



talent works

Contingent Workforce Solutions

There's a new Sheriff in town.

How an MSP reduces unregulated hiring spend



Change how you hire. Everywhere. In every way.

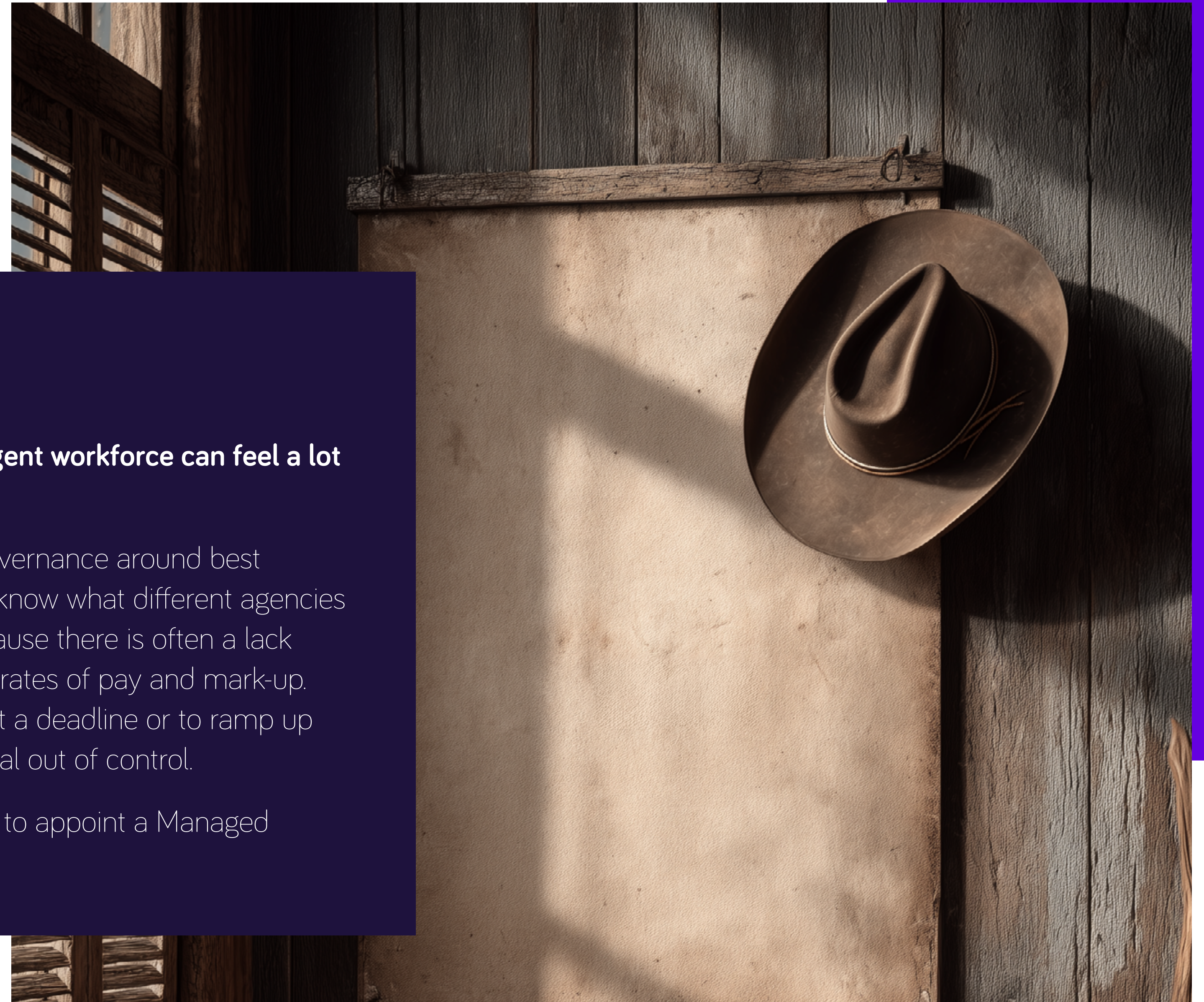


Introduction

In terms of hiring, building a contingent workforce can feel a lot like the Wild West.

It is difficult to lay down rules and governance around best practice and process. It is difficult to know what different agencies in the supply chain are charging because there is often a lack of visibility and transparency around rates of pay and mark-up. And when the pressure is on to meet a deadline or to ramp up resource quickly, costs can easily spiral out of control.

If this sounds familiar, you may need to appoint a Managed Service Provider.





