

## Harvard's Partners in Payrolling and Managing Contingent Workforce

**A Managed Service Program (MSP) is responsible for managing all aspects of an organization's contingent workforce program. Responsibilities include:**

- Program oversight and governance
- Supplier selection and management
- Management of requisition activity
- Consolidated billing across all suppliers utilizing SAP Fieldglass

Harvard has created a link on the Harvie portal with important information regarding the [Contingent Workforce](#) program.

### **What is a Payrolled Contingent Worker?**

- Payrolled contingent workers are workers who are already identified (by a manager) for a particular role and hired through the MSP Program through one of our three payroll providers: **AllSource PPS, Checks and Balances, and DZX Payroll.**

### **What are the Associated Costs?**

- The contractual markup for payrolled workers through this MSP Program depends on the worker's work location:
  - Payrolled MA: **20.25%** markup (AllSource); **20.5%** markup (Checks and Balances), **19.25%** markup (DZX)
  - Payrolled Out of State: **19.1%** markup (AllSource); **19.35%** markup (Checks and Balances), **19.1%** markup (DZX)

### **What is a Recruited Contingent Worker? Is this a temporary employee (defined period of time)**

- Recruited contingent workers are workers who are identified by a supplier organization for an open role that you have posted in Fieldglass. They are presented by one of our supplier partners, and are then reviewed, interviewed, and finally selected by the Harvard hiring manager to be hired on through the MSP Program.

### **What are the Associated Costs?**

- Because recruited roles require more time/resources from the supplier organizations to source for the candidates, the markup is higher than payrolled workers.
  - Recruited roles through this MSP Program are capped at a 40% markup (with one exception due to a trail run for a 50% markup with one supplier)

### **What is the Prompt Pay Discount?**

- Harvard receives a 1% prompt pay discount for invoicing through this MSP Program, so for budget planning purposes, please deduct 1% from the above markups.

### **Conversion Fees**

When Harvard hires an agency-recruited contingent worker to its “regular” payroll, the following conversion fees will apply:

Labor Category	Conversion Fees
Admin/Clerical/Industrial	0 to 210 hours -- 15% of annual starting salary 211 to 420 hours -- 10% of annual starting salary 421 or more hours -- 0% fee
IT/Professional (Accounting, Finance, Business Professional, Creative, Sciences and Technical)	0 to 280 hours -- 20% of annual starting salary 281 to 595 hours -- 10% of annual starting salary 596 or more hours -- 0% fee

There are no conversion fees for a payrolled worker hired by Harvard.

**Direct Hire Fees**—This is when a manager asks DZConnex asks them to source and place a regular role that is also posted on Careers.

- Number of suppliers supporting, fee structure, timeline
  - **20% of guaranteed first year salary for workers placed at \$50k or above**
  - **15% of guaranteed first year salary for workers placed below \$50k**