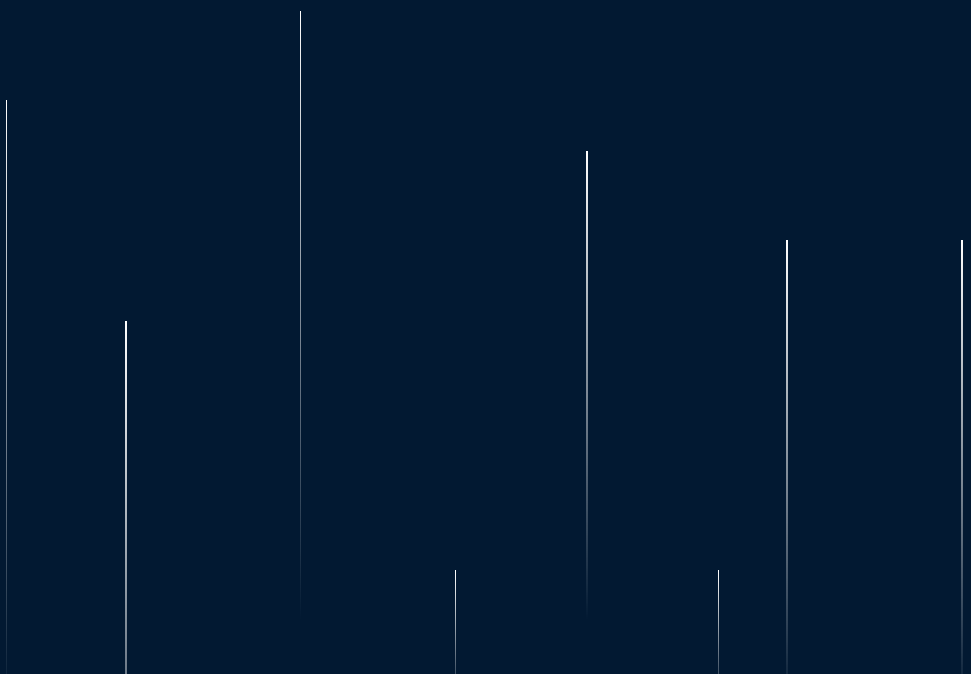
UNIVERSAL MSP

Unlocking the Potential of the
Total Extended Workforce

ALLEGIS
GLOBAL SOLUTIONS™

Table of Contents

Introduction	3
Emerging Engagement Channels Create Workforce Challenges	4
Universal MSP: Bringing the Full Power of the Extended Workforce Back to the Business	5
The Result: A Simplified and Effective Engagement Process	6
Positioning Companies for Success in the New World of Work	7



Introduction

Getting work done. It is not a new idea, but the concept has taken on new meaning in the world of business. For corporate leadership, procurement, and HR decision-makers, the question of "Who do we hire or engage for the position?" has been replaced by new concerns. "What is the best way to achieve the outcome we need? How should we engage the right resources? How much will it cost? How long will it take? And, what's the optimal and most reliable path to success?"

These questions reflect a change in how companies engage the resources they need. Today, a contractor, staffing company, freelancer, outsourced services provider, or even a robotic process or bot might be the next best means of addressing a pressing business demand, leaving a complex path for companies to navigate. A recent Allegis Group report found that nearly half (49 percent) of global HR and business decision-makers say it is harder today to determine what talent and technology resources are needed to accomplish key goals, projects, and initiatives than it was three years ago.[1] Another study found that more than half of companies (54 percent) have little or no consistent management process for engaging the alternative workforce.[2]

The implication for all business functions is the same: a fragmented view of the available workforce and siloed processes for managing them. And companies struggling with workforce challenges cite impacts on business capability as a result, including compromises in operations and service delivery (cited as an issue by 84 percent of decision-makers), limitations on business growth and profitability (also 84 percent), and obstacles to innovation (77 percent).[3]

The good news is that an advanced approach to MSP can keep organizations ahead of today's extended workforce demands. With that in mind, this report sheds light on:

- A deeper understanding of the challenges
- A universal MSP approach that directly addresses those challenges
- The advantages for everyone involved

Emerging Engagement Channels Create Workforce Challenges

The variety of channels for worker engagement is particularly challenging for procurement, HR, and corporate leaders responsible for driving extended workforce strategies. For example, a growing portion of the non-employee talent supply is being accessed outside the staffing agencies that comprise the contingent workforce supply chain. Such sources, including independent contractors, freelancers, and services providers, often go unmanaged.

Over time, the use of unmanaged talent sources erodes the organization's ability to adapt and grow. Those unmanaged sources create inconsistencies in how companies engage non-employee workers and how much they pay them. Unmanaged sources also create hidden/siloed suppliers and workers, who could otherwise address unfilled business needs. Finally, a lack of visibility into available resources limits companies' options for redesigning processes and using technology to achieve results and stay competitive.

