



Everest Group Vendor Management Systems (VMS) PEAK Matrix® Assessment 2024

Focus on Magnit

June 2024



Introduction

Vendor Management Systems (VMSs) continue to be an important technology solution as more enterprises leverage contingent workers as part of their workforce and require a capable technology solution for Contingent Workforce Management (CWM). In recent years, VMSs have not only enhanced features and functionalities related to traditional staff augmentation but also expanded services to include other areas within CWM, such as services procurement, independent contractors, and direct sourcing.

The VMS technology landscape is evolving, with many technology providers building capabilities to serve specialized client needs across geographies and industries. Providers are investing in increasing the breadth and depth of their functionalities/offerings, enhancing the User Interface / User Experience (UI/UX) of the solution, and providing a mobile-enabled solution for their clients. Additionally, they are enhancing integration capabilities to create end-to-end ecosystems and investing in next-generation technologies such as automation and generative AI.

In the full report, we analyze the VMS technology landscape across various dimensions:

- Everest Group's PEAK Matrix® evaluation, a comparative assessment of 22 leading VMS providers
- Competitive landscape in the VMS technology provider market
- Remarks on key strengths and areas of improvement for each VMS provider
- Assessment of VMS capabilities

Scope of this report

Geography: Global

Industry: All industries

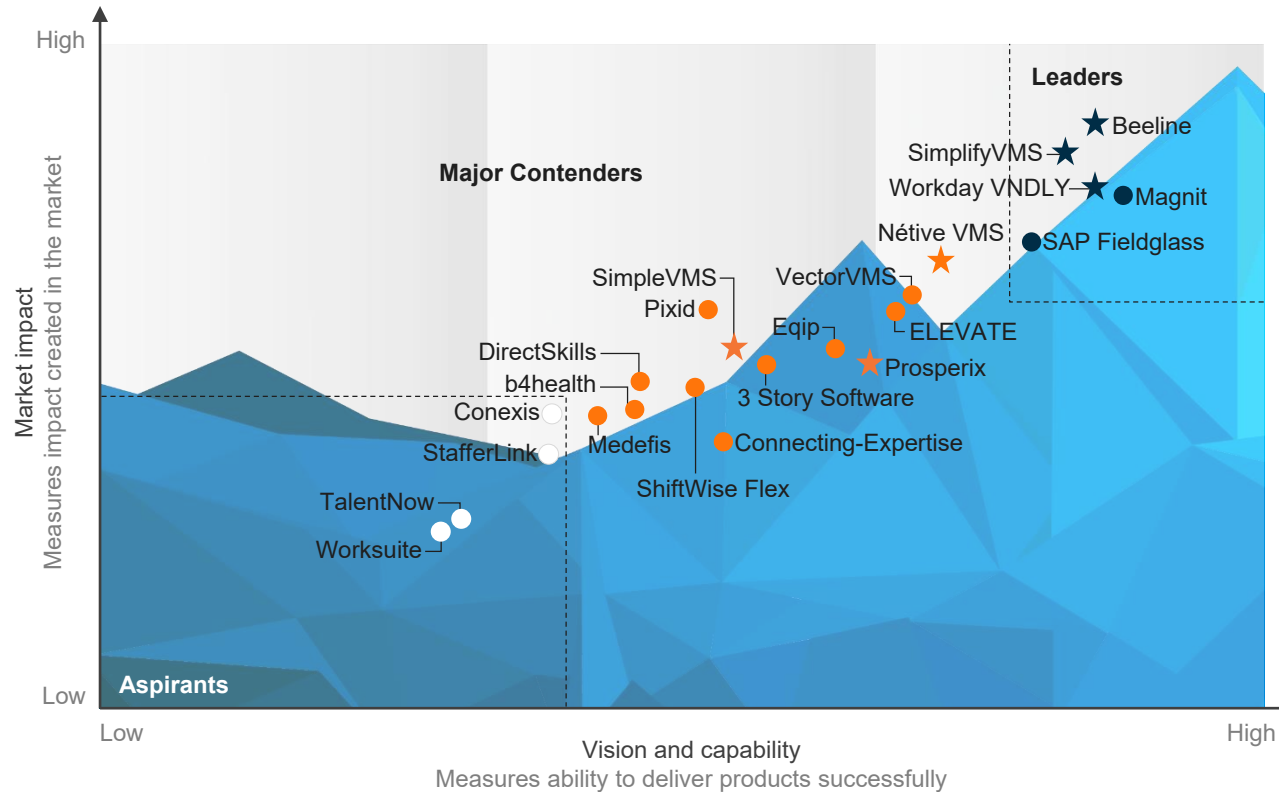
Products: Vendor Management System (VMS)

Everest Group PEAK Matrix®

Vendor Management System (VMS) PEAK Matrix® Assessment 2024 – Global | Magnit is positioned as a Leader

