany including the ability to capture regional holiday calendars, rate variations by shift and overtime rules, and recording of breaks (German-specific). Beeline plan to launch time functionality to support overtime rule calculations later this month which is delivered as global functionality. Additional RTE features such as rate rules that can be defined by tenure, shifts, rate schedule and holiday calendar are on the Beeline VMS roadmap and due to be released over the remainder of 2018 and into early 2019.
- Nétive released shift capacity planning in November 2017 to support its large hospitality/ catering clients in the UK. The shift requests can indicate the number of resources needed and the number hired with color-coded symbols to indicate shortages. Suppliers can add candidates to multiple shifts from one screen and can propose multiple candidates to multiple shifts. Its timesheets also support clocking in/out and split hours. The functionality can also be used to support other industries and jobs such as security guards, logistics and drivers.



## Statement of Work

The incorporation of SOW and services workers into contingent management programs continues to become a critical component with respect to the overall sourcing priorities of many companies. Not having a strong offering in this area inhibits organizations as it limits the ability to have wider spend visibility and prevent rogue spend, while inhibiting the realization of significant value of the program to enterprise.

- 3 Story Software released in Q1 2018 a cost rollup SOW feature to better manage totals and balances and will also enhance management reporting for SOW projects. In 2018 3 Story Software plan to deliver an “All-In-One” statement of work functionality for enhanced project management.
- Assisted by the Smart ERP’s PDF interaction, document creation, collaboration and tracking is planned to be developed using dynamic forms in the Provade product. This will support the SOW offering of the Provade VMS.
- Beeline has added document management features in the storage of documents against a Statement of Work, including the ability to check out documents which better supports versioning.

## Integration, Middleware and APIs

- Since Provade has moved to an IaaS Oracle platform, the ERP connectors for Oracle cloud marketplaces are now enabled.
- Medefis 5.0 enhancements include the integration of Traveler's Haven Housing Services into the job display.

## Industry Specific Solutions

- XRM Solutions continued its light industrial solution development. With the integration to clocks, as a shift is about to start, managers can see where there are any gaps and can look to fill them in a timely fashion. Specific dashboards to support the Light Industrial sector have been created.
- Healthcare developments continue to support insights into a tight labor market. Medefis's healthcare market pricing benchmark report offers breakdowns of pricing of workers by job type (e.g Mamographer v's Phlebotomist) to assist users to determine pricing at the time of creating requisitions.

ShiftWise enables hospitals to offer a salary range whereby candidates can negotiate and counter-offer prices, the systems also supports the creation of incentive fees that can be passed to the candidates. Further, suppliers are shown the percentage matches and the specifics of where the candidate failed to meet core requirements, enabling the supplier to amend the candidate profile (e.g, add a certification that was missing) to increase the match score. This ensures candidates are not missed just because they have not had a recent flu shot and have an opportunity to review the missing need.

PeopleFluent is continually investing in supporting their healthcare clients, over 2017 it recently added break-time reporting.



## Data Protection, Security, Quality Standards and Infrastructure

Security certifications ISO27001, SSAE16, EU Privacy Shield, Swiss Privacy Shield, the Global Security Alliance, System and Organization Controls (SOC) and WhiteHat Security are examples of security standards that technologies are increasingly looking to achieve in order to give assurances to clients regarding quality controls in security. The ability to support data protection regulation compliance is also a key consideration for most users of VMS systems.

