

A close-up photograph of a woman with blonde hair, wearing a bright yellow sleeveless top with a ruffled collar. She is smiling and looking off to the right. The background is a bright, out-of-focus window with light blue and white tones.

#2

MSP series.

nine benefits of MSP
beyond cost savings.

In the wake of the novel coronavirus pandemic, businesses around the world are either looking for ways to do more with less or searching for ways to scale their workforces quickly. And for many, cost savings has become a top priority. That's why so many are turning to contingent talent to get the skills they need, without compromising agility.

Research from the [Everest Group](#), "Tackling the Global Pandemic: Contingent Workforce Management State of the Market Report 2021," predicts an increase in the use of contingent talent. The report suggests that different types of temporary labor will be the choice of companies around the globe, as different geographic regions get back to work on a rolling basis.

The report states that "as the industry recovers, buyers are demanding greater direct sourcing, services procurement management capabilities, and digitalization from service providers. There is also a rising demand to leverage advanced data analytics and derive better insights into the workforce and recruitment activity."

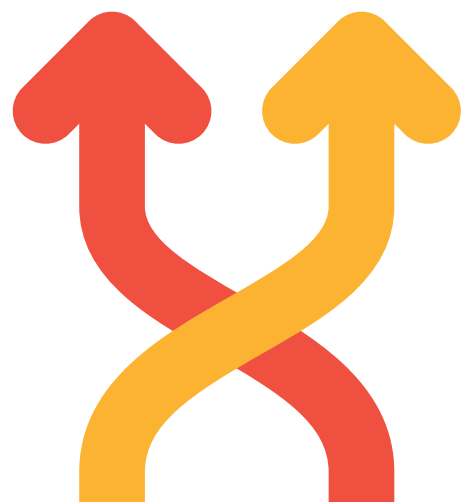
managing complexity and compliance.

You may already recognize that tapping into the contingent workforce can help you address workforce gaps, support company goals and drive innovation during today's uncertain times. But, managing a contingent workforce can create complexity. How can you ensure you're attracting high-quality talent at competitive and fair rates, and without introducing compliance risks?

Many organizations adopt [managed services programs \(MSP\)](#), where an external service provider handles the management and administration of a company's contingent workforce. Although cost efficiency is often one of the first reasons that companies consider an MSP solution, those that implement this talent model realize many other benefits that drastically improve contingent workforce planning and business performance overall.

For example, MSPs add visibility to the contingent workforce program, mitigate risks associated with regulatory and internal compliance, provide greater access to high quality talent and enhance talent supply chain performance. They can provide real-time market intelligence and help you fine tune your contingent talent brand to give you a greater competitive advantage. All of these benefits contribute toward a common goal: helping your company deploy the right talent at the right time at the right cost.

Let's take a closer look at the ways in which an MSP can help your company become more agile.



1. enhance program visibility

One of the biggest challenges with managing a contingent workforce is getting a clear line of sight into spend across the enterprise. This can affect your company's ability to measure program performance accurately.

With an MSP in place, you gain clarity on important metrics, such as level of spend, time to fill, quality of placement (through turnover data and manager satisfaction surveys), program participation and more. This intelligence can drive decision-making about your workforce in the future.

2. mitigate risk and support compliance

Businesses may face increased risk and liability when engaging in alternative work arrangements. With a managed staffing model, your company benefits from external expertise on compliance best practices, and insights on local, regional and global regulations and processes that tightly adhere to important mandates.

For instance, one of the most important contingent workforce compliance considerations is employment classification. Failure to classify properly can result in fines and back taxes. Not only can your MSP partner support classification efforts, but they also help with taxation management, data privacy initiatives and vetting suppliers and workers.

3. get better access to top talent

Randstad Sourceright's [Talent Trends](#) update for 2020, "The COVID-19 surveillance report," found that 54% of human capital and C-suite leaders are not confident their companies will have the talent they need to recover from the pandemic. Our 2021 Talent Trends research reaffirms this sentiment: 2 out of 5 still report talent scarcity, despite high unemployment rates around the world.

This is especially true when it comes to the technology skills needed to support digital transformation, which has only accelerated during the pandemic. MSPs can address this issue by optimizing the supply chain and ensuring access to a variety of skills. Through supplier rationalization, MSPs help you build more strategic relationships with your vendors to ensure high talent quality.