Everest Group Vendor Management System (VMS) PEAK Matrix® Assessment 2024 – Global^{1,2,3,4}

- Leaders
- Major Contenders
- Aspirants
- ☆ Star Performers



1 Assessment for Connecting-Expertise, SAP Fieldglass, TalentNow, and Worksuite does not include provider inputs and is based on secondary research, provider public disclosures, and Everest Group's internal intelligence and interactions with enterprise buyers

2 Connecting-Expertise and Pixid VMS are both part of Pixid Group, both brands continue to operate and go to market separately, hence they have been positioned accordingly

3 Global VMS PEAK Matrix also includes some region- and industry-specific providers with a strategic focus on the US healthcare market, these providers include b4health, Medefis, ShiftWise Flex, and StafferLink

4 Some of the other major VMS players such as Coupa and SmartERP are not positioned on the PEAK Matrix® due to a lack of sufficient data

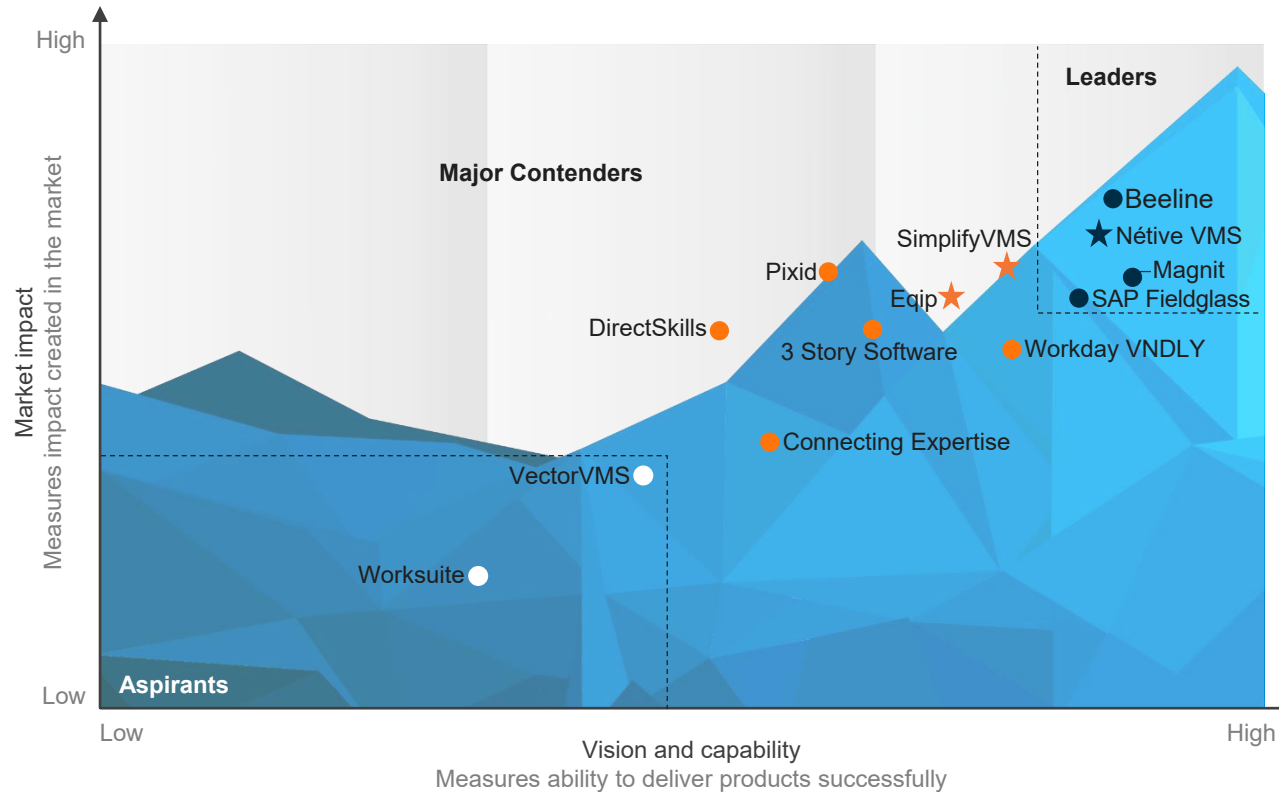
Source: Everest Group (2024)

Everest Group PEAK Matrix®

Vendor Management System (VMS) PEAK Matrix® Assessment 2024 – EMEA | Magnit is positioned as a Leader

Everest Group Vendor Management System (VMS) PEAK Matrix® Assessment 2024 – EMEA^{1,2,3}

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 Source: Everest Group (2024)

Magnit profile (page 1 of 8)

Overview

Vision

Magnit (together with its dedicated healthcare division, RightSourcing) has been serving global brands and organizations for more than 30 years. It offers expertise, technology, and world-class data and intelligence to its clients to unlock the full potential of their contingent workforce. From risk management and compliance to cost savings and talent access, Magnit's Integrated Workforce Management (IWM) platform helps organizations attract, hire, and retain the right talent.

