

How can HR leaders leverage software to manage non-traditional workforces?

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The British labour market has faced constant and diverse challenges during the past year. Whether it's global financial markets in turmoil over rising interest rates, the energy crisis, global supply chain shortages, record inflationary pressure or the escalation of the war in Ukraine, businesses have been under pressure. Organisations are being forced to adapt their hiring practices as a result, with approaches including leveraging temporary labour, re-examining pay rates, and expanding benefits.

It is essential that businesses provide clarity and consistency to their employees during this period by ensuring that their workforce management strategy is fit for purpose. Many HR teams are turning to bespoke software to achieve cost savings, increase programme efficiencies, and attract top talent, especially with the growing uncertainty in the market.

Organisations are increasingly introducing non-traditional workforces to fill skills gaps

Filling vacant roles is not always an easy task. Although the TTF rate increase [slowed last year to 12%](#) from the previous year's 38%, it is clear that it is still difficult for recruiters to fill vacant roles. At the same time, businesses have undergone large-scale transformation projects in response to economic volatility and the digitisation of the workplace. The result is a landscape in which organisations are crying out for skilled personnel but struggling to fill vacant roles at a sufficient rate.

Given that businesses are experiencing skills gaps in their workforces, many are considering hiring approaches that go beyond the norm. For instance, some organisations are currently leveraging remote talent in other countries, allowing them to tap into foreign labour markets with ease. Often, these

employees are contingent workers: those who aren't on the organisation's permanent payroll but offer their services for a designated period. When combined with the home-grown contingent workforce that is currently already being leveraged by businesses, organisations can start to fill some of those hard-to-fill roles.

Implement industry-specific software-as-a-service (SaaS) to resolve industry-specific challenges

When bringing the non-traditional workforce into an organisation, workforce management can become a challenge. Inevitably, non-permanent employees have different experiences and needs to permanent employees, and as such must be managed accordingly.

When integrating non-traditional workers into a workforce, HR managers must consider the multitude of contracts, rates, hours, and payments which all need to be kept track of. It can be easy to lose sight of the variety of priorities all demanding attention at once. At this stage, many businesses introduce an industry-specific SaaS provider to alleviate some of the administrative pressures they are experiencing. The SaaS model allows businesses to access the workforce management software that they require on a subscription basis and through the cloud. This gives HR managers a single place to view everything that their teams need, regardless of their location, seamlessly speeding up the workforce management process.

The key benefits derived from a Vendor Management System (VMS)

Organisations can enjoy a range of benefits when introducing a VMS into their operation. Above all, a VMS will benefit businesses that currently do not have a defined extended workforce management strategy. They may be working with multiple talent providers, across markets, with little to no structure or accountability for managing the process. These types of businesses will benefit primarily in terms of the new visibility gained for managers, as they will gain the potential to track and manage their non-traditional labour, their rates, hours worked, contracts, and more, all in one platform. Equally, they will acquire reporting visibility as the software can regularly run the numbers on onboarding, status, worker locations, spend, utilisation, time to fill, and more.

It is also crucial to note that a VMS could benefit those who already have a non-traditional workforce management strategy, but who aren't yet automating much of their management process. Trying to manually keep track of every worker, the documents they have completed, and what stage they are at in their assignment is incredibly time consuming, not to mention a drain on resources. When using a VMS, businesses can easily introduce process efficiencies such as consolidated invoicing, system integrations, and automated processes. This will allow them to secure significant cost efficiencies – a crucial step in today's economic landscape.

Investing in an industry-specific SaaS workforce management application can be incredibly advantageous for businesses regularly relying upon non-traditional workers, or those looking to introduce such workers alongside their permanent workforce. The automation and reporting derived from SaaS is second to none and frees up HR managers' time to focus on other priorities. Integrating a VMS can even bring cost efficiencies, with [data](#) suggesting that a VMS can save organisations between 8% and 15% in the first year alone. In the current economic downturn, one initial investment in a VMS could save significant costs in the long run – what are you waiting for?