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Related ALM Research & Tools

- ALM Intelligence: Analyst Reports
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- Consulting Magazine
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Our readers turn to ALM publications, events, and intelligence to keep at the forefront of their profession. For more information, visit the ALM Intelligence website at www.alm.com/intelligence
ALM Intelligence Pacesetter Research (APR) is a market research initiative of ALM Intelligence with an inclusive perspective of the professional services landscape. Rather than narrowly focusing on one segment of the market, APR covers a broader range that includes law, consulting, insurance, financial advisory and other actors operating in the market defined by the research topic. The purpose of ALM Pacesetter Research is twofold:

- Deliver practical insights into the buying and selling of professional services in an increasingly converging marketplace
- Help buyers evaluate their sourcing options with objective assessments of providers’ services and capabilities

**Research Methodology**

APR analysts combine qualitative and quantitative research methods to profile Market Leaders in a given market. These providers are evaluated and scored against five core criteria to determine Pacesetter status:

1. Business model
2. Value proposition
3. Service delivery
4. Client enablement
5. Brand eminence

**Pacesetter Advisory Council (PAC)**

Market Leaders are selected by a panel of experts comprised of ALM editors, journalists, market intelligence analysts, and external professionals and academics who have experience working with professional services providers.

**Audience**

APR provides independent and objective analyses to providers and buyers of professional services coupled with practical insights that inform the decision-making process for strategic planning and procurement professionals.

**Sell-Side**

- Practice Leaders
- Analyst Relations
- Sales, Marketing & Public Relations
- Investor Relations
- Ecosystem Partners

**Buy-Side**

- C-suite & Board
- Business Unit Leaders
- Procurement
- Supply Chain & Ecosystem Partners
- Shareholders
ALM analyzed and profiled 19 Market Leaders across 4 market segments for **ALM Intelligence Pacesetter Research: Workforce Management Services 2021-2022**. Four providers were identified as ALM Pacesetters (*): EY, Korn Ferry, ManpowerGroup Talent Solutions and PwC.
The evolution of professional services in workforce management has tracked closely to the business world’s journey towards digital transformation. Technology has been the main force driving advances in the science and practice of workforce management, and providers have spent the better part of the last ten years leveraging their innovation capabilities to develop solutions that digitize workforce processes and analytics capabilities that measure the effectiveness of transformed processes. At the same time, employee experience went from novel concept to mainstream imperative as the hallmarks of consumerism redefined life at work.

The business case for digital transformation embraced workforce management like never before. Providers developed business planning tools for shaping workforces to alternative business models. They developed new capabilities in organization design, learning platforms and leadership development programs. Nearly all issued white papers or perspectives that laid out frameworks for reimagining the workforce of the future. What they did not know was that everything they were doing was a dress rehearsal for the largest ever change in human behavior at scale.

The onset of COVID-19 in the winter of 2019-2020 shifted the context for workforce management services, placing new priorities on the immediate challenge of growing revenue in a locked down economy and sustaining productivity in a remote work environment. Many are concerned about the cost of reconstituting their workforce to be optimally productive under different conditions. There is an overall need to rethink the workplace and work itself as workers demand more control over the social contract.

For many workforce management providers and thought leaders, the pandemic has accelerated trends they have been talking about for over 10 years. Their clients know the future workplace will look very different from what it was pre-pandemic, and they see their job as helping clients build a stronger foundation for innovation and resilience in the face of continued uncertainty.

ALM Intelligence has been researching the workforce management services market since the late 1990s. Our recent conversations with professional services providers and their clients reveal that workforce management is now securely on the CEO’s agenda. The future of work remains a prominent conversation with C-suite leaders, and workforce management is priority for business leaders across all corporate functions. All report that demand has never been so high among existing clients and that it is driving significant growth in new business as well.

