

ILLINOIS MEDICAL DEVICE MANUFACTURING COMPANY

RESULTS

- Workspend identified current spend at \$6M for temp labor based on reporting provided by client.
- After conducting the assessment, Workspend uncovered an additional \$15M+ in rogue contingent spend throughout all operating companies.
- Found rouge headcount that operating companies weren't reporting on and was unknown to key stakeholders.
- Discovered inconsistent onboarding practices across operating companies, including disparate background/drug tests and onboarding paperwork, resulting in unnecessary costs.
- Found supplier mark-ups not to be uniform across all companies and were on the higher end for pricing. Suppliers dictating the bill rates which were above the market rate.
- Staffing suppliers had multiple agreements with operating companies at different pricing levels, scattered across various locations such as hiring managers' computers, emails, and exclusive supplier records.
- The findings showcased misclassification risks and brought awareness to the client.
- Based on the findings above Workspend recommended an MSP solution to streamline current processes, reduce costs, mitigate risk, and optimize efficiency.
- Workspend is implementing an MSP in all operating companies with a go-live date of March 1st, 2024.
- Workspend is now doing an assessment for the clients direct hire program.

BEGINNING STATE

- 2 failed attempts to go-live with two separate MSPs.
 - 1st provider: Lack of visibility into the client's true temp labor spend and declined to implement after awarded contract due to spend levels.
 - 2nd provider: Large gap in understanding of client's business process which resulted in the client pulling out.
- Client originally quoted \$40M in spend across all Operating Companies but didn't have accurate reporting in place to confirm.
- No formal process or policies in place with suppliers, i.e. contracts held in various departments, main stakeholders had no visibility into fees, all operating companies had different agreements, different onboarding practices per supplier.
- No standard mark-ups and rate card available for positions across US, Canada, and the UK.
- Lack of reporting and analytics including well-defined SLAs for the suppliers to measure performance and compliance with program guidelines.
- Lack of operating companies not buying into the MSP process.

THE SOLUTION

- Workspend Implemented full Contingent Workforce Assessment
- Launched RFI with all current suppliers to uncover:
 - Pricing models, onboarding practices, supplier reported contingent spend, compliance/risk exposures.
 - Conducted interviews with all suppliers to assess the dynamics of the relationship, identifying both successful aspects and areas for improvement.
 - Established connections with hiring managers across client operating companies to gain insights into staffing needs.
- Implemented program analytics and reporting through our proprietary WRAP tool and the VMS.
- Transitioned all supplier contracts to reside under and be managed by the Workspend MSP.
- Established supplier scorecards.