

How a Procurement team transformed contractor governance and **reduced costs by up to 15%**

The challenge | **Regaining control of contingent workforce spend across Australia**

As renewable energy projects accelerated across Australia, this global renewable energy company faced growing pressure to scale its contractor workforce quickly, without losing control of supplier costs, compliance, and operational governance.

For the Procurement team, the contingent workforce model had become increasingly fragmented.

More than 40 contractors were engaged across New South Wales, Queensland, Victoria and Western Australia, supported by a growing network of recruitment agencies and specialist suppliers.

What initially enabled rapid project delivery had quietly evolved into a procurement nightmare:

- Limited visibility into contractor spend and supplier margins
- Inconsistent commercial terms across recruitment suppliers
- Overtime and per diem costs increasing without central oversight
- High administrative burden managing contracts, invoices, and purchase orders
- Excessive reliance on consultancy providers driving up contingent labour costs
- Supplier duplication and inconsistent performance management
- Lack of standardisation across contractor pay rates and engagement models
- Difficulty scaling niche renewable energy talent acquisition efficiently

Procurement needed a way to centralise supplier governance, standardise commercial controls, and reduce workforce costs, without disrupting project delivery or damaging access to specialist renewable energy talent.

The Procurement-Led Solution | **Implementing a vendor-neutral MSP workforce model**

To bring greater governance and commercial control to contingent workforce operations, the Procurement team implemented a hybrid Managed Service Provider (MSP) model.

Rather than continuing to manage multiple recruitment suppliers individually, Procurement centralised contingent workforce management through a single vendor-neutral programme designed to improve visibility, reduce cost leakage, and simplify supplier oversight.



Working with CXC as its workforce infrastructure partner, the Procurement function established a programme designed to:

- centralise supplier governance
- improve visibility of contingent workforce spend
- standardise supplier margins and workforce costs
- reduce administrative complexity
- improve contractor workforce forecasting
- maintain access to specialist renewable energy talent

Key components of the programme included:

Vendor-neutral supplier governance

Maintaining access to existing specialist recruitment suppliers while introducing consistent commercial terms, supplier performance management, and standardised margin controls.

Direct sourcing capability

Talent pools built using LiveHire to reduce hiring timelines and lower dependency on agency sourcing fees for common renewable energy roles.

Workforce cost controls

Introduction of standardised supplier margins, pay rates, overtime reporting, per diem policies, and daily-rate engagement models to reduce cost blowouts.

Improved spend visibility and reporting

Centralised analytics and reporting providing Procurement with clearer oversight of contractor spend, supplier utilisation, overtime trends, and workforce forecasting.

Global mobility support

Access to international specialist talent where required, including sponsorship and visa support for overseas workers in Australia.

Process automation and operational efficiency

Integration of timesheet and workforce data into CXC systems to reduce manual administration across Procurement, Finance, and Talent Acquisition teams.

The results | **Greater supplier control, lower workforce costs and simplified governance**

With a centralised MSP programme in place, the Procurement team gained significantly greater control over contingent workforce operations and supplier management.

40+ contractors centrally managed

All contingent workers across four Australian states are now managed through a single workforce programme with centralised oversight.

Up to 15% annual cost savings

Savings achieved through supplier margin optimisation, direct sourcing, reduced consultancy reliance, and workforce cost standardisation.

Supplier management simplified

The organisation reduced supplier complexity by moving from managing 13 recruitment vendors individually to one centralised supplier management model.

Bulk purchase order system introduced

Replacing individual contractor purchase orders reduced finance administration and improved workforce forecasting and approvals management.

Reducing administrative burden across Procurement and Finance

Beyond direct cost savings, the programme significantly improved operational efficiency and supplier governance.

Key improvements included:

- Reduced time-to-hire through direct sourcing talent pools
- Reduced invoice processing workload for the shared services team
- A single source of truth for contractor time and labour reporting
- Centralised supplier contracts managed through CXC, reducing procurement and legal administration
- Standardised contractor pay rates, supplier margins, and expense policies
- Improved visibility into overtime and per diem spend
- Reduced administrative burden associated with managing multiple supplier systems
- Enhanced workforce forecasting and contractor redeployment planning
- Redistribution of supplier management tasks away from internal teams
- Faster onboarding and coordinated contractor start-date management

These improvements enabled Procurement to shift focus away from supplier administration and reactive workforce management toward strategic workforce governance and commercial optimisation.

The impact | **Enabling scalable workforce growth with stronger commercial control**

With stronger supplier governance, improved spend visibility, and tighter workforce cost controls, the Procurement team can now support rapid contractor workforce expansion across Australia without sacrificing financial oversight or operational consistency.

The programme ensures the organisation can quickly access specialist renewable energy talent while maintaining centralised commercial governance across projects, suppliers, and regions.

Ready to simplify contingent workforce procurement?

If your Procurement team is managing contractors across multiple suppliers, projects, and regions, workforce governance can quickly become fragmented, expensive, and operationally inefficient.

CXC helps Procurement leaders:

- centralise contingent workforce governance
- improve visibility of contractor and supplier spend
- reduce supplier margins and workforce costs
- standardise contractor engagement models
- simplify supplier management and compliance
- access specialist talent faster

Speak with our workforce specialists to explore how your Procurement team can build a more efficient, scalable, and commercially controlled contingent workforce programme.

Let's talk

Find out more