This year’s research focuses on 20 providers identified as Market Leaders in workforce management by ALM’s Pacesetter Advisory Council. The cohort includes a mix of consulting, insurance, legal and technology services providers. It will come as little surprise that the providers identified as Pacesetters all come from the consulting peer group, as these firms are ahead of the game in terms of the breadth and depth of their capabilities, including more mature ecosystem relationships and technology partnerships. We hope you enjoy reading ALM Intelligence Pacesetter Research: Workforce Management Services, 2021-2022. Please drop us a line if you would like to share your thoughts.

Liz DeVito
Lead Analyst
ALM Intelligence Pacesetter Research
Email: edevito@alm.com

Note: Jeanne Graham contributed to this research
The market for workforce management (WFM) services is diverse with a spectrum of providers across the professional services landscape catering to a broad array of client needs, and a variety of providers entering the market with new services and solutions for managing pandemic-related workforce challenges (e.g., contact tracing tools and employee well-being programs)

- Providers with strong management consulting expertise dominate the high-end business transformation market with strategy-led, multidisciplinary service offerings, implementation capabilities and an engagement style that prioritizes sustainability through client capability development
  - The consulting approach focuses on solving workforce management challenges with analytics-laden needs assessment and scenario planning processes that engage stakeholders from the C-suite to the front lines and back office
  - Governance, performance management and change management are integral to strategy and roadmap design
- Value propositions vary between insurance providers’ consulting subsidiaries, although all share an HR- and employee-centric approach of particular value to employee experience consulting
  - Career management and total rewards consulting services and products are a competitive advantage that appeals to employers seeking to differentiate on the employee experience for talent attraction, development and retention
  - Insurance company parents are powerhouses of employee data and risk advisory services to inform analysis of employee matters related to COVID-19, e.g., leave of absence, workplace safety, health benefits and more
- Law firms are inching their way up the value proposition/transformation axis as they combine data analytics with technology to automate many employment matters, saving clients both time and money
- The technology market segment is highly fragmented yet most in demand as organizations adopt digital technologies that enhance the viability of remote and hybrid workplace models
  - Value propositions vary within the cohort with some, i.e., the Market Leaders, operating upstream to provide workforce management services that enable business transformation
  - Niche providers are largely vendors of workforce management software with deep vertical expertise in specific workforce processes or emerging technologies
COVID-19 has been a catalyst for reinventing the workplace and a defining moment for business leaders to address workforce management as a strategic, enterprise-wide challenge that involves the engagement of an expanding set of stakeholders.

### Stakeholder Map

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Service Provider Segments</th>
<th>Stakeholder roles and interests</th>
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<tbody>
<tr>
<td></td>
<td>Insurance</td>
<td>Law</td>
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<td>CEO</td>
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<td>CFO</td>
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<td>GC</td>
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<td>CPO</td>
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<td>Business &amp; Function Leaders</td>
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**Acronyms:** CEO – chief executive officer; CFO – chief financial officer; COO – chief operating officer; CHRO – chief human resources officer; CIO – chief information officer; GC – general counsel; CPO – chief procurement officer
Emergency Response
Business impact includes closure of non-essential businesses, enforcement of remote work model and travel restrictions.
- Service providers shift to virtual collaboration engagement style and accelerate digital service delivery
- HR leaders seek guidance on reviewing and implementing policies that protect and support employees and comply with regulations around travel restrictions, paid or unpaid leave and quarantine protocols
- C-suite seeks advice on workforce strategies that reduce labor costs yet sustain productivity
- Corporate tax and finance leaders grapple with the risks and costs of working remotely across borders
- Attempts are made to fast-track workforce management projects through the normal procurement process

Short-Term Plan
Business leaders shift focus from the outbreak itself to the economic impact on productivity, demand and supply chains.
- HR transformation demand accelerates with focus on workforce analytics & digital learning
- Providers launch COVID-19 resource centers and hubs that integrate workforce management in checklists, tools and information resources
- HR prioritizes employee experience (EX) and communications to stave off declining morale and lead employees through change
- Providers see increased demand for career transition, outplacement and leadership coaching services
- Chief marketing/sales officers under pressure to accelerate revenue seek sales force effectiveness training and customer experience consulting; providers embed customer-centricity into EX platforms