Headquarters: Folsom, California

Website: <https://www.magnitglobal.com/>

Key leaders

- Teresa Carroll, Chief Executive Officer
- Sam Smith, President EMEA and Global Client Delivery
- Vidhya Srinivasan, Chief Product and Marketing Officer
- Rashmi Gupta, Chief Human Resources Officer
- Maria Luoni, President, RightSourcing
- Mohan Natarajan, Chief Technology Officer
- Bob Memmer, Chief Revenue Officer

Suite of services

Magnit, an Integrated Workforce Management (IWM) platform delivers end-to-end visibility across all channels to talent in a single system of record. Apart from MSP and VMS, it also offers:

- Employer of Record (EOR)
- Services procurement
- Direct sourcing
- Total talent intelligence
- Strategic advisory
- Diversity, Equity, and Inclusion (DE&I)

Version number: not disclosed

Release date: not disclosed

MSP partners: not disclosed

Market adoption and partnership overview (2023)

- VMS Spend Under Management (SUM): not disclosed
- Number of active VMS deals: 775
- Number of FTEs: 3,296
- Number of countries served: 124
- Total number of formal partners: not disclosed

Recent developments

- Acquired eTips, a high-volume, light industrial VMS specialized in managing blue-collar contingent workers
- Launched Contingent Referral Program, a sourcing solution designed to redeploy directly sourced workers
- Partnered with ServiceNow to integrate and unify the contingent worker onboarding experience
- Formed a direct sourcing partnership with Tundra to deliver quality candidate experiences
- Formed strategic partnership with Ceridian to further enhance worker experience with on-demand pay
- Partnered with Glider AI to optimize contingent worker hiring

Key clients

- Ceridian
- Intuit
- Mayo Clinic
- Mount Sinai
- Raymond James
- Toyota

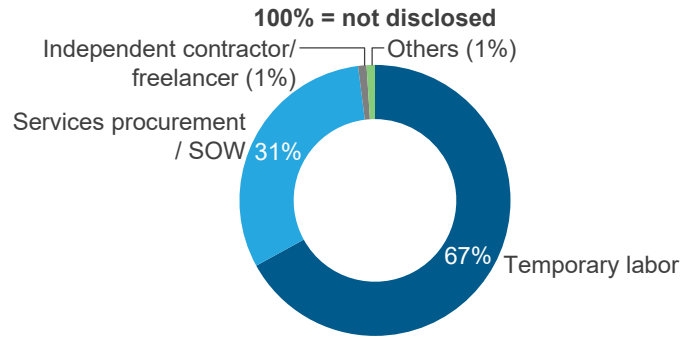
Other key partners

- Braintrust
- Ceridian
- Glider AI
- Metasys
- Mitchel Madison Group
- ScoutLogic
- ServiceNow
- TalentNet
- Tundra Technical Solutions

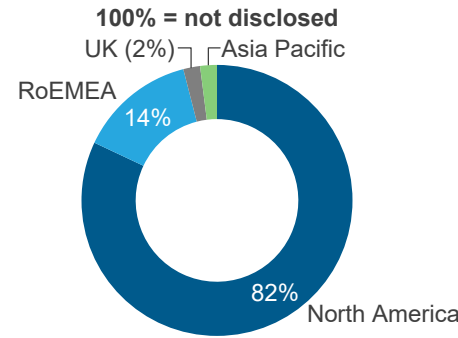
Magnit profile (page 2 of 8)

Portfolio

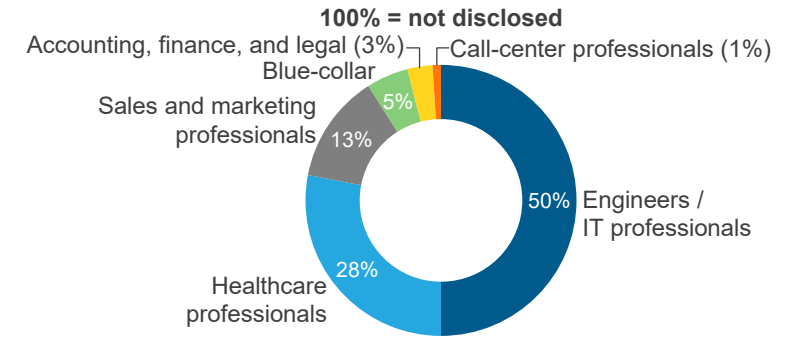
Split of VMS spend managed by labor type in 2023