- With GDPR coming into force in Europe in May 2018, many VMS providers are gearing up to support businesses. PIXID has a chief security officer (certified as ISO 27001 Lead Auditor) as well as a data protection officer (Certified Information Privacy Professional/Europe) to support its business and has mechanisms in place to anonymize data. PeopleFluent has reviewed its policies in advance of GDPR, including data processing and commercial capabilities. Nétive has built functionality that is being launched in March 2018 to record the data processing purpose for each field of data stored on a candidate, who needs to be informed as well as candidate compliance records where consents can be recorded, providing a full audit trail of what data is stored, and why/which consents are in place. 3 Story Software has developed a solution to enable the removal of personal user data on the production system as a result of GDPR and is also adding fields to support the capture and reporting of licensing in Australia as a result of the Labour Hire Licensing Act 2017 in (effective on 1 March 2018 for South Australia and 16 April 2018 for Queensland).
- AgileOne is assessing its server infrastructure to move infrastructure from a hosted server to a cloud based environment to support GDPR and is planning for SOC II compliance certifications and audits over the next two years. Nétive and PIXID both achieved ISO 27001 certification in 2017, the certification is valid for three years and regular audits will be undertaken as part of the framework.
- Work Nexus plans to deliver cloud migration in its 7.3 version which is due out in 2018, together with security enhancements, web services integrations and Cognos integrations.
- Over 2018, 3 Story Software plan to decouple the business logic from the presentation layer of its software so they can better support UI product enhancements.
- Provade moved its architecture to an Oracle Cloud IaaS environment in the summer of 2017. Existing clients will remain on existing infrastructure. The advantage is that clients will be able to leverage other applications in the Oracle cloud marketplace. This also supports a migration towards a commercial model that is based on ERP traditional pricing models such as user based pricing, rather than spend based pricing.
- Medefis began migrating clients to its new “Medefis 5.0” platform which is 90% complete. The new platform is designed to better enable API integrations to third-party applications. It delivers an option for two step sign-on security, a responsive screen sizing for faster data loads, and single sign on security with token authentication.
- The Beeline VMS and IQN VMS platforms are undergoing a convergence program to enable functional capability to be more closely aligned between the two products. The vision is that users will not be able to see the difference between operating the Beeline VMS or the IQN VMS platforms.



## Geographical Expansions and Localizations

- PIXID is investing in sales capability in the UK for their VMS offering, following the acquisition of the UK company, The Internet Corporation. In 2017 it delivered an international version of the product which can be localised and applied to additional countries. The UK and Belgian versions of the product was delivered in July 2017.
- Gustav launched its ATS/VMS product which offers an ability to manage staffing firms as well as freelancers and secured its first client in the US in 2017. It relocated to the US from Austria, where it started as an on-demand staffing firm. Candex also relocated its new headquarters to the US (San Francisco) in 2017.
- 3 Story Software has a French market-specific development underway which will continue throughout 2018. This includes supporting French tenure management rules, limits on the number of times you can extend a worker, auto-calculates “Souplesse” (flexible end dates) and will deliver electronic signatures with DocuSign using two factor authentications (a higher level of security, even if someone knows your password they cannot log in with just the password).
- Medefis has added overtime by shifts (in response to new Californian law) as part of its Medefis 5.0 enhancements.
- PeopleFluent continues to expand currencies and languages including increasing currency support for African localizations over 2018-2019.



## Wider Total Talent Offering

- Gustav, a new market entrant, supports ATS functionality alongside their VMS offering, with a focus on mid-market organizations who are looking to self-manage their programs.
- AgileOne's total talent solution, Talent ETL was launched late in Q4 2017 and is currently being implemented by several companies. It provides a single view of talent availability whereby all candidates (permanent and contingent) can be viewed together and matching can be performed based on specific search criteria or against a specific job and/or skill. Once candidates are submitted to jobs from this total talent view, the candidate information is then attached to the requisition in the VMS or ATS, whichever is relevant.
- Although not new in 2017, it is worth mentioning again the functionality that PRO Unlimited offers through WAND Discovery. It supports dynamic graphs that compare agency-sourced, FTE-Perm, self-Sourced, SOW-1099 and SOW-consultant and it helps drive questions such as "what suppliers should I include?" and "what is the cost per engagement type?" based on filters that can be applied. All of its clients are using the Discovery tool and it supports clients with a named analyst.
- PeopleFluent has built a single point of entry for all of its talent suite, leveraging single sign-on technology with the advantage that clients using ATS functionality now don't have to sign in separately to the VMS. The platform integrates video and other applications, it also better supports HCM integrations. Further, through leveraging the Org Publisher technology, PeopleFluent offers total talent views and organizational chart views of all assignments (permanent or contingent) and filled or open. This enables multiple levels of management to view team structures, cost and performance of teams with contingent labor clearly demarked, also enabling side-by-side comparisons of workers from which to make talent decisions at a team level, such as promotion, extensions and worker engagement.
- Nétive, which offers VMS, ATS and FMS capability has clients who have started segmenting talent sourcing in creative ways whereby the Nétive product is used for sourcing for permanent staff, freelancer and contingent workers for white-collar type roles. Blue-collar roles are sourced through an MSP in a master vendor solution. Another client is one of the most mature in TTA uses the Nétive product to source for all types of workers in a consistent talent acquisition approach.