Long-Term Strategy
Business leaders accept long-term impact of pandemic and move to rethink workforce, performance and experience strategies.
- Business and digital transformation initiatives address organizational capabilities for agile workforce planning and cultures of change, trust, transparency and inclusion
- Providers address impact of hybrid work models on employee resilience and human capital risk management
- Technology solutions for monitoring employee engagement and productivity will expand to include monitoring remote workers and collecting employee health and safety data, driving demand for data privacy advisory services and endpoint cybersecurity solutions
- Providers will reinforce roles as trusted advisors in workforce management by expanding service offerings and technology capabilities

COVID-19 has secured workforce management a permanent place on the CEO agenda, driving demand for the full cycle of strategic, operational advisory and implementation services across large, middle and small markets

Note: The coronavirus surfaced in Wuhan, China in November 2019 and spread to 223 countries and territories throughout the world by January 28, 2021, according to the World Health Organization
The ALM Intelligence Pacesetters
• **Business model**: The Pacesetters have built transformative workforce management businesses by optimizing the alternative business models adopted by their parent companies. They are adept at capturing the flow of ideas, talent and capital in their business ecosystems to provide comprehensive workforce management services and solutions that are dynamic and digitally enabled.

• **Value proposition**: The Pacesetters had a competitive advantage in that they had already invested in research-backed perspectives for shaping “future of work” strategies and developed frameworks for transitioning to a dynamic capability for workforce management that rapidly adapts to shifts in market conditions and business strategies. The pandemic heightened their value propositions among existing clients and in markets that were waiting to address workforce transformation after shifting to a digital business model.

• **Service delivery**: The ability to rapidly shift to virtual collaboration and accelerate digital service delivery is a hallmark of the Pacesetters, and the pandemic tested their capabilities in this regard. They also take care to support and protect their own employees by offering coaching and guidance on ways of working while maintaining social distancing and other COVID-19 protocols.

• **Client Enablement**: Market Leaders deploy a variety of approaches to ensure their clients establish an organizational capability for workforce management, from straightforward project management and implementation to staff augmentation and managed services. The Pacesetters are a bit more intentional in that they embed training, coaching, mentoring and upskilling throughout the engagement process.

• **Brand eminence**: One of the biggest challenges providers are facing in the pandemic is client demand for discounts, lower fees and alternative pricing models. The Pacesetters responded to the emotional content of this demand by offering free workforce management advisory services through webinars and establishing COVID-19 hubs to distribute related information, resources and tools, most at no charge. This approach not only reinforced their brands as trusted advisors, but also enabled them to help clients through the emergency phase of the crisis while keeping an eye on the long-term implications of the pandemic on workforce management.

### Workforce Management Services 2021-2022

<table>
<thead>
<tr>
<th>Market Segment</th>
<th>Provider</th>
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<tr>
<td>Consulting</td>
<td>EY</td>
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<tr>
<td>Consulting</td>
<td>Korn Ferry</td>
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<tr>
<td>Consulting</td>
<td>ManpowerGroup Talent Solutions</td>
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<tr>
<td>Consulting</td>
<td>PwC</td>
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### Methodology Notes

The ALM Pacesetter Research methodology evaluates Market Leaders against five core criteria.

1. Business model
2. Value proposition
3. Service delivery
4. Client enablement
5. Brand eminence

Providers whose aggregate score is 85 and above qualify as an ALM Pacesetter.

 *[See Appendix for detailed definitions of the five core criteria.]*
EY has refreshed its go-to-market strategy to address the ways in which COVID-19 is changing workforce management. Through a combination of primary research and client experience, the firm has identified shifts in behaviors and expectations with significant implications for both the employer and employee experience of work. EY accommodates these shifts by integrating additional capabilities, such as real estate advisory, comprehensive health and safety concerns, and global mobility, into the core of its solution chains.