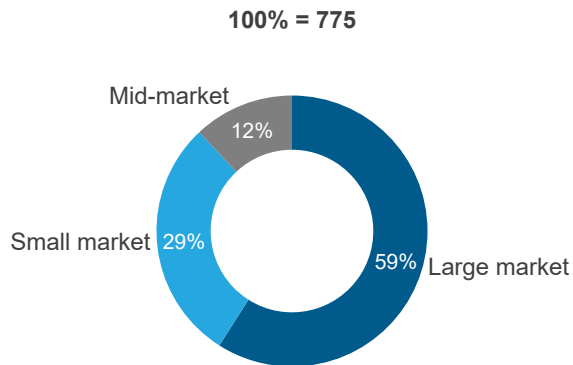
Split of VMS spend managed by geography in 2023



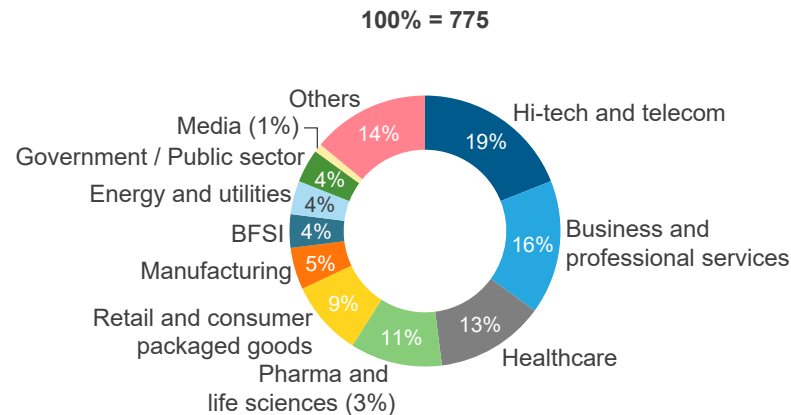
Split of VMS spend managed by job family in 2023



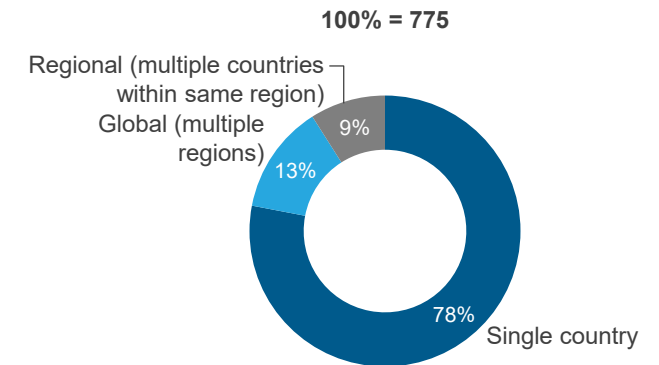
Split of VMS deals by buyer size in 2023



Split of VMS deals by buyer industry in 2023



Split of VMS deals by geographic scope in 2023



Magnit profile (page 3 of 8)

Product functionalities and other capabilities

Functionalities across modules

● Available ● In the roadmap ● Available via partner ● Not available

Temporary labor management

Requisition hierarchy management	Tiered supplier lists and rotations	Candidate assessments (screening / technical / aptitude tests)	Asset tracking and management
Rate management (breakdown by taxes, burden, and statutory costs)		Three-way invoicing when an MSP is involved	Supplier self-billing of invoices

Services procurement / SOW management

Headcount tracking	Procure-to-Pay (P2P) and administration activities (invoicing, billing, and payments)	Milestone-/deliverable-based project management	RFx (RFI/RFP) for vendor sourcing
Assessment and evaluation of bids		Contract negotiation and SOW creation	

Independent Contractor (IC) management / direct sourcing

Separate interface and defined workflow for IC requisitioning	IC bidding across multiple channels	Rate card for ICs	Worker classification evaluation as per local regulations to manage risk
Private talent pool creation and management	Candidates sourcing from external marketplaces	Communicate/Engage with talent pools	Vendor marketplace (vendors with talent pools)

Healthcare and blue collar-specific capabilities

Dedicated module for managing healthcare workers (locums, per diems, travel nurses, etc.)	One-day-shifts management	Shift management on specific days (e.g., M-W-F-only shifts)	Worker can swap shifts on an assignment
Credentialing management (tracking, automatic notifications for expiring credentials, etc.)	Separate compliance module to track client-specific requirements	Encrypted fields in the compliance module to protect sensitive data	Float pool management (Healthcare)
Automated requisition creation to refill vacant positions	Time and attendance	Worker tracking	Multiple pay structures (hourly wages, shift differentials, and overtime rates)

Magnit profile (page 4 of 8)

Product functionalities and other capabilities

Capability and offerings

● Available ● In the roadmap ● Available via partner ● Not available

Self-service and User Interface (UI) / User Experience (UX)

Guided workflow / decision tree (for selecting right requisition options)	In-application virtual assistant bot	Dedicated mobile application for hiring managers	Dedicated mobile application for workers
Dedicated mobile application for suppliers		Digital Adoption Platform (DAP) capability ¹	

Implementation and support

SOC2 certification	Offered as a SaaS product	Multi-tenant architecture	Hosted on private cloud
Hosted on public cloud	Both online/classroom training	Training in multiple languages	24/7 customer support

Reporting and analytics

Tracking and reporting	Descriptive analytics	Predictive and prescriptive analytics	Interactive widget-based dashboards
Customized / Ad hoc reports for clients	Reports/data download (in formats such as PDF and Excel)	Supplier performance assessment analytics	Peer benchmarking
Services procurement / SoW-specific analytics		Integrations with third-party market data sources (rate/salary data, talent demand-supply data, etc.)	