## Other

A number of vendors are planning to better support MSP's which have more than one client by enabling the MSP with a single login across clients. Medefis plan to deliver this by the end of November 2018. It is also on the roadmap of Beeline for Q2 2018. Consolidated dashboards for MSP's that incorporate metrics across clients is expected to follow to better support MSP insights across clients. Likewise, Beeline has started a major development called "Beeline One" which offers a single user logon to support suppliers who have clients using IQN VMS and Beeline VMS. It plans to roll out the concept to support MSP's which will ultimately be able to view consolidated dashboards across all clients.

PRO Unlimited, in 2017, built additional functionality to support the roles of a program office view (for an MSP or internally managed program office) in its WAND application. Features enabled to support this role include self-service upload tools, leave-tracking, and expense management.



## VMS Geographical Capability and Targeting

### Single Country Focus

VMS vendors that have a single country focus are typically those that originated in countries with complex legislation or that wish to focus on scale in a single industry (e.g. Healthcare). For example, in France, due to complex legal structures, agency invoices often need to be reconciled with client requests. Some French VMS vendors support legislative restrictions through offering dematerialization functionality. This compares client and staffing agency databases and produces a gap report to help reduce invoicing errors. This report would then be sent back to the agency for a corrective invoice to be issued. Other French solutions have been developed which give clients direct access to the VMS to apply the client standard rules and impose these to the agency (which work complementary to talent identification and sourcing systems).

Also, given the size of the US Healthcare market and the specific scheduling needs of staff in healthcare, specialist VMS organizations have emerged that are 100% focused on this industry, in one country, including Medefis, ShiftWise and Trio.

*Approximately 40% of VMS vendors have a single region focus*

Region	Vendor	Sector Focus
North America	PrideOne	US
	Trio (AHSA)	Healthcare
	Medefis (AMN)	Healthcare
	ShiftWise (AMN)	Healthcare
	iSymphony	Mid-market
Europe	DirectSkills	France
	Brainnet	Netherlands
	PIXID	Europe and mid-market
	Nétive	Europe
	Connecting-Expertise	Europe

## Multi-Regional/Global Focus

The geographical capabilities of vendors are outlined in the table below. For the vendors supporting 50+ countries, approximately 35%-50% of the countries are only supported with worker tracking functionality. Vendors continue to invest in localizations as outlined above however, there are five vendors that actively target all four geographic regions and which provide full invoicing functionality. Lumesse works with pay-to-bill partners for invoicing. Other vendors target multi-country organizations with a headquarters and large populations in their home region. For example, Work Nexus and XRM Solutions predominantly target North American organizations. For Work Nexus, 100% of its contractor/temp spend is from the US market, however, outside the US the company supports spend from outsourcing/SOW workers.

### Multi-country Geographical Capability of VMS Vendors

Vendor	Number Serviced			Regions Targeting			
	Countries	No. Countries with Full Invoicing	Languages	Americas	Europe	Middle East/ Africa	Asia Pacific
<i>Extensive Geographical Experience (more than 50 country presence)</i>							
Beeline	94	107	16	*	*	*	*
SAP Fieldglass	n/a	n/a	18	*	*	*	*
PRO Unlimited	91	54	13	*	*	*	*
Lumesse	77	0	20	*	*	*	*
<i>Expanding Geographical Experience (50 or less country presence)</i>							
DCR Workforce	44	44	12	*	*	*	*
Provade	38	37	5	*	(x)	(x)	*
Broadleaf	32	30	2	*	*	*	*
Candex	28	26	1	*	*	*	
Work Nexus	23	21	2	*			
3 Story Software	26	26	9	*	*	*	*
AgileOne	19	12	13	*	*		*

Vendor	Number Serviced			Regions Targeting			
	Countries	No. Countries with Full Invoicing	Languages	Americas	Europe	Middle East/ Africa	Asia Pacific
<i>Emerging Geographical Experience (10 or less country presence)</i>							
Econometrix	8	1	3	*			*
XRM Solutions	9	4	8	*	(x)		*
PeopleFluent	7	7	6	*	*	*	*
Nétive	6	6	3		*		
Connecting-Expertise	4	4	3		*		
PIXID	4	3	5		*		
Ramco	4	4	1	*		*	*
Shortlist	2	0	1	*	*		*
Gustav	1	1	1	*			
Brainnet	1	1	1		*		
DirectSkills	1	1	1		*		

*n/a = not available*

*(x) = clients being served in this region, although there is no local vendor presence*

## Appendix I: VMS Functionality Basics

Vendor Management Systems in their traditional sense are contingent worker sourcing and billing applications that enable a company to procure and manage contingent workers (as temporary agency workers or through services contracts) in accordance with client business rules. In a rapidly changing technology landscape, VMS solutions have evolved from managing staffing suppliers to more recently, encompassing newer direct sourcing methods.

