

CASE STUDY:

CONTINGENT WORKFORCE PROGRAM PROCESS ANALYSIS

SUMMARY:

This case study represents a detailed current state process assessment of a client's Staff Augmentation and Statement of Work (SOW) processes. The objective of the analysis was to support the client in preparing for an upcoming Vendor Management System (VMS) Request for Proposal (RFP). The key outcomes of the assessment included detailed current state and future process flows and the following recommendations:

- Supply Chain Analysis
- VMS Workflow and Configuration
- Program Team Model (in-sourced, out-sourced and hybrid models)

INTRODUCTION:

The client, a leading organization in the consumer goods industry, recognized the need to optimize its internally managed contingent workforce program to enhance efficiency, reduce costs and ensure compliance. To achieve these objectives, the client engaged 360 Talent Solutions evaluate their current Staff Augmentation and SOW processes.

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METHODOLOGY:

The process analysis was conducted through a collaborative approach involving interviews with key stakeholders, process documentation reviews and data analysis. The project team focused on understanding the existing processes, identifying pain point and bottlenecks, and capturing requirements for the future VMS implementation.

CURRENT STATE ASSESSMENT:

The assessment revealed that the client's self-managed processes lacked standardized workflows and clear guidelines for vendor selection and management. Manual processes and fragmented communication channels resulted in delayed onboarding, inconsistent quality of talent, and difficulty in tracking performance and compliance. The assessment additionally identified the following opportunities for improvement:

SUPPLY CHAIN ANALYSIS

- The client had an extensive list of approved suppliers minimizing the client's buying power with their supplier partners. Performance management was decentralized and varied in maturity by the various departments

VMS WORKFLOW AND CONFIGURATION

- Contingent workers were managed by a complex infrastructure of multiple technologies that require a high degree of manual processes and fixes.
- Limited investment in a VMS they deployed a few years ago was a missed opportunity that the client recognized and intended to address through an RFP initiative to source and ultimately implement a tool that is fit to purpose.
- Four different systems were being used to capture worker timesheets for invoicing

PROGRAM TEAM MODEL

- Lack of centralized ownership for managing contingent workforce program led to inconsistent policies & procedures, management, oversight and compromised visibility.
- Policies and processes are not designed to sufficiently monitor contingent worker classification and encourages misuse of SOW engagement to avoid tenure limits imposed by the client's HR department, ultimately driving up cost without mitigating perceived co-employment risk.

FUTURE STATE RECOMMENDATIONS AND CONCLUSION

The current state assessment revealed the need for a full deployment of Staff Augment and SOW modules of a VMS that aligns with the client's specific business requirements. Build a comprehensive, best-in-class globally scalable, contingent workforce program that enables a centralized technology, processes & governance to gain full visibility, drive cost savings, mitigate risk, deliver value, while enabling better access to talent.

- Establish centralized PMO responsible for engagement of client's complete contingent workforce program.
- Drive a governance framework that provides direction and ownership from key businesses with program and policy oversight from Procurement and Human Resources.
- Deploy a best-in-class solution design that includes a comprehensive roadmap for execution and a change management approach to ensure full visibility and adoption with minimal disruption to the business.
- Select a VMS and configure all data connectors and integrations to institute the optimal use of the VMS technology.
- Leverage a decision management infrastructure that will provide a centralized process to promote compliance and ensure talent sourcing objectives are met.
- Establish a universal supplier agreement complete with SLAs and KPIs. Optimize the supplier community and scorecard on a biannual schedule.
- Transition (where appropriate) SOW talent performing like staff augmentation workers to standardized rate cards. For suppliers unwilling to transition, convert their headcount to payroll provider or consider ending the assignment and filling any vacancies with contingent talent.