5 Signs that you need an MSP

Do you need to implement a more structured contingent workforce programme? Here are the 5 tell-tale signs that suggest a partnership with an MSP can create significant cost-savings:





1. Decentralised or Inconsistent Hiring Processes

When different departments or hiring managers are using varied, uncoordinated recruitment approaches—such as inconsistent job descriptions, unstructured interviews, or different recruitment platforms—this can lead to:

- Poor onboarding experiences.
- Lack of visibility and control over hiring.
- Inefficiencies and compliance risks.

An MSP can standardise processes, centralise recruitment operations, and implement best practices across all departments to ensure consistency and governance.

2. Struggles with Talent Quality or Timeliness

Contract, freelance or temporary hiring is often seen as the answer when organisations need to bring in resource quickly, to meet an urgent project or delivery deadline. However, if there is a lack of consistency in approach, this can lead to poor quality hires caused by:

- Difficulty in sourcing qualified candidates.
- Lack of specialist sector expertise.
- Under pressure hiring managers or under-resourced in-house teams.

MSPs provide dedicated sourcing teams with advanced tools, extensive networks, and data-driven strategies to improve speed, quality, and cost-efficiency of hiring.

3. Lack of Visibility and Control Over Recruitment Spend

Many organisations don't have a clear picture of how much they spend on their contingent workforce, especially when costs are split between:

- Agency fees
- Advertising
- Freelancers/direct hires
- Internal HR resources

This often leads to budget overruns, hidden costs, and unpredictable hiring spend. An MSP provides full spend transparency, detailed reporting, and analytics to track ROI and optimise resource allocation.

4. Need to Scale Quickly or Flexibly

Companies experiencing rapid growth, seasonal spikes, or expansion into new markets often need to:

- Ramp up hiring quickly.
- Adapt recruitment volumes to shifting business needs.
- Access a scalable hiring model without long-term commitment.

Some MSPs offer scalable, agile talent solutions – supporting organisations in the drive to become more strategic in their hiring decisions, as well as being more efficient around cost-savings. A proactive, strategic MSP can act as the platform an organisation needs to build a total talent solution that offers a more unified, integrated approach to building the workforce.

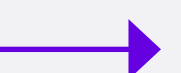
5. Compliance and Risk Management Concerns

Contingent workforce hiring involves complex legal and compliance issues, particularly around:

- Worker classification
- Tax status
- Right to work checks and global employment laws
- GDPR

Organisations without strong in-house compliance knowledge may expose themselves to regulatory risk and reputational damage. An MSP ensures compliance, mitigates risks, and supports strategic workforce planning aligned with local and global employment laws.

If you're seeing any combination of the above signs, it's a good time to consider an MSP partnership. That said, the truth for many organisations is that those critical signs are often hard to spot until it is too late.





Unregulated hiring spend

Without an effective contingent workforce management programme in place, it is much more difficult for organisations to manage their talent supply chain, ensure that agencies are within scope and manage unregulated spend. Agencies that operate outside of the agreed scope are not only potentially inflating costs – they also open organisations up to compliance risks and uneven service levels. How does an MSP tackle the challenge? The key is to create visibility, consistency and transparency at every point in the hiring process:





1. Audit Hiring Channels and Invoices

The first step is a spend and supplier audit. MSPs should:

- Analyse all recruitment-related invoices from the past 12–24 months.
- Cross-reference invoice data with approved supplier lists.
- Identify anomalies or unusual spikes in spend.

2. Implement a Vendor Management System (VMS)

For large-scale operations, a VMS helps to ensure consistency of process and experience for talent coming into the organisation. A VMS ensures:

- Compliance and correct work classification.
- Equality and fairness throughout the process.
- Standardised process and real-time spending controls.

3. Monitor Hiring Manager Behaviours

Often, rogue hiring begins with individual line managers who are under pressure to fill roles or meet objectives. MSPs should:

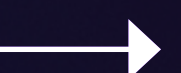
- Gather regular feedback from stakeholder interviews or anonymous surveys.
- Identify teams consistently working outside programme guidelines.
- Provide ongoing training and support for hiring managers.
- Educate hiring managers on the risks of non-compliance.

The benefits of a centralised strategy

A centralised sourcing model helps organisations to reduce their reliance on agencies, build their own talent communities and build closer, direct relationships with talent. A direct-to-talent model like this, underpinned by the right technology platform, creates significant cost-savings.

Reducing the reliance on agencies also means that organisations can refine their supplier lists, removing rogue agencies and ensuring that hiring managers select vendors from a preferred list of agencies that operate within scope, within cost and to agreed SLAs.

As well as driving down costs, this approach elevates the quality of candidates coming into the business. Doing all of this through an MSP with a centralised hiring strategy also means one source of truth for the HR, procurement and hiring managers: a single source of clear, visible, and accessible data.