While traditional managed services provider (MSP) solutions address part of the challenge by bringing contingent workforce suppliers under an enterprise management umbrella for the cost-effective and efficient delivery of work, other channels are elusive. Consider the hiring manager who opts to go to a freelancer site or directly engage a contractor or outsourced service to meet a need. These resources go unmanaged at the business level, and a company may unwittingly be engaging similar resources at vastly different costs, scope, and performance expectations from one manager to the next.

For extended workforce influencers, including procurement leaders, these isolated channels present challenges, but they also represent a real opportunity to boost strategic value to the business as the traditional MSP model evolves.

> Every unmanaged source of talent, whether contractor, freelancer, or other non-employee resource, represents an opportunity for improved performance. That's why we're seeing more companies focus on bringing all facets of the extended workforce into the enterprise management fold.
>
> **Bruce Morton**
> *Executive Director, Global Product Strategy*

Universal MSP: Bringing the Full Power of the Extended Workforce Back to the Business

Today, a more advanced approach to MSP has evolved to help companies bridge the siloes that isolated emerging talent channels and unlock the true potential of the extended workforce. That approach is known as universal MSP.

A universal MSP provides a change-friendly, next-generation approach to managing the total extended workforce, including workers engaged through staffing agencies, as well as independent contractors, freelancers, and outsourced services providers. The solution achieves this new level of engagement by enabling companies to access and manage all non-employee resources through a single function. That function is driven by three key parts: centrally positioned talent advisors, a total extended workforce engagement process, and a platform that brings all non-employee talent into a common technology ecosystem.

Centrally Positioned Talent Advisors

The extended workforce talent advisor represents the point of connection between a company and its non-employee resource supply, bringing access to all talent sources, expertise in using cross-talent technology tools, and a strategic business perspective to guide choices for the best quality, speed, and cost. In many cases, the talent advisor may serve as an escalation resource for more challenging needs, leaving straightforward, repeatable talent engagement activity to the most efficient resource, such as an MSP staffing coordinator or vendor management system (VMS).

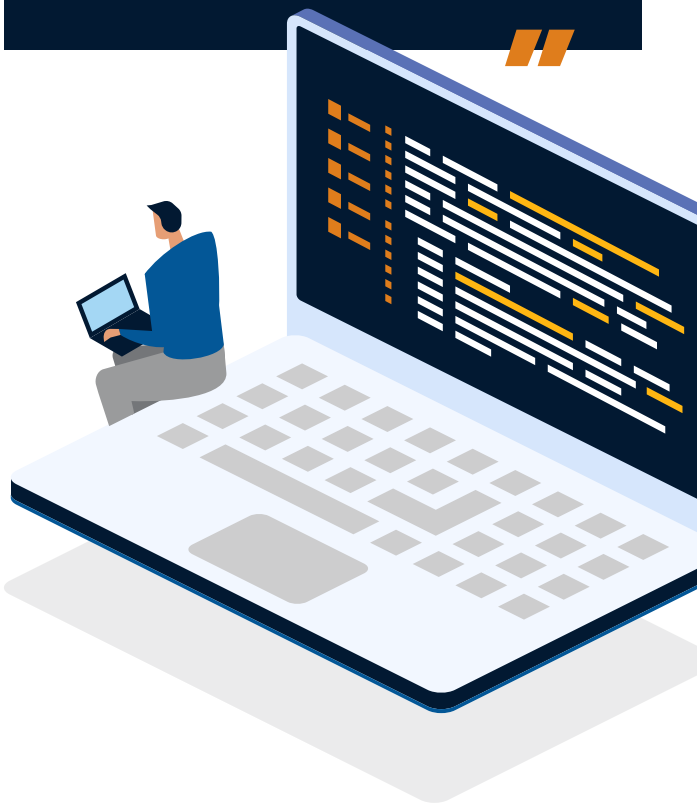
A Total Extended Workforce Engagement Process

A universal MSP approach reconfigures the extended workforce management process by establishing a single point of connection among the company, hiring managers, and all available non-employee resources. The process links the resource requisition to a talent advisor with access to all talent channels through a single technology system and supported with tools for making data-informed, relevant comparisons and engagement decisions.

An Extended Workforce Platform

The technology supporting a universal MSP approach is essential for smart access to the non-employee resource supply. The ecosystem includes the talent advisor portal, drawing data and functionality from MSP business intelligence systems, recruiting systems, data analysis and worker classification tools, enterprise resource planning (ERP) and VMS data, and AI interface tools for smart interaction. The universal platform delivers data and insight to inform the right decisions for engaging resources.