What the pandemic has not changed, however, is the firm’s core philosophy around workforce management consulting, which is to unleash human power by ensuring workers have the right tools and capabilities to deliver against their objectives. This philosophy informs Transformation Realized, EY’s approach to helping companies thrive by leveraging three drivers of value creation: human-centric operating models, technology and innovation. EY activates this philosophy with a mix of services for building experience platforms that enable employees to develop adaptive capabilities for changing, learning and collaborating. These services include organization and workforce transformation; change experience and learning; purpose, culture and leadership; HR transformation, systems and rewards; and integrated mobility.

EY also offers a rich portfolio of workforce management assets and enablers that can be used to digitize workforce (e.g., strategic workforce planning), define and assess capabilities (e.g., Organizational Capability Excellence), accelerate talent planning for organization design (e.g., Organization and Talent Hub), measure culture and leadership (e.g., Culture Fitness Diagnostic), benchmark practices (e.g., payroll), analyze data (e.g., workforce segmentation), manage change programs (Change Insights) and more. EY is a constant innovator with a particularly strong capability for applying emerging technologies and intelligence automation to workforce management challenges.

Workforce management services are delivered by EY’s People Advisory Services (PAS) practice in a distributed consulting model that embeds PAS capabilities throughout EY’s offerings and in collaboration with adjacent practices across EY’s global service lines: Assurance, Tax & Legal, Strategy & Transactions and Consulting. The Consulting organization, which is home to the PAS practice, also offers risk, finance, supply chain, customer and strategy consulting, as well as program management services. All are enabled by EY’s Technology practice.
**How EY is moving the needle**

<table>
<thead>
<tr>
<th>Pacesetter Criteria</th>
<th>Qualitative Assessment</th>
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<tr>
<td><strong>Business Model</strong></td>
<td>EY demonstrates a mature capability for managing its ecosystem, alliances network and acquisitions to clients’ advantage. The firm prioritizes engaging clients in the co-creation process, which serves to ensure its ecosystem is dynamic and continually evolving in tandem with market needs. EY’s ecosystem offers clients a mix of capabilities that cater to multiple stakeholders, for example, HR and cloud platform technology giants (IBM, Microsoft, Oracle, ServiceNow, SuccessFactors and Workday); digital learning platform, EY NogginLabs; and PeopleFirm, a strategic people and organization consultancy acquired in January 2020.</td>
</tr>
<tr>
<td><strong>Value Proposition</strong></td>
<td>EY embeds workforce management capabilities into its Transformation Realized consulting approach which focuses on three levers of value creation. The Humans@Center lever offers a construct for helping clients design hybrid work models that cultivate organizational agility, mobility and cross-functional employee collaboration.</td>
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<tr>
<td><strong>Service Delivery</strong></td>
<td>EY goes to market with a highly interactive engagement model intent on helping clients build an organizational capability for managing the performance and sustainability of workforce management strategies and solutions. The firm’s global network of wavespace™ innovation centers and Chicago-based digital learning Center of Excellence, EY NogginLabs, are examples of the creative environments EY uses to bring clients together for ideation, co-creation, conversations about the future of work and demonstrations of technology innovations. While these are physical spaces, EY has adapted to pandemic dynamics and meets virtually on clients’ platform of choice (Google Meet, MS Teams, etc.).</td>
</tr>
<tr>
<td><strong>Client Enablement</strong></td>
<td>EY uses to bring clients together for ideation, co-creation, conversations about the future of work and demonstrations of technology innovations. While these are physical spaces, EY has adapted to pandemic dynamics and meets virtually on clients’ platform of choice (Google Meet, MS Teams, etc.).</td>
</tr>
<tr>
<td><strong>Brand Eminence</strong></td>
<td>EY’s People Advisory Services practice is a prolific publisher of perspectives and thought leadership on the impact of COVID-19 on all aspects of workforce management and also offers clients free tools such as the Global Immigration Tracker to monitor mobility issues related to COVID-19 and a checklist for building enterprise resilience that includes action items for talent and workforce matters amidst the pandemic.</td>
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The Big Four consulting and advisory firms are one-stop shops for end-to-end workforce management services, followed closely by the management consultancies; market convergence concentrates around technology and analytics, signifying the importance of digital technology and transformation capabilities to the design and delivery of workforce management services.

