**Innovative MSP and Marketplace concept for hiring temporary IT-profiles for all entities of the Flemish Government**

**Contiuous improvement**

The innovative Managed Service Provider (MSP) model that uses a Vendor Management System (VMS) with an underlying large database of suppliers (Marketplace) is still a huge success after 4 years. The annual turnover through the framework agreement for ICT-profiles (the winning project) has increased by 40%. The number of contractors increased by 60%.

The benefits set in 2014 have been fully realized in the past 4 years.

* The chain of intermediate suppliers has become shorter due to direct access to the suppliers in the marketplace.
* One of the main goals of the solution -to reach a maximum of possible suppliers with a focus on freelancers - is realized. From 12% freelancers in 2014 to 39% in 2018.
* There is a short lead time for introducing new profiles in case of changing customer needs as a result of the evolution of the market (e.g. Security profiles in the context of GDPR or blockchain specialists).
* The selection of appropriate candidates is completed in less than 10 business days and there is a high fill rate (> 97 %) for the requested ICT-profiles.

In order to meet our customers' demand for continuity, a second generation framework contract was signed in May this year. The foundations of the original MSP/VMS model have remained unchanged and have been supplemented with a few minor optimizations.

* For example, a concept was introduced in which profiles are categorized on the basis of a set of generic predefined skills. For each individual request for a profile, additional specific skills can be added.
* Furthermore, a maximum price was linked to each profile category. This price was put in competition during the tendering procedure. The purpose of introducing this maximum price is to slow down somewhat the trend of rising profile prices in the IT market.

The new market survey at the beginning of this year also made it clear that the market has become more mature and that the innovative model proposed in 2014 was clearly picked up by other companies.

In addition, it can be stated that the maturity of the underlying VMS systems has also increased. Changes have been made to increase the user-friendliness. The market place has grown by 20% per year.

**Roll out to other divisions or extension of scope**

The MSP model was clearly appreciated by the various entities of the Flemish and local government. In 2014 we started with 14 customers. The customer base grew up to 70 customers ordering their needs for profiles using this model.

**Driver of further supply chain optimization**

In addition, we also note that the MSP model was taken over for the provision of other types of profiles. (For example: hiring architectural and constructing engineering profiles).

The MSP model for hiring IT profiles was copied not only in government context but also in other business sectors, competitors and countries. Examples of companies that have implemented a similar concept are:

* Example of Belgium companies (public and non public) that copied our way of working: Eandis, now Fluvius, BAC, FSMA, Belgoprocess-Niras.
* Example of new VMS software competitors entered the market with similar propositions: ProUnity, Nétive…
* Other instances (national and international) visited us to validate and copy the concept (example: The Netherlands (also Public-Sector), Brussels Airport Company (BAC), CIBG (ICT entity Brussels region), NMBS)

Summarised, the initiative was a success and is adapted and extended continuously and will become more and more actual due to the existing shortage on the market.