

# ENHANCING CONTINGENT LABOR MANAGEMENT THROUGH MSP IMPLEMENTATION

A leading retail corporation spanning multiple regions in North America, employing over 20,000 individuals globally, recognized the necessity for an overhaul in their Managed Service Provider (MSP) due to a lack of value and innovation. Given the dynamic nature of their business and varying project demands, they heavily relied on contingent labor to supplement their workforce. Initially, the organization engaged with an MSP to oversee their contingent workforce operations.

## RESULTS

- **Enhanced Flexibility:** The new MSP's flexible approach enabled the organization to adapt quickly to changing workforce demands, improving agility and responsiveness.
- **Improved Communication:** Communication channels were strengthened between the organization and the MSP, fostering collaboration, transparency, and alignment of goals and expectations.
- **Value Generation:** The new MSP proactively identified opportunities for cost savings, process efficiencies, and talent optimization, driving tangible value for the organization's contingent workforce program.
- **Enhanced Compliance:** With robust processes and technology solutions in place, compliance issues were minimized, reducing risks and ensuring adherence to regulatory requirements.
- **Positive Change Management:** The new MSP's focus on change management facilitated smooth adoption of new processes and technologies, empowering stakeholders and driving organizational buy-in.

## BEGINNING STATE

While the initial MSP promised to streamline processes, reduce costs, and enhance compliance, the organization soon realized that the MSP was not delivering as expected. Several challenges emerged:

- **Rigidity in Processes:** The initial MSP implemented rigid processes that didn't align with the organization's evolving business needs, hindering responsiveness to changing workforce requirements.
- **Communication Gaps:** There were communication gaps between the organization and the MSP, leading to misunderstandings, delays, and inefficiencies in managing the contingent workforce. Key stakeholders felt disconnected from the MSP's operations and decision-making processes.
- **Limited Value Addition:** Despite financial investment, the initial MSP failed to provide actionable insights or innovative solutions to drive positive change within the organization's contingent labor management framework.
- **Compliance Issues:** Compliance issues related to contractor onboarding, contract management, and regulatory requirements surfaced. The initial MSP's oversight fell short in ensuring full compliance, exposing the organization to potential risks.

## THE SOLUTION

The transition to Workspend involved a comprehensive implementation plan to address the shortcomings of the previous provider and ensure a smooth transition. Following the Project Management Institute's methodology, encompassing the four phases of discovery, planning, execution, and closure. Key steps included:

- **Discovery Phase:** During the discovery phase, Workspend conducted in-depth assessments to understand the current state of contingent labor management and define project objectives. Key activities included:
  - o **Stakeholder Analysis:** Identifying and engaging stakeholders across the organization to gather insights, requirements, and expectations related to contingent labor management.
  - o **Needs Assessment:** Conducting a thorough analysis and documentation of the Client's business requirements, pain points, and opportunities for improvement within the contingent workforce program.
  - o **Risk Assessment:** Identifying potential risks and challenges associated with the implementation process and developing mitigation strategies to address them effectively.

# MSP IMPLEMENTATION CASE STUDY

- **Planning Phase:** In the planning phase, the Client and Workspend developed a comprehensive project plan outlining strategies, timelines, resources, and deliverables. Key activities included:
  - o **Scope Definition:** Clearly defining the scope of the project, including objectives, deliverables, and success criteria for the implementation of Workspend as the new MSP.
  - o **Resource Allocation:** Identifying and allocating resources, including personnel, technology, and budget, required to execute the project successfully.
  - o **Technology Selection:** Evaluating and selecting appropriate technology solutions, such as VMS and analytics platforms, to support efficient contingent labor management.
  - o **Communication Plan:** Developing a communication plan to ensure effective communication and collaboration among stakeholders throughout the implementation process.
- **Execution Phase:** During the execution phase, the Client and Workspend implemented the planned strategies and solutions to transition to the new contingent labor management framework. Key activities included:
  - o **Solution Implementation:** Deploying technology solutions, configuring processes, and implementing new policies and procedures to support the contingent workforce program.
  - o **Change Management:** Conducting training programs, workshops, and communication campaigns to facilitate organizational change and ensure stakeholder buy-in.
  - o **Monitoring and Control:** Monitoring project progress, tracking KPIs, and addressing issues and deviations from the project plan promptly
- **Closure Phase:** In the closure phase, the Client and Workspend finalized the implementation process, evaluated project outcomes, and ensured a smooth transition to ongoing operations. Key activities included:
  - o **Project Evaluation:** Assessing project performance against predefined success criteria and identifying lessons learned for future improvements.
  - o **Transition to Operations:** Handing over deliverables, documentation, and responsibilities to the Client's operational teams, ensuring a seamless transition to ongoing contingent labor management.
  - o **Post-Implementation Support:** Providing ongoing support, training, and guidance to the Client's teams to address any post-implementation issues and ensure continued success.



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