![Workforce Management Services: Market Convergence](image)

Key:
- **Core services**
- **Services provided by ecosystem partners**
- **Services not provided**

*See Appendix for workforce management services definitions*
<table>
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<tr>
<th>STRENGTHS</th>
<th>WEAKNESSES</th>
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<tr>
<td>• Global service delivery bolstered by local resources worldwide</td>
<td>• Overall weakness in management and strategy consulting with exceptions, e.g., Marsh &amp; McLennan’s Mercer and Oliver Wyman subsidiaries collaborate on “future of work” and COVID-19 thought leadership and intellectual capital, including perspectives, frameworks and methodologies</td>
</tr>
<tr>
<td>• Singular understanding of the HR function and deep commitment to elevating HR’s role as a driver of strategic talent and workforce decisions that create value</td>
<td>• Ingrained market perception as benefits brokers and HR consultants overshadows strategic human capital and workforce management capabilities that create impact for clients</td>
</tr>
<tr>
<td>• Workforce data powerhouses with risk analytics platforms that combine deterministic, stochastic and probabilistic modeling capabilities using proprietary data from clients HR information systems, insurance claims data, government data and ecosystem partners</td>
<td>• Must compete with insurance brokerage business for corporate development dollars to innovate workforce management solutions and strengthen niche capabilities through strategic acquisitions</td>
</tr>
<tr>
<td>• Deep technical knowledge of labor law, HR policies, contracts and regulations around employee safety</td>
<td>• The outlook for this market segment is colored by years of insurance industry consolidation that has compromised human capital consulting brands, placed control of workforce management strategies and business development with insurance-centric corporate leaders, and led to a significant loss of strategic human capital and workforce management consulting talent</td>
</tr>
<tr>
<td>• Unparalleled insights into the material impact of risk, including systemic risk events, are rocket fuel for innovating approaches to workforce management that are both sustainable and cost-effective in the context of the pandemic economy</td>
<td>• Management consulting providers are key rivals who have the competitive advantage of multidisciplinary service offerings and global methodologies that embed workforce management in transformation frameworks</td>
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<tr>
<td>• Strong talent mobility capabilities enable consulting around new forms of mobility in the pandemic era, including shorter assignments and moving jobs to people rather than people to jobs</td>
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<tr>
<td>• Leverage knowledge of HR policies and COVID-19 legislation to innovate digitally-enabled, self-service tools that help employees manage risks to their personal information and data in the post-vaccine workplace</td>
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**Insurance providers’ competitive advantage is a deep knowledge of employees’ decision-making behaviors based on decades of helping clients deliver workforce rewards and engagement services**
Law firms are flexing their innovation muscles by digitally enabling employment and labor law processes, knowledge management and decision support tools.

Law firms have huge amounts of data from client matters that can be aggregated to offer self-service technology to clients as subscription services.

Law firms are using digitally-enabled knowledge management capabilities to move outside traditional hourly billing fees and instead offer clients alternative or flat fee structures that give clients price predictability.

While COVID-19 will continue to dominate the legislative and policy landscape for the immediate future in the US, the new administration and Congress are expected to give significant attention to labor and employment matters, creating opportunities for law firms to market their ability to help clients navigate workplace law trends, legislation, regulation and litigation.

Corporate legal departments continue to face pressure to justify their costs. This will lead to a greater appreciation for workforce data analytics services from law firms that enable strategic choices around job design for corporate legal teams, diversity and inclusion initiatives, and human capital risk management, compliance and ethics advisory services.

Although knowledgeable about law firms’ employment and labor law advisory services, the market lacks awareness of law firms’ strategic consultative services in workforce restructuring, agile workforce planning and other aspects of workforce management.

Law firms deal with GCs or HR professionals rather than the C-suite.

