



Contingent Workforce: What are the Benefits of Vendor Consolidation?

We all know the [benefits that come with contingent workers](#) - from greater business flexibility, better access to hot skills, lower workforce costs and filling the skills gap - but when this workforce isn't managed properly, these benefits aren't optimized.

This biggest challenge is that [managing your staffing agencies](#) can be messy, especially when you use manual spreadsheets to store your data and keep track of your processes.

Managing your staffing agencies comes with hundreds of data points, and manually entering this data into spreadsheets is simply both ineffective and inefficient. [Using spreadsheets to manage your staffing vendors](#) leads to fragmented processes and divided data across your organization.

The result? Your business will have no real visibility into staffing agency performance and hiring managers will have no idea what rates to pay agencies for workers. This all leads to rogue spend across your contingent workforce and poor staffing agency relationship decisions.

To regain control, it's crucial that your organization consolidates all staffing agency information in one platform.

Before we get into the benefits of consolidating your vendors in one centralized location, let's first take a quick recap of [what vendor management is](#) and why it's such an important aspect of your contingent workforce ROI.

What is vendor management?

Vendor management is the process that organizations use to manage their suppliers, which in the case of a contingent workforce is their staffing agencies.

This process includes every step in the management of those agencies, from selecting which vendors to work with, negotiating contracts, onboarding, setting standardized rates for contingent workers, reducing vendor-related risks, monitoring staffing agency performance, offboarding and so much more.

Vendor management is crucial to the ROI of your contingent workforce, no matter how small or large you spend. Successful vendor management leads to soft and hard savings, improved vendor performance visibility, internal efficiency gains and more insightful workforce data.

Yet to see these benefits, it's crucial that your business moves away from the fragmented processes and data that comes from spreadsheets, and instead focuses on vendor consolidation.

How to consolidate your staffing agencies, and what are the benefits?

To truly consolidate your staffing agencies into one location, it's crucial your organization uses a [vendor management system \(VMS\)](#). A VMS will automate and centralize your entire vendor management process into one software platform.

By consolidating your staffing agencies in one centralized location, your business will be able to seamlessly monitor the performance of your vendors; gain clear visibility and control over vendor relationships and risks; standardized pay rates across all of your hiring managers; as well as automate each process in the vendor relationship lifecycle.

Here are just a few of the top benefits your company's contingent workforce will realize as a result of vendor consolidation through a VMS:

Internal efficiencies from the automation of processes

By consolidating your staffing agencies through the use of a VMS, your team will be able to save significant hours through the automation of processes.

A vendor management system will automate all of the processes associated with managing staffing agencies, from sourcing vendors, onboarding, time entry and approval, making payments, analyzing staffing agency performance and so much more. Use that time to refocus on the tasks that truly drive profitable growth for your business.

Complete visibility into your staffing agency data

Managing your staffing agencies is virtually impossible when done manually. Spreadsheets get lost and resaved, data gets sent through email and never saved in one location and hiring managers go awol and pay whatever rate they feel is appropriate. This means you have absolutely no idea how much your business is spending, and how your vendors are performing.

By using a VMS to consolidate your vendors and transactions in one location, you'll have complete transparency of your contingent workforce spend, as well as complete visibility and control over the performance of your staffing agencies.

Want to learn more about how a vendor management system can help consolidate your staffing agencies and optimize your contingent workforce ROI? [Contact Conexis VMS today](#). We're ready to help.