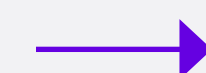
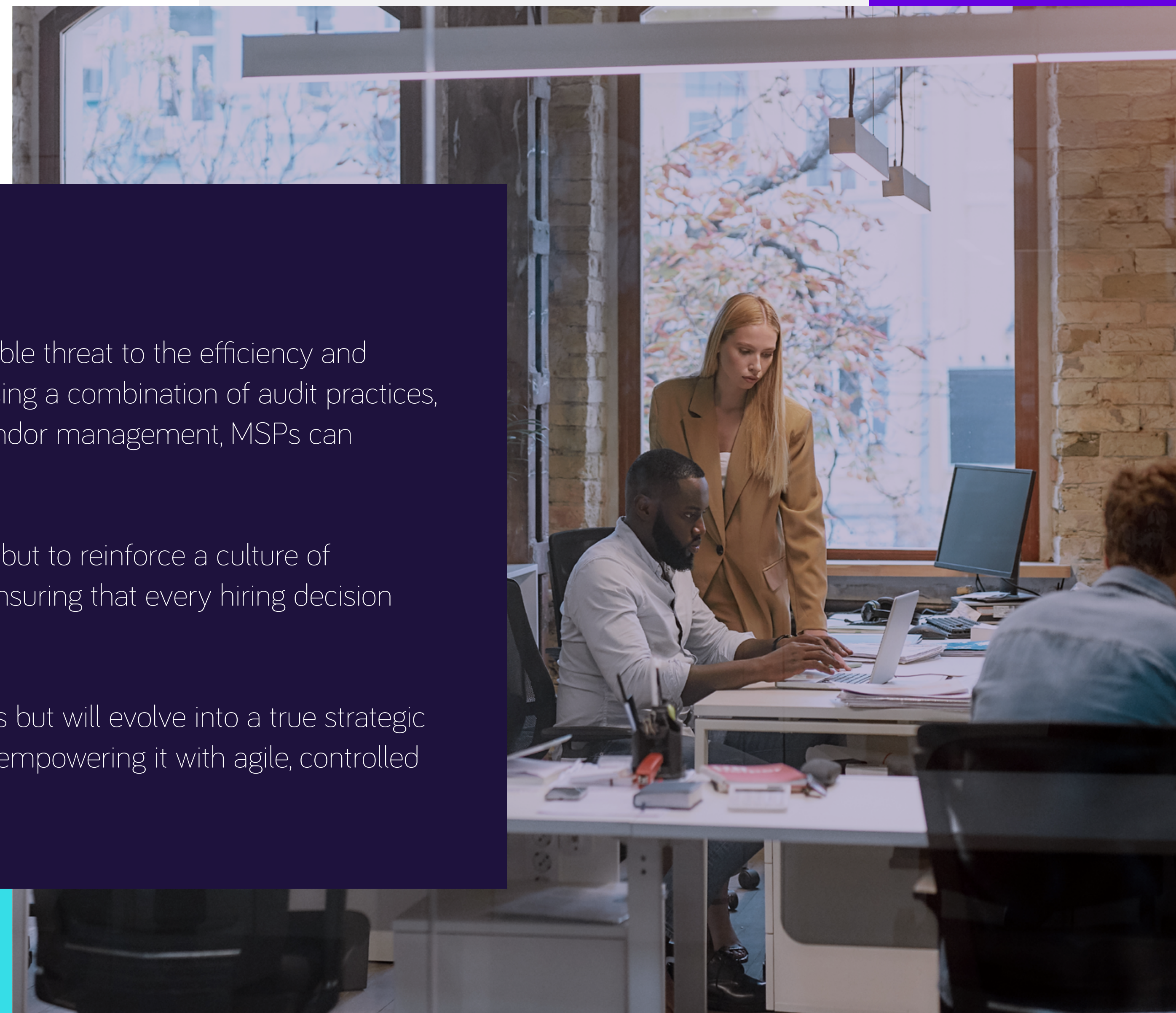


Conclusion

Rogue recruitment agencies are a persistent but solvable threat to the efficiency and credibility of contingent workforce programmes. By using a combination of audit practices, technology, stakeholder governance, and proactive vendor management, MSPs can uncover and eliminate unregulated spend.

The goal isn't just to clamp down on off-panel activity but to reinforce a culture of transparency, efficiency, and long-term partnership - ensuring that every hiring decision supports the business strategy, budget, and brand.

An MSP that takes these steps will not only save costs but will evolve into a true strategic advisor, safeguarding the organisation from risk while empowering it with agile, controlled access to talent.





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| Contingent Workforce Solutions

To find out more about our offering, or to discuss how we can support your business, **please get in touch.**

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