Labor and employment, due to commodity characteristics, is one of the less profitable practices for law firms, making technology investment less attractive to general practice firms versus employment-only firms. This makes technology investments to stay competitive less likely in general practice firms and limits their ability to change delivery of legal services when clients increase their focus on efficiency.

Caught unprepared for the pandemic-driven shift to remote work and digital service delivery, corporate legal departments have diverted spending from outside counsel services to internal investments in legal operations talent and technology.

Law firms are experiencing pricing pressures due to increased demand for discounted services by key buyers - GCs and Chief Legal Officers - who are grappling with budget cuts, staff layoffs and increased workloads due to continued depressed corporate revenues and cash flow in the pandemic economy.

**STRENGTHS**

- Law firms have a unique position in the WFM services market in that they are the only providers with the maturity, depth and breadth of knowledge and experience in employment and labor law.

**WEAKNESSES**

- Although knowledgeable about law firms’ employment and labor law advisory services, the market lacks awareness of law firms’ strategic consultative services in workforce restructuring, agile workforce planning and other aspects of workforce management.

- Labor and employment, due to commodity characteristics, is one of the less profitable practices for law firms, making technology investment less attractive to general practice firms versus employment-only firms. This makes technology investments to stay competitive less likely in general practice firms and limits their ability to change delivery of legal services when clients increase their focus on efficiency.

**OPPORTUNITIES**

- While COVID-19 will continue to dominate the legislative and policy landscape for the immediate future in the US, the new administration and Congress are expected to give significant attention to labor and employment matters, creating opportunities for law firms to market their ability to help clients navigate workplace law trends, legislation, regulation and litigation.

- Corporate legal departments continue to face pressure to justify their costs. This will lead to a greater appreciation for workforce data analytics services from law firms that enable strategic choices around job design for corporate legal teams, diversity and inclusion initiatives, and human capital risk management, compliance and ethics advisory services.

**THREATS**

- Caught unprepared for the pandemic-driven shift to remote work and digital service delivery, corporate legal departments have diverted spending from outside counsel services to internal investments in legal operations talent and technology.

- Law firms are experiencing pricing pressures due to increased demand for discounted services by key buyers - GCs and Chief Legal Officers - who are grappling with budget cuts, staff layoffs and increased workloads due to continued depressed corporate revenues and cash flow in the pandemic economy.
Workforce Management Services SWOT: Management Consulting Market

**STRENGTHS**

- Multidisciplinary approach delivers depth and breadth of WFM expertise and capabilities across the value chain of services (strategy-execution-scaling)
- Outside-in approach provides macroeconomic context for designing workforce plans that encompass the continuum from the business of today to that of the future, pulling workforce strategy upstream into customer experience and downstream into business model innovation
- Long-standing ecosystem relationships with HR technology giants (e.g., Oracle, ServiceNow, Workday), SaaS application providers and HR tech start-ups provide buyers with expert sourcing of point and platform solutions for transforming HR service delivery and the employee experience

**OPPORTUNITIES**

- For clients with advanced analytics capabilities and mature technology infrastructure, there is an opportunity for consultants to draw data from corporate systems outside of HR to inform workforce management program outcomes; for example, integrating behavioral data captured from AI-enabled cybersecurity endpoint systems to assess adoption and compliance by full-time and contingent workers
- The pandemic has accelerated middle-market companies’ investments in digital transformation, presenting downstream market opportunities for consulting providers able to achieve ROI with smaller scale WFM projects
- Consulting providers are well positioned to help clients navigate and understand the financial and tax implications of government sponsored COVID relief and economic stimulus programs both within and across borders

**CONSULTING PROVIDERS’ COMPETITIVE ADVANTAGE IS A TRANSFORMATIONAL APPROACH TO WORKFORCE MANAGEMENT, AGILE SERVICE DELIVERY, AND SCALABLE SOLUTIONS**