Advanced features and next-generation capabilities

Candidate matching and ranking/scoring	Artificial Intelligence (AI) / Machine Learning (ML) leverage	Automated interview scheduling	Chatbot / chat functionality for stakeholder communication
RPA leverage		Personalized recommendations for better decision-making (based on user preferences, previously used templates, historic data, etc.)	

Magnit profile (page 5 of 8)

Product functionalities and other capabilities































Unique capabilities and offerings

- Integrated VMS serving as the system of record across the complete contingent workforce with real-time data and intelligence at the point of decision
- End-to-end SOW module by building capabilities across source-to-pay, including RFx for vendor sourcing and negotiation and SOW creation
- Native mobile applications for hiring managers, workers, and suppliers
- Integrations with major ERP/HRIS or third-party systems (over 1,800+ pre-built integrations and counting)
- Security and compliance (ISO 27001 (information security), ISO 27017 (cloud services), ISO 27018 (Personally Identifiable Information (PII)), ISO 27701 (privacy), CSA STAR Level 2, SOC 1, SOC 2, SOC 3, UK Cyber Essentials +, C5)
- Advanced analytics and tracking methods providing insights into every detail of the hiring process to continuously monitor and improve the speed of the hiring process
- Comprehensive market intelligence, including supplier scorecard and rate and pay intelligence
- Access to Magnit's strategic advisory team for advanced data/analytics along with guidance and best practices for building programs
- A fully dedicated healthcare division, RightSourcing by Magnit, which is joint commission-certified and understands the requirements for credential audit/maintenance, thereby ensuring compliance and quality
- A holistic approach to diversity (worker and supplier) and cultural inclusion

Magnit profile (page 6 of 8)

Everest Group global assessment – Leader | Everest Group North America assessment – Leader
 Everest Group EMEA assessment – Leader

Measure of capability:  Low  High

	Market impact				Vision and capability					
	Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Core technology	Emerging/differentiating technology	Implementation, UI/UX, and support	Engagement and commercial model	Overall
Global										
North America										
EMEA										































Strengths

- Magnit, headquartered in the US, delivers CWM and VMS solutions to its clients globally, managing all contingent categories including temporary labor, services procurement / SOW, and ICs. Additionally, it offers MSP, direct sourcing, market intelligence, and payrolling solutions
- It has a presence across regions, catering to buyers of all sizes across industries. It supports 150+ currencies and 16 languages
 - **North America:** Its presence spans both the US and Canada, with a good foothold in the Engineering/IT and healthcare job roles
 - **EMEA:** Its presence is the strongest in Sweden, followed by the UK and the Netherlands, and has FTEs present in 12 countries. It has strong experience in serving buyers from Hi-tech and telecom and BFSI industries
- Magnit is enhancing its capabilities through both organic investments as well as through the acquisition of providers such as Workforce Logiq, Geometric Results Inc. (GRI), Willhire, Brainnet, and PeopleTicker
- The acquisition of GRI has enabled it to access the capabilities of eTips, a high-volume, light industrial VMS specialized in managing blue-collar contingent workers. It offers features such as shift planning, timekeeping, compliance management, automated acceptance of known workers, and automated allocation of rates based on tenure and shift differentials
- It has also developed strategic partnerships with Glider AI (assessment and skill intelligence platform) and Ceredian (on-demand pay platform) to enhance its offerings to clients
- It has also been able to achieve significant expansion into the direct sourcing space with its clients, backed by its acquisition of WillHire and strategic partnership with eightfold.ai
- It has launched the Contingent Referral Program, a sourcing solution designed to redeploy existing directly sourced workers by curating a talent pool of all its clients' workers approaching their contract completion. Additionally, it provides EOR/payrolling services to manage these directly sourced temporary workers

Magnit profile (page 7 of 8)

Everest Group global assessment – Leader | Everest Group North America assessment – Leader
 Everest Group EMEA assessment – Leader

Measure of capability:  Low  High

	Market impact				Vision and capability					
	Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Core technology	Emerging/differentiating technology	Implementation, UI/UX, and support	Engagement and commercial model	Overall
Global										
North America										
EMEA										