> Achieving business outcomes today requires more than finding a worker to fill a vacancy; rather, it's about re-designing the way work gets done based on the best possible resources available for every step in the process. Toward that end, a universal MSP provides a vital connection to the entire extended workforce.
>
> **Maria Boyse**
> *Managing Director, Business Development*



The Result: A Simplified and Effective Engagement Process

A universal MSP provides a pragmatic approach to extended workforce engagement that lets hiring managers and other decision-makers make better data-informed choices through a clear and streamlined process. Through a universal MSP function, they can:

Go to One Place for Advice

When it is time to determine what resources are needed to solve a challenge or bring an initiative to life, hiring managers and other decision-makers no longer need to navigate multiple systems, sources, or points of contact. They can reach out to their talent advisor and work through one expert point of contact to arrive at the ideal worker type and an optimal attraction and engagement strategy.

Determine the Best Path to the Desired Outcome

One key to optimized results is a design approach to assessing the work to be done. A universal MSP applies work design architecture for complex goals. This strategy involves deconstructing the work into component tasks and activity, deciding how best to accomplish those tasks, and then who best — in terms of worker or resource types — to engage to perform that activity. The result is a consistent approach to work that delivers outcomes with optimized speed, cost, and quality.

Classify Resources Accurately

Is the resource a contractor or an employee? The rules that governments use to answer that question can leave many companies exposed to expensive misclassification issues. Misclassified workers represent a risk for companies around the world, but manually assessing every worker and contractor to comply with complex rules is often unfeasible. A universal MSP approach applies sophisticated AI analysis tools to automate the classification of non-employee resources against parameters set by relevant regulations, eliminating the barriers of time and effort that leave organizations at risk.

Use the Right Sourcing Channel

A universal MSP directs the decision-maker toward the optimal channel for talent that produces the best-aligned resources given the skills needed, the time and scope of the work, sophistication and strategic importance, and budget. Sources may include a VMS, freelance management system (FMS), applicant tracking system, alumni talent pool, or any number of resource databases. In many cases, the right result may even be a mix of talent from various sources contributing to different aspects of a project. The universal MSP function provides insight and access to deliver the optimal outcome, no matter how complex the challenge may be.

Align Contracts, Processes, and Rules of Engagement

A universal MSP approach provides a flexible framework that manages all approvals and statements of work, and it applies control points for workers and resources regardless of channel or worker type. The framework delivers a robust capability for managing multiple engagement and payment options.

Engage Resources Efficiently

A universal MSP provides a controlled approach to attraction and engagement. From onboarding to accessing all non-employee data through a common system, a universal MSP removes the guesswork from an extended workforce engagement for a more compliant and efficient process.

Make Ever-Smarter Buying Decisions Over Time

A universal MSP approach reveals where to engage the ideal resource for the work and get the quality performance and outcome needed to deliver the best value to the organization. With advanced AI-driven technology and guidance from talent advisors, a universal MSP provides a self-improving capability that applies learnings to support smarter decisions and more effective strategies over time.

Positioning Companies for Success in the New World of Work

Today and in the future, workers will embrace a growing variety of paths to career advancement, whether as independent contractors, employees, or freelancers. New channels of talent and resources are continuously emerging in this evolving world of work.

For organizations to grow and compete in this workforce environment, the universal MSP approach gives companies the readiness they need to adapt quickly to change. With a foundation for connecting all channels of workers, the system can respond to new sources swiftly. Supported by the human expertise of the talent advisor, organizations can ensure they are positioned to engage the right resource with optimal impact, regardless of channel. It is a solution that not only delivers ease of use today but creates a competitive advantage that will last well into the future.

Endnotes

[1] "Connecting Talent Potential to Business Outcomes." Allegis Group. January 2020. AllegisGroup.com.

[2] Volini, Erica, Indranil Roy, Jeff Schwartz, Maren Hauptmann, Yves Van Durme, Brad Denny, and Josh Bersin. "The Alternative Workforce: It's Now Mainstream: 2019 Global Human Capital Trends." Deloitte. 11 April 2019. Deloitte.com.

[3] Ibid, Allegis Group.

Allegis Global Solutions (AGS), an Allegis Group company, is a leader in global talent solutions. We have reimagined the human work experience. Through decades of industry experience, and with services across 60+ countries, we understand what it takes to consult, design and build successful workforce management solutions regardless of the workforce category.

Whether our customers require an MSP, RPO, Services Procurement (SOW), Freelance solutions or a combination of services either regionally or globally, AGS has the experience, state-of-the-art technology and sustained investments in innovation to ensure your workforce solutions will make your company better.

We live to match exceptional organizations with outstanding people.

Learn more:

AllegisGlobalSolutions.com
info@AllegisGlobalSolutions.com
402.499.4699

ALLEGIS
GLOBAL SOLUTIONS™