Traditional contingent process management features of a VMS include:

- Supplier registration pages
- Supplier profiling and management
- Requisition creation and distribution
- Sourcing
- Candidate administration and selection
- Contract management: contract generation, expiration of contracts and managing renewals, rate change management
- On- and off-boarding
- Time and expense keeping
- Hiring manager satisfaction
- Invoicing (automated in advanced VMS systems) including consolidated invoicing (either pro forma or full invoices). Note that in some countries, legislation prevents consolidated invoicing. Consolidated invoicing is expected to support clients with a US scope.
- Configuration of pay and bill rates including statutory costs relevant for the country and vouchers
- Analytics, benchmarking and dashboards
- Standard interfaces to finance and HR systems
- Floatpool management (healthcare specific)

Statement of Work process management features of a VMS include:

- Contract template creation and management for SOW
- RFI/RFP creation and management with agreed SLAs and payment plans
- Bidding, proposal submission and review support including document management
- Agreement red-lining and creation including milestone creation and management
- Milestone management and invoice generation based on acceptance of milestones and performance
- Time and expense management
- Assignment management including on and off boarding

Examples of more recent development of VMS functionality include:

- Sourcing decision trees for strategic sourcing
- Statement of Work functionality including supporting the build, design and planning of an RFX and the process
- Talent pooling and integrations with ATS for recruitment marketing, interview scheduling
- Benchmarking with greater rate analysis and trend reporting
- Strategic workforce planning with forecasting functionality and enabling “what if” scenarios to manage demand and supply with interventions
- Mobile supported user interfaces for contractor time and expenses as well as hiring manager approvals
- Tablet supported user interfaces giving consumer grade experiences for all users
- Integrations with other platforms and HR services such as Freelancer Management Systems (FMS), payrolling, video interviewing, resume parsing and background checking systems and services.

## Appendix II – Definitions

Throughout this report, a number of terms have been used that have a specialized meaning.

### Work Arrangements

- **Direct Hire** — A term commonly used to refer to services provided by a staffing agency related to helping an organization obtain an employee to work on their payroll as opposed to temporary staffing relationship where the employee is typically working on the staffing firm’s payroll. In a direct hire arrangement, the provider is only paid a fee if a placement is made, as opposed to a retained search arrangement. (also referred to as Permanent Placement or Placement.)
- **Temporary Employee - Temporary Employee (“Temporary”)** — An employee who performs work for an organization with the expectation that the work will be for a fixed duration. Temporary employees may be hired directly by the employer or sourced through a staffing company and work fulfilling client assignments. May also refer to temporary workers from an internal pool employed directly by an organization for an intentionally limited time period.
- **Independent Contractor (IC — not SOW)** — A self-employed individual performing services for a company under contract. Services are often provided through a single-person corporate entity (in the UK known as a personal service company or ‘PSC’ contractor.) Unlike employees, independent contractors are free to perform their work as they see fit, with limited or no control over the manner in which the work is performed. Tax authorities in many countries use the concept of ‘control’ in respect of behavior, together with financial autonomy and a range of other tests to determine the true nature of the relationship between the parties for tax liability purposes. These tests vary by country but follow broadly similar principles.
- **Statement of Work (SOW)** — A document that captures products, work activities and deliverables to be supplied under a contract as part of a project timeline. In contrast to a typical temporary staffing arrangement which is billed based on time worked, SOW agreements are usually billed based on a fixed price deliverable or for achieving specific milestones. Like typical contingent arrangements, they may also be billed based on time, including arrangements where there is a time-based billing that is capped at some “not to exceed” level for time and materials.
- **Outsourced Services Contracts** — A form of outsourcing whereby services are provided by an organization that has expertise in operating a specific function. The firm contracts with the client not just to provide and supervise staff (as in temporary staffing), but to take on full operational responsibilities for performing the function — generally peripheral to the client’s core business — on an ongoing basis (e.g. call center operations, IT help desk operations, food services, janitorial services, guard services, facilities management, lawn care services). Operations of this type may or may not be on client premises.