Strengths

- It has built a comprehensive services procurement module that spans the entire source-to-pay process, encompassing RFX for vendor sourcing and negotiation as well as SOW creation. It also offers Services Procurement Analytics Suite, allowing access to spend analysis, milestone tracking / deliverable performance, resource data, and vendor optimization
- It has a strong analytics portal, Magnit Discovery, which provides comprehensive real-time workforce analytics and actionable insights
 - It consistently incorporates new dashboards related to areas such as spend, DE&I, total talent, and other contingent workforce metrics, to ensure the delivery of the most relevant insights to its clients
 - It provides comprehensive talent and pay intelligence by leveraging its proprietary platforms Pay Intel, Market Intel, and PeopleTicker
 - With the acquisition of Workforce Logiq, it now has access to IQ Analytics CenterSM and ENGAGE Talent, which provides it with data and AI-driven models for discovering and retaining talent
- It has strong capabilities on the healthcare side, backed by Magnit's dedicated healthcare division, Right Sourcing. It supports the entire gamut of workflow and compliance requirements for the healthcare industry
- Magnit is supported across the web, mobile, tablet, and wearables. It is one of the few VMSs in the market with dedicated mobile applications for managers, workers, and suppliers
- It has introduced the Product Advisory Council, an exclusive community of innovative clients with high technical expertise. The members of this community guide Magnit's product leaders in developing the product roadmap
- Referenced clients lauded its user interface, analytics capability, flexibility, and adaptiveness

Magnit profile (page 8 of 8)

Everest Group global assessment – Leader | Everest Group North America assessment – Leader
 Everest Group EMEA assessment – Leader

Measure of capability: Low High

	Market impact				Vision and capability					
	Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Core technology	Emerging/differentiating technology	Implementation, UI/UX, and support	Engagement and commercial model	Overall
Global										
North America										
EMEA										

Limitations

- While Magnit has a presence across multiple regions and supports multiple currencies and languages, its current client base is the strongest in North America. Clients beyond North America, looking for a completely localized solution, should assess its capabilities vis-à-vis their requirements
- Traditionally, Magnit offers its MSP and VMS as a bundled solution. Clients seeking a direct partnership with the VMS provider through a self-managed program or those interested in engaging with an MSP other than Magnit should assess its available VMS features and engagement models
- Magnit's differentiation lies in its ability to leverage proprietary technology and service capabilities. However, it has limited partnerships with other process-specific tech providers, which may pose a challenge for clients looking to integrate third-party technologies into their tech stack
- Magnit has rich experience in catering to job families such as engineering/IT, Healthcare professionals, and senior management and it has also gained the capability to manage blue-collar workers through its eTips. However, its experience in catering to professional services and call center job roles is limited
- While Magnit has clients across several industries, its experience in catering to clients from industries, such as manufacturing, government / public sector, and energy and utilities, is limited. Clients from these industries need to evaluate its capabilities carefully
- Magnit provides total talent intelligence dashboards; however, unlike some of the other VMSs, it lacks integration with HR and permanent talent management systems such as ATS, HRIS, and payroll systems
- Referenced clients highlighted the ease of reporting and candidate screening as an opportunity for improvements