**WEAKNESSES**

- Breadth of capabilities vary between providers in this market segment; for some providers, specific capabilities, (e.g., employment law and regulation advisory services) are provided by a small team of legal experts rather than a global practice as with EY and PwC. Buyers need to carefully scope providers’ offerings to determine whether they seek comprehensive, bundled services or prefer to manage a portfolio of service providers to achieve comparable integrated service delivery
- Large-scale investments in technology assets increase overhead costs, which are often embedded in structured pricing models; as such, consulting providers are less open to performance-based or flexible approaches to pricing their work

**WEAKNESSES**

- Long-standing ecosystem relationships with HR technology giants (e.g., Oracle, ServiceNow, Workday), SaaS application providers and HR tech start-ups provide buyers with expert sourcing of point and platform solutions for transforming HR service delivery and the employee experience

**OPPORTUNITIES**

- Government mandates specific to COVID-19 restrictions have created a caste system of essential and nonessential workers which fuels distrust and dampens engagement across the labor force that is outside of clients’ control. This creates a consulting challenge around the design of employer value propositions and employee experience journeys that ring true and resonate with demoralized workers weighed down by an uncertain environment and an uncertain outlook
- With the most developed ecosystems across the professional services market, consulting providers must be vigilant and meticulous in how they manage the data privacy and cybersecurity risk of ecosystem partners involved in the capture and distribution of workforce management data

**THREATS**

- With the most developed ecosystems across the professional services market, consulting providers must be vigilant and meticulous in how they manage the data privacy and cybersecurity risk of ecosystem partners involved in the capture and distribution of workforce management data
• Solutions-led approach aligns technology investments with workforce management priorities, enabling clients to use consistent tools, taxonomies, data and processes across the business
• Ability to identify and articulate the impact of HR and workforce management technology strategies on people and organizational structure, including assessing current skills, identifying gaps and new roles and responsibilities, and guiding clients in building a team with both the technical skills and mindsets needed to redefine workforce management for the pandemic era
• Ecosystem relationships enable service delivery outside of core competencies to enhance the overall value proposition; for example, relationships with Thrive Global and the Josh Bersin Academy enable Accenture to integrate employee well-being into EX design

• Shift go-to-market strategies and messaging to pandemic’s focus on the human experience with use cases and marketing communications that highlight how workforce management systems unleash human potential
• Leverage artificial intelligence embedded in cybersecurity systems to understand changing patterns of employee behaviors and related risks of remote work environments
• Continue to innovate desktop as-a-service apps and tools for the post-vaccine workplace; for example, contact tracing, skills ontologies, employee productivity monitoring, learning experience platforms, workforce planning and modeling, and internal talent marketplace exchanges

• Providers’ capabilities vary within this segment with some offering deep vertical expertise, such as AIRINC’s focus on talent mobility analytics, and others offering services that are competitive to multidisciplinary consulting providers; for the latter cohort, the challenge is to be able to differentiate across market segments with a consulting-led approach to workforce management
• Consulting talent is typically focused on developing strategies and solutions on provider’s proprietary workforce management platforms

• Strong competition from Big Four firms with deep technology consulting and systems implementation capabilities, robust ecosystems of workforce management technology and data analytic start-ups, and strategic workforce consulting expertise
• Intense competition for alliances with HR tech start-ups from all segments of the workforce management services market raises the cost of corporate development and innovation
• The ever-shortening life cycle of emerging technologies makes it difficult for providers to adjust for mistakes in customization on a timely basis, which can threaten implementation and go-live schedules
The goal of ALM Pacesetter Research is to help buyers of professional services navigate an increasingly complex landscape with confidence. We use a multidisciplinary perspective to identify best-in-class providers of legal, consulting, financial, insurance, employee benefits, and other professional services, and analyze how they are evolving as an ecosystem of interdisciplinary service providers. Our research is grounded in over 50 years of accumulated market insights and qualitative research models that combine knowledge of management science with case studies and other sources of knowledge to understand patterns of market supply, demand, behavior and ways of doing business.

