

#4

MSP series.



how to work with your
managed services provider.

With the economic upheaval from COVID-19 reshaping today's labor markets and workplaces, it is expected that temporary workers will be integral to powering the recovery. In fact, [Staffing Industry Analysts](#) (SIA) upped its growth projections for 2021. The analyst firm now forecasts a 12% increase in spending on contingent talent to an anticipated \$141.5 billion.

With that much growth in play, we can also predict that more organizations will begin implementing [managed services programs](#) (MSP) to optimize the use of contingent workers. Supporting data from [Statista](#) forecasts that the global market for MSPs will grow to at least \$329 billion by 2025.

If your company is going to be one of the many that enter into a new MSP agreement — or if your company is seeking to [gain greater value from your existing MSP](#) — you'll need to develop a strong and collaborative relationship with your managed service provider. You must not only share common goals, but also build trust to help the program continuously evolve and overcome unforeseen challenges.

the benefits of MSP.

More than just filling seats with a flexible workforce, an MSP is often an extension of a company's procurement function that helps human capital leaders:

- acquire contingent talent quickly
- enhance the quality of workers
- achieve cost savings
- create more efficient supplier management
- reduce time to fill
- improve spend visibility
- increase compliance
- develop and support contingent talent brand



build a strong MSP relationship at the start.

A successful MSP program requires proper alignment between key internal and external stakeholders. This begins with clear deliverables and expectations, as well as defined roles for both the client and the talent solutions partner. Regular communication using the most effective channels will also help keep the program focused and on track.

For instance, executive sponsors on both sides should be involved from the start, checking progress on implementation and addressing strategic high-level activities as the MSP relationship progresses. Further downstream, the legal teams of the client and service provider need to approach contract negotiations with a collaborative mindset.

The goal is to ensure favorable terms and service level agreements (SLAs) that benefit everyone. The employer's designated project manager will need day-to-day support from the service provider on tasks such as training internal teams, supporting change management, and reviewing program details and reporting metrics.

The two parties should also align functional stakeholders. These include IT, accounting, procurement, HR, hiring managers and corporate communications on the client side. On the provider side, the relevant parties include professional services, technology analysts, supplier relations, operations analysts, the vendor management system (VMS) project manager and back-office personnel.

beyond contingent workforce management.

When a company adopts an MSP staffing solution as part of its total talent management approach, it is even more critical for the client and provider to build a trusting and collaborative relationship. As part of the total talent strategy, the MSP enables employers to gain full program visibility. This means the program manager has:

- a view of everyone joining and leaving the organization
- control over the entire worker life cycle
- a clear assessment on the effectiveness of processes and suppliers

The goal is to achieve a variety of benefits, such as greater visibility of spend, enhanced cost control, increased responsiveness to business needs and improved quality of talent. Using best practices honed through the service provider's work with other clients, the employer ensures proven structure for their sourcing, engagement, management and analytics practices.



At the same time, because every engagement is different, each program is tailored to the individual client's requirements, challenges and goals. The talent solutions partner should determine the best delivery approach and work in collaboration with the employer to optimize results.

achieve faster contingent workforce program results.

Typically, an effective working talent solutions partnership leads to improvements almost immediately. For many MSP practitioners, cost savings are critical. This goal is often achieved through talent supplier rationalization, which results in more strategic partnerships and more favorable pricing. Savings can also come from establishing a supplier panel with agreed terms, basic spend analysis, panel compliance and savings baselines.

Another immediate benefit is [access to cutting-edge technology](#) to streamline key processes like procure-to-payment management, billings and payments, basic dashboards, supplier performance reporting and demand management. The introduction of [talent analytics](#) will also help determine gaps in a number of areas such as time to fill, program compliance and others.

As you achieve these initial gains, you can further improve order demand management, key performance indicators (KPIs) for better supplier performance, improved candidate selection, and optimized candidate onboarding and offboarding. These initiatives will not only drive cost savings and avoidance, but also fuel better business performance.



drive long-term value through constant innovation.

Following implementation, it's important to ensure program stability, but that doesn't mean that ongoing improvement and enhancements have to stop. You can work with your managed service provider to determine how a tiered roll out can continuously bring innovation, without imposing too much change too quickly. With a realistic roadmap for achieving future gains, [a successful MSP will evolve](#) and create value.

To achieve this, focus on close collaboration and investments in value-added services such as a contingent talent-focused [employer brand](#). You can even evolve the program to span all talent types, including permanent hires, as part of your journey into a total talent strategy. Using predictive and prescriptive people analytics will help you better determine workforce needs and steer your strategy toward company goals in the most expedited manner.

Some of the more recent innovative MSP practices include the incorporation of automation, [direct sourcing](#) and [managed talent pools](#). These steps will further speed access to talent, which has a direct impact on business outcomes. As you seek to become more agile and flexible in today's market, your reliance on contingent talent will only grow. Your company's ability to acquire the best temp, independent and statement of work (SOW) talent you need quickly and cost effectively will undoubtedly drive financial performance.

working hand-in-hand.

The success of any MSP staffing solution hinges on the working relationship between the employer and service provider. Be sure you and your managed service provider are aligned on your company's vision, communications and goals to ensure your program evolves and grows. This requires a commitment of resources from all involved to drive a successful implementation and continue supporting operational stability.

With a strong MSP relationship in place and both partners collaborating effectively, your program will always be able to create value for your contingent workforce model and your company's overall human capital 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.