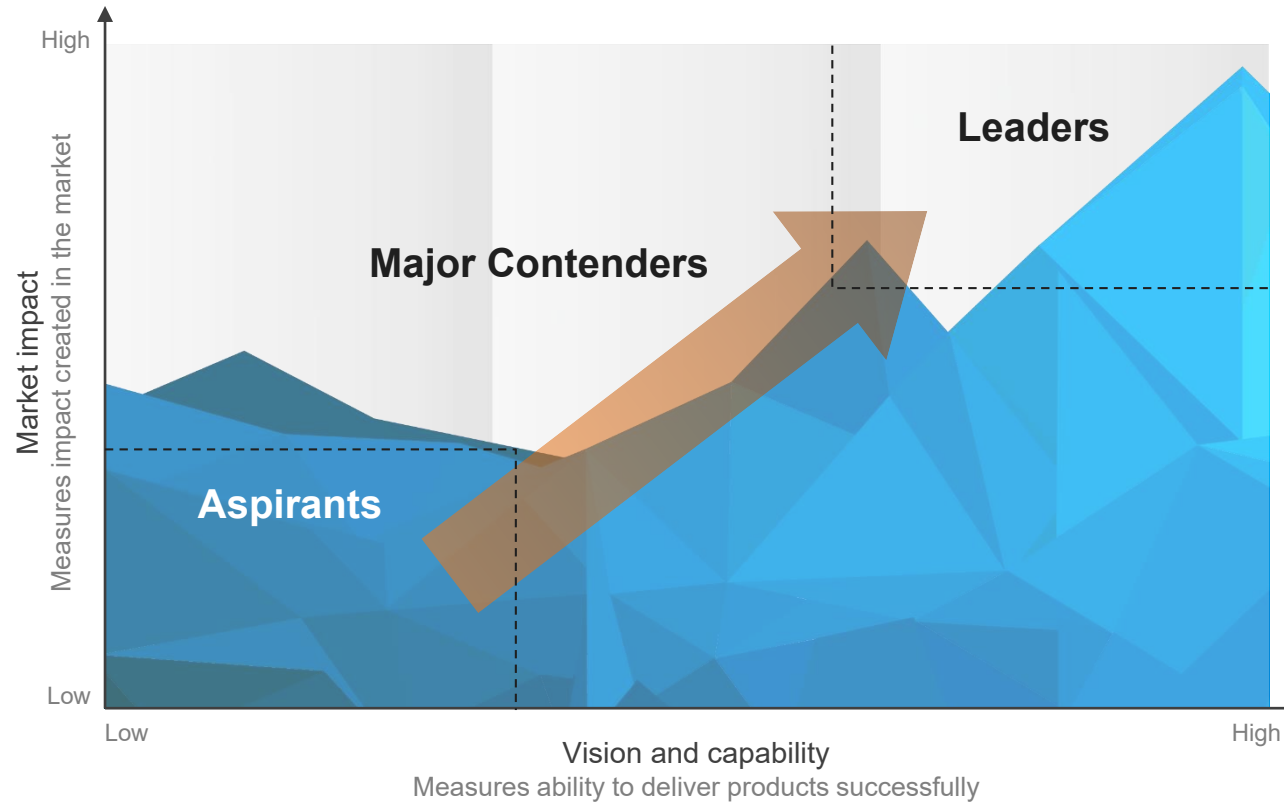
Appendix

PEAK Matrix® framework

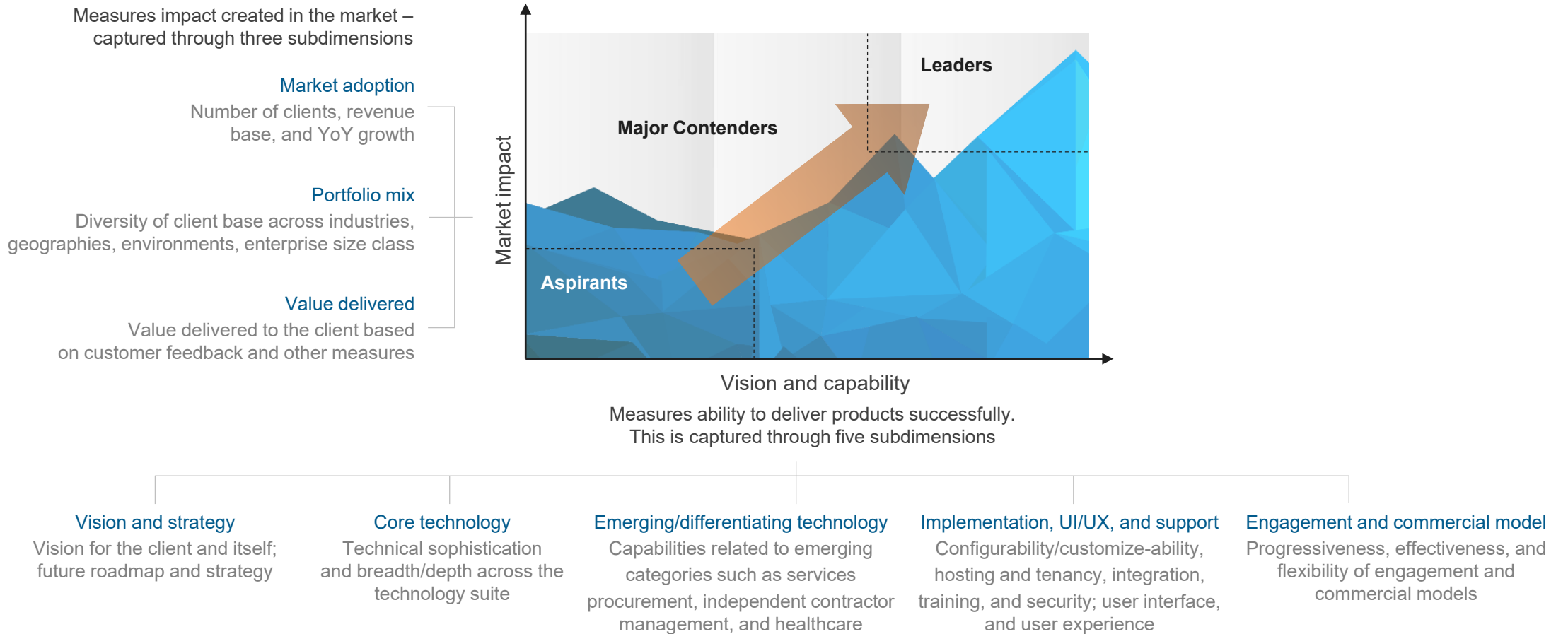
FAQs

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

Everest Group PEAK Matrix



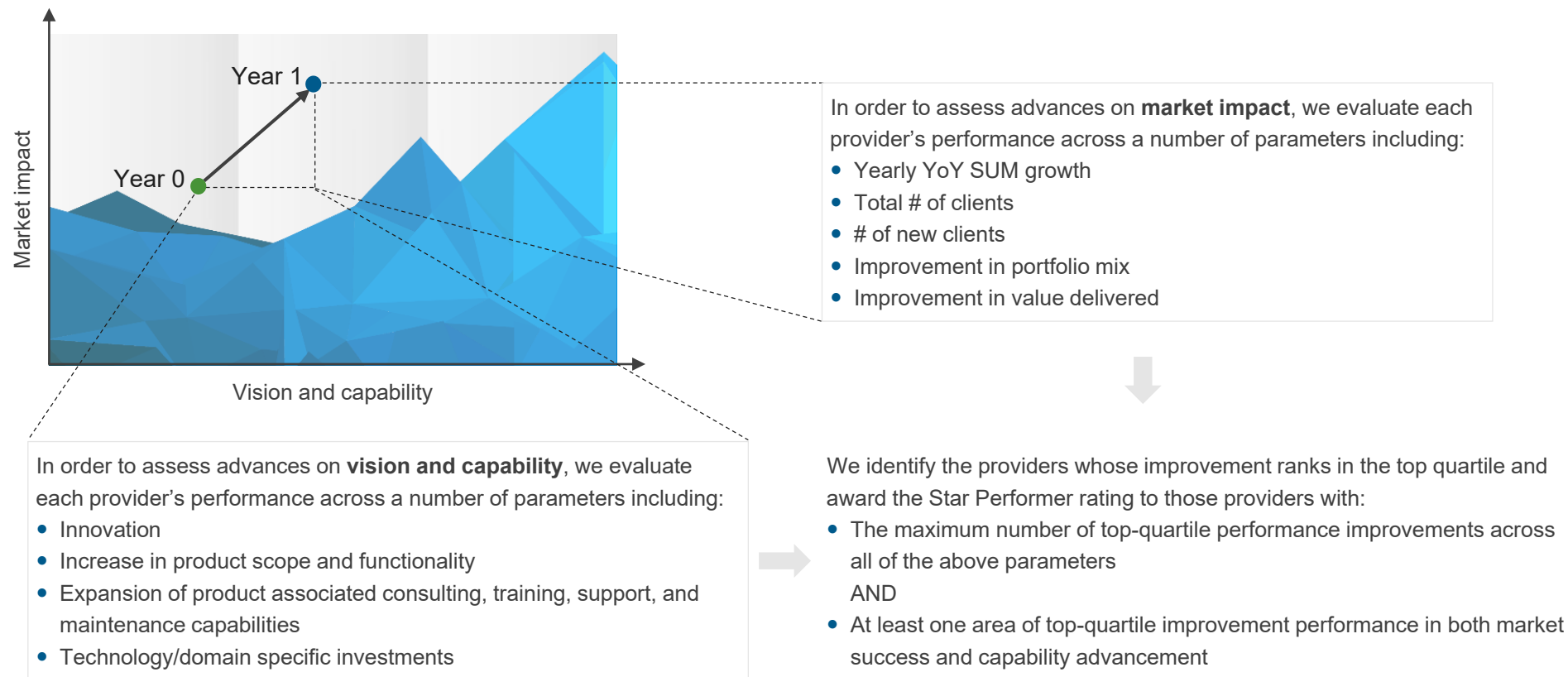
Products PEAK Matrix® evaluation dimensions



Everest Group confers the Star Performer title on providers that demonstrate the most improvement over time on the PEAK Matrix®

Methodology

Everest Group selects Star Performers based on the relative YoY improvement on the PEAK Matrix



The Star Performer title relates to YoY performance for a given provider and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.

FAQs

Q: Does the PEAK Matrix® assessment incorporate any subjective criteria?

A: Everest Group's PEAK Matrix assessment takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results based on our market experience, buyer interaction, and provider/vendor briefings.

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

A: No. The PEAK Matrix highlights and positions only the best-in-class 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.

Q: What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?

A: A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

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

A: Enterprise participants receive summary of key findings from the PEAK Matrix assessment

For providers

- The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries
- In addition, it helps the provider/vendor organization gain brand visibility through being included in our research reports

Q: What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?

A: Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:

- Issue a press release declaring positioning; see our citation policies
- Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR
- Use PEAK Matrix badges for 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 Everest Group; please contact your CD or contact us

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

A: PEAK Matrix assessments are designed to serve enterprises' current and future needs. 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 and to serve enterprises' future expectations.

Stay connected

Dallas (Headquarters)

info@everestgrp.com

+1-214-451-3000

Bangalore

india@everestgrp.com

+91-80-61463500

Delhi

india@everestgrp.com

+91-124-496-1000

London

unitedkingdom@everestgrp.com

+44-207-129-1318

Toronto

canada@everestgrp.com

+1-214-451-3000

Website

everestgrp.com

Blog

everestgrp.com/blog

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