**IDENTIFY**
- The ALM Pacesetter Advisory Council (PAC) convenes in advance of the research project kick off; members include ALM journalists and editors, and external experts such as consultants, general counsel and industry thought leaders
- The PAC selects the set of Market Leaders that will be covered in the research topic from a larger group of providers that members have identified in the normal course of their work
- PAC members also provide expert knowledge and insights to the ALM Pacesetter team throughout the research and analysis process

**RESEARCH**
- The ALM Pacesetter Team within ALM Intelligence conducts primary and secondary research
- Primary research includes in-depth interviews with practice leaders at the provider firms covered in the research; satisfaction interviews with clients referred by those providers; and in-depth interviews with thought leaders, recruiting professionals and other sources
- Secondary research includes data gathered from annual reports and earnings calls, management presentations, public filings, case studies, press releases, journals and publications, online information databases and other publicly available resources

**ANALYZE**
- ALM Pacesetter analysts evaluate and score the Market Leaders against five core criteria
  1. Business model
  2. Value proposition
  3. Service delivery
  4. Client impact
  5. Brand eminence
     See criteria definitions on next page
- Market Leaders that achieve a Pacesetter Impact Score equal to or over 85 are designated as ALM Pacesetters
- Pacesetter analysts map markets and stakeholders and write market trends
- Market segment overviews are peer reviewed by the appropriate PAC member
ALM defines workforce management (WFM) as professional services designed to improve clients’ ability to source, develop, engage and retain the human resources required to deliver the enterprise strategy.
### Core Criteria Definition

#### Business Model
Provider's ability to reposition core competencies around new products, services, and business models to adapt to shifting patterns of market supply, demand, behavior and ways of doing business

Detailed Criteria: Scope of services, Supply chain, Ecosystem, Corporate Development, Innovation Capability

#### Value Proposition
Provider’s ability to deliver on its value proposition, i.e., the positioning statement that communicates the benefits and economic value a prospect will receive by purchasing the provider's products and services over a competitor's

Detailed Criteria: Differentiated services, Risk management, Measurable outcomes, Evidence-based solutions, pricing options

#### Service Delivery
Provider's ability to mobilize resources and configure assets to serve clients

Detailed Criteria: Solutions design, Engagement model, Talent and culture, Project management, Enabling tools

#### Client Enablement
Provider's ability to help clients affect continuous, sustainable change, improve performance and achieve growth

Detailed Criteria: Client relationship management, Business case development, Stakeholder conversations, Change management and capability development, Living laboratory

#### Brand Eminence
Provider's ability to leverage brand and marketing strategies to differentiate in its marketplace as an expert practitioner and thought leader

Detailed Criteria: Thought leadership, Intellectual property (IP), External research partnerships, Sales and marketing, Case studies

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| Legal | Labor and employment law services, including affirmative action, alternative dispute resolution, broad-based and executive compensation, business and human rights, discrimination and harassment, employee benefits, employment taxes, ERISA and benefit plan litigation, global mobility an immigration, international employment law, labor management relations, workplace privacy and data security, workplace safety and health, and more as offered by individual law firms |
| Compliance | Risk management services related to employment and labor law practices listed above; includes compliance training, writing and reviewing HR policies and codes of conduct, and more, as offered by individual law firms |
| Strategy & Planning | Services related to the systematic, disciplined process for identifying and addressing gaps between current and projected workforce requirements; includes workforce scenario planning and workforce impact modeling |
| Sourcing & Optimization | Services related to identifying, attracting, developing, deploying and retaining talent; includes employee mobility, staffing and career transition services, and real estate advisory |
| Technology & Analytics | Services related to HR and human capital management technology strategy, HR service delivery operating model design, HR process redesign, HR technology and analytics strategy and implementation, cloud/digital readiness assessment, risk analysis and mitigation, change management and project management |
| Experience | Employee engagement and employee experience consulting and technology services, including employee communications (digital, personalized, campaigns); survey and focus group design, execution and analysis; design thinking and user experience design services; and custom website and portal design, buildout, maintenance and hosting |