4. build and nurture managed talent pools

[Direct sourcing](#) and managed talent pools provide your company with an agile and talent-centric model of engaging with and deploying flex workers. By creating a closer relationship between the business and the people you need to get work done, you not only realize greater cost savings, but can also engage and re-engage qualified contingent talent more quickly than going through a third party.

Managed service providers have the expertise to help you build, nurture and source from these talent pools. They can also help you get the skills you need from the supply chain when talent is not available through direct sourcing.

5. achieve talent supply chain efficiency

Do you have dozens, if not hundreds, of talent suppliers throughout your organization? If so, this can make contingent management especially difficult, especially as some suppliers contend with shrinking staffs during the pandemic. Ensuring all suppliers adhere to policy and processes can be a logistical nightmare, especially as so many are administered individually by hiring managers.

Vetting and negotiating terms, standardizing rate cards, processing payments and other talent supply chain management functions all require tremendous management as well. A managed staffing solution uses proven processes and technologies, such as vendor management systems (VMSs), to create a more efficient, transparent and accountable supply chain.

6. get contingent talent branding expertise

With so much business and personal upheaval after the pandemic outbreak, companies must take a new look at their employer brands. Working environments and talent expectations have shifted significantly. And with more businesses relying on flexible workers, you need to ensure your brand [appeals to contingent talent](#) as well.

Your MSP partner can work with you — and your suppliers — to develop a holistic employee value proposition (EVP) and highly configurable strategy that maintains consistency with your overall brand framework. These steps are critical to targeting and attracting highly skilled contingent talent to your organization.

7. leverage predictive talent analytics

Workforce data and business insights are now more important to organizations than ever before, yet many lack the technological infrastructure or domain expertise to leverage contingent labor trends and data.

This gives your contingent workforce managers the ability to identify issues occurring around skill needs, spend habits, supplier performance, fulfillment efficiency and other important metrics.

The evolution of MSP has led service providers to invest in more sophisticated predictive analytics, labor market intelligence tools and easy-to-use reporting dashboards.

Advanced [talent analytics](#) platforms can also power decisions about which types of talent are best for hiring manager needs, based on historical analysis of availability of skills. This also provides a strong framework for future total talent management goals.

8. improve flexibility and scalability

You must respond quickly to changing market conditions, and a highly flexible workforce can help you achieve greater business agility. Because MSPs work with an extensive supplier base, your provider can find alternative sources of skills when your existing supply chain is unable to deliver.

Your program can also be scaled up or down quickly as the economic recovery fluctuates. An MSP solution can also be replicated in different locations or markets to provide a consistent experience for hiring managers throughout the organization.

9. keep innovation at the forefront

Because MSP providers constantly invest in their delivery infrastructure, as a client, you benefit from the newest tools and process refinements — no matter how much or little time you have to dedicate to research and demos. For example, some recent trends include:

- access to emerging [HR technologies](#), vendor management systems, video interviewing, talent pooling technologies, skills assessments, freelancer management systems and more
- collaborative customer review sessions in which suppliers work closely with clients and the MSP partner to ensure access to the best talent
- management portals that facilitate communications and processes among all parties

the many advantages of MSP.

Companies often turn to an MSP based on a specific pain point. But as programs mature, many have discovered that MSP programs can enhance or transform other areas of contingent workforce management. This results in better delivery and utilization of talent to create a competitive business advantage.

What greater value will you achieve with your contingent workforce management strategy?

want to learn more?

Unlock the complete 5-part MSP staffing series for insights on benefits, building a business case, change management, working with your provider and adding value to your program.

[explore the series](#)



about Randstad Sourceright.

Randstad Sourceright is a global talent solutions leader, driving the talent acquisition and human capital management strategies for the world's most successful employers. We empower these companies by leveraging a Human Forward strategy that balances the use of innovative technologies with expert insights, supporting both organizations and people in realizing their true potential.

As an operating company of Randstad N.V. – the world's leading global provider of HR services with revenue of €23.7 billion – Randstad Sourceright's subject matter experts and thought leaders around the world continuously build and evolve our solutions across recruitment process outsourcing (RPO), managed services programs (MSP) and total talent solutions. In 2019, Randstad helped more than 2 million candidates find a meaningful job with one of our 280,000 clients in 38 markets around the world and trained and reskilled more than 350,000 people.

Read more at randstadsourceright.com.