### Service Model Classifications:

- **Total Talent Management.** An emerging model of talent that seeks to integrate the management of an organization's "permanent" workers with its contingent workers.
- **Managed Service Provider (MSP)** is a company that takes on primary responsibility for managing an organization's contingent workforce program. An MSP may or may not be independent of a staffing supplier. Typical responsibilities of an MSP include overall program management, reporting and tracking metrics, supplier selection and management, order distribution, and consolidated billing across program suppliers.
- **Vendor-Neutral (VN) Program** is a term used to describe a model in which a managed services or MSP technology provider handles its tasks (e.g. order distribution or candidate selection) based on client-defined policies that mandate that all (or a pre-defined set of) vendors be (i) given an equal opportunity to fill each order, and/or (ii) selected for each order based on the same criteria. The presumed advantage of a vendor-neutral model is that the best vendor with the best candidate will fill each position. The term is sometimes used in a stricter form to refer to an independent managed service provider that is completely autonomous, or semi-autonomous, from the staffing suppliers.
- **Master Supplier** is a staffing supplier that takes overall responsibility for providing a client with temporary and contract staffing services. In a master supplier program, all orders will usually go first to the master supplier to either be filled by the master supplier or distributed to a secondary tier of suppliers. Sometimes a master supplier will not only provide a significant portion of the temporary staff working at the employer's site but will also manage an organization's contingent workforce program as an MSP.
- **Hybrid Program** uses the blending of different sourcing model attributes to manage a contingent workforce program. Typically, a hybrid program includes elements of vendor-neutral and master supplier programs. For example, one provider may act as the master supplier for light industrial positions while IT positions are competitively bid using a vendor-neutral model across a number of different vendors.
- **Contingent RPO** is where the supplier sources contingent labor through client-dedicated recruiters in an outsourcing mode. These recruiters are trained on the company business and employer brand to attract candidates and any candidate data derived as part of the sourcing process are owned by the client. As such, the candidate database is the IP of the client which is returned at the end of a contract. Also, unlike traditional Master Vendor MSP models, the candidate databases are not shared with other clients and candidates are not offered roles in other companies. The majority of activity for the Contingent RPO supplier relates to performing services that deliver a high percentage of direct sourcing through this model, rather managing and sourcing suppliers which strongly features in a Vendor Neutral MSP model. Further, unlike other MSP models, Contingent RPO pricing is typically volume based, with a price per candidate placed, rather than being based on spend. This model is closer to a Direct Sourcing model (See Direct Sourcing) except that the service is outsourced to a third party.

#### Other Definitions:

- **Float Pool** — A pool of workers most commonly used in the healthcare sector for supplemental staffing of clinical nursing positions (sometimes referred to as a nurse bank). The ultimate objective is to provide a database of available personnel without having to go through a third party. The float pool provides consistency in supplemental staffing by utilizing experienced nurses and assuring a more highly prepared nursing team is available with consistency of orientation towards the organization, its policies and departments thereby fostering shared cultural values. Float Pool workers are offered a variety of work by being given opportunities to work across different departments.
- **Freelancer Management System (FMS)** is a category of contingent workforce management technology that enables enterprises to self-manage their engagements with independent contractors and freelancers. To fall within the FMS category, a solution must provide a complete, end-to-end technology that enables users in an organization to search for and find a particular worker and activate, complete and pay for the work engagement within the system.
- **Spend Under Management** is the approximate amount of spend that was actually invoiced by suppliers for work performed during the given calendar year. This does not include spend that was identified, but not yet rolled into the program.
- **Strategic Workforce Planning** is the process an organization undertakes to develop a holistic, long-term and proactive approach to strategically assessing and accessing all multiple forms of talent engagement. Specifically, Strategic Workforce Planning links corporate and strategic objectives and their associated workforce implications with multiple avenues of talent engagement and resourcing (e.g. Direct Hire, Contingent, SOW, Outsource).
- **Talent Pool** — Passive and active sources of talent who are selected based on common interests, location or skills who are potential targets for the sourcing of future candidates.
- **Talent Pool Management**— Proactive approach to registering and managing a group of passive and active candidates and organizing these into interest groups and creating communities of prospective candidates to support candidate interests and to meet client objectives (e.g. diversity, skills, location, seniority). Evidence of talent pool management would include metrics that monitor the size of the pool against pool targets, including new additions as well as how many drop out of the pools. The talent pool is actively managed through a communications plan (supported by CRM technology) and candidates are often given the opportunity to join a pool or unsubscribe after which they may or may not receive company updates or communications that relate to their area of interest or expertise.
- **Total Talent Acquisition** — An emerging model for Talent Acquisition, subsumed within the concept of Total Talent Management and therefore encompassing acquisition of both “permanent hire” and “contingent talent.” Total Talent Acquisition refers not only to the operational approaches to sourcing, recruiting, and engaging talent, but also to higher level strategic considerations of structuring or managing the talent supply chain (i.e., decision about outsourcing, sourcing geographies, etc.).

