

# The Outsourcing Glossary of Terms

MODEL NAME	DEFINITION	FEATURES
Managed Service Programme (MSP) Managed Solutions Programme Contingent Workforce Outsourcing (CWO)	The outsourcing of most if not all contingent hiring and existing non-permanent workers.	Recruitment of all non-permanent workers including, PAYE temps, PSC's, Umbrella etc. Can exclude SOW contracts. Technology enabled.
Master Vendor	The main and/or only supplier of non-permanent workers to the MSP.	Normally within a particular discipline, i.e., IT can be multiple or all disciplines. The MSP provider is the only or main supplier of all non-permanent workers. Will also use 2nd tier to supplement hires. Technology enabled requisition, vendor management through to pay & bill.
Vendor Neutral or Neutral Vendor <b>non-staffing company affiliation</b>	The MSP does not recruit any of the non-permanent workers. If the MSP is part of a larger staffing organisation group, the group companies are not used to supply. This ensures total neutrality of supply.	The MSP works with third party suppliers typically across multiple disciplines to supply all non-permanent hiring to the customer. The MSP will often payroll workers as part of the service. Technology enabled requisition, vendor management through to pay & bill.
Vendor Neutral or Neutral Vendor <b>staffing company affiliation</b>	Whilst the MSP does not recruit any of the non-permanent workers the other organisations that the MSP are affiliated to as part of a group will recruit for the programme.	The MSP works with third party suppliers as well as affiliated companies within their group to supply all non-permanent workers. The MSP will often payroll workers as part of the service. Technology enabled requisition, vendor management through to pay & bill.
Hybrid	A blended programme of supply - normally called direct sourcing. Direct sourcing of candidates provided by the MSP. If the Managed Service Provider is part of a larger staffing organisation/group, the direct sourcing capability can also be extended to include all group companies.	The MSP will directly source workers often across certain disciplines supported by third party suppliers. The MSP will often create talent pools using the client's brand to source non-permanent workers. The MSP will often payroll workers as part of the service. Technology enabled requisition through to pay & bill. Typically, technology richer.
Recruitment Process Outsourcing (RPO)	The outsourcing of all or most of the permanent recruitment typically from entry level to the grade/band below Director. The programme is normally responsible for the entire recruitment process from advertising to onboarding.	The RPO provider supplies and manages all hiring across multiple disciplines and all or most levels of a business. The RPO will use the client brand to attract and recruit creating talent pools for the customer. The recruitment process is often fully automated using various technology platforms. The RPO will also use third party suppliers to fill vacancies they are unable to fill. Recruitment can be done onshore or offshore. The RPO team are typically based onsite with the customer and integrated within the customer.

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Project RPO or RPO on Demand	To support an organisations inhouse team or an organisation who needs to make multiple permanent hires normally within a tight timeline. The Project RPO provider can be responsible from advertising the roles through to onboarding.	Can be multi-disciplined or single discipline recruitment for a particular project – can vary considerably in the size of the project. The Project RPO team can be onsite or offsite.
1st Generation Programme 2nd Generation Programme.....	First generation refers to an end user customer who has not outsourced their recruitment before. Second generation etc refers to the number of times an end user customer has either changed provider or renegotiated a contract term with their existing provider.	First generation typically means that the outsource provider needs to contract with all known recruitment suppliers to the client in the first instance. It will be the first time a customer has used technology to raise requisitions, manage vacancies and pay an outsource provider. The MSP/RPO will be responsible to pay and manage the recruitment suppliers.
Staff Augmentation Outsource Recruiter	Providing a client with a talent acquisition expert or an entire team to either complement their inhouse team or to be the team for an agreed period.	The expertise of the individual/s is fully utilised by the customer for an agreed period. Targets and deliverables are agreed and the individual or team are under the direct supervision of the customer.
Statement of Work (SOW) Scope of Work	A Contractual document that outlines a description of products or services to be supplied/managed.	Contract management that helps guarantee that the work for a project will be completed according to certain guidelines and expectations. The creation of milestones, deliverables, dependencies, and outcomes that are required to be driven. Often procured through a fixed price, agreed price or effort-based payment profile.
Statement of Work Management	Placing all SOW spend under the management of a single supply. This can be delivered through either contingent worker management or a separate standalone service.	SOW management capability to provide a holistic view of spend, compliance, control, and governance to optimise the supply chain and drive value for investment through SOW. Typically, technology enabled as an extension to the VMS technology roadmap.
Total Talent Management or Total Workforce Management	The combination of outsourcing all permanent, non-permanent hiring, SOW management, using supply chains, a plethora of technology and fully integrated into the client's business.	The outsourcing provider is responsible for entry level through to Director level of the end-to-end process of talent hiring and candidate management for permanent, non-permanent workers and SOW management. Often all disciplines or a particular function of the business.  Typically, technology rich across all aspects of the hiring process.
Preferred Supplier List (PSL) Third Party Supplier	An agreed/verified supplier of recruitment services to the outsource provider	Suppliers who previously would have contracted directly with the end user customer will contractually be paid and managed by the outsource provider.
Direct Sourcing programme	Technology enabled platform providing the curation and engagement capability to proactively source and engage from the contractor and freelance market to enable your contingent workforce management strategy.	Ability to build robust talent pools blending the capability of AI and data aggregation platforms with the human element of candidate attraction and engagement.