- Worker Tracking is where contingent workers are logged and tracked (location, time) in the VMS, but billing/invoicing and supplier management is not in scope. The rationale is to increase visibility of contingent workers and support compliance to onboarding/off boarding processes but invoicing may not be practical to include in scope because of other factors such as volumes, system capability or local regulations.

### *Geographical Classifications*



## **Appendix III – Vendor Profile**

The Peoplefluent company profile on the next page was submitted by Peoplefluent and — with the exception of editing as needed for grammar, length and consistency — was not altered or amended by Staffing Industry Analysts. Staffing Industry Analysts does not warrant the validity of the vendor-provided profile.



Recruit. Develop. Perform. Reward.

**Company name**

PeopleFluent, Inc.

**Corporate parent/ownership**

Privately held. Wholly owned by Bedford Funding

**Corporate HQ**

Waltham, MA

**Contact phone/name**

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**Web address**

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**Key executives**

Charles S. Jones, Chairman of the Board

Steve Pogorzelski, President

Stephen Bruce, EVP & Chief Customer Officer

Jim Bowley, EVP, Product Management & Strategic Accounts

Brad Miller, CFO

Scott Petersen VP, Vendor Management System (VMS) Sales

**VMS market name and latest version**

PeopleFluent VMS

**VMS Client references**

Railinc, First Citizen's Bank & Trust Company, Computer Aid Inc., MDI, Marchon and Strategic Staffing Solutions (S3)

**Industry experience**

Health Care, Financial Services, Manufacturing, Retail, Business Services, Technology, Pharmaceutical, Retail, State Government, Utilities

**Company description**

Designed exclusively for large enterprise employers, PeopleFluent is a leading independent provider of cloud-based integrated recruiting, talent management, and compensation management solutions. Our VMS system enables companies to leverage contingent and services procurement staff as strategic components of the overall talent management strategy. By deeply integrating pervasive video, strategic analytics, and collaborative social technologies into its complete suite of Talent Management applications, it helps organizations transform talent strategies into tangible business results. PeopleFluent has worked with over 5,100 organizations in 214 countries and territories, engaging employees to drive better business results. Today, 80% of the Fortune 100 companies rely on PeopleFluent.

**Brand differentiator**

The PeopleFluent VMS has been consistently recognized for its functionality, intuitive capabilities, and ease of use – features that have driven high adoption rates by client hiring managers. Spanning across an organization's entire global workforce with one talent management cloud, PeopleFluent equips leaders with meaningful talent data and strategic analytics to drive business outcomes. PeopleFluent's Productivity Platform offers an integrated Total Talent single sign-on solution for VMS and RMS (ATS) solutions that combines contract/contingent sourcing and salaried recruiting workflows. Whether you are managing in-house, want to leverage PeopleFluent's Shared Manage Service (SMS) model or are a Managed Service Provider, its solution empowers business and procurement managers, HR, and recruiters to identify, attract, and hire the best candidates, regardless of whether they are an hourly, salaried, contracted, or contingent workers.

**Service offerings and brands**

The PeopleFluent VMS helps organizations effectively and efficiently manage their temporary workforce, including contingent and consultative labor. It supports driving ongoing operational efficiencies, cost controls, and compliance for staff augmentation and project-based/SOW/services procurement.

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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. As a division of the international business media company, Crain Communications Inc., SIA is headquartered in Mountain View, California, with offices in London, England.

For more information: [www.staffingindustry.com](http://www.staffingindustry.com)

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