

SUCCESS STORY



VENDOR MANAGEMENT SERVICES (VMS): LARGE U.S. HEALTH INSURANCE COMPANY

CLIENT SITUATION

A large national health insurance company was experiencing brisk growth, particularly in the IT division. To allow IT managers to focus on core responsibilities, the company sought an industry expert in the field of vendor management to establish consistent and uniform hiring practices and keep pace with rapidly shifting manpower needs. Of specific concern was the desire to level the playing field between large and small vendors, create competitive market rates and ensure uniform contract compliance with vendors. In addition, the company was looking for a solution that would shorten the fulfillment cycle for contingent workers, reduce cost for services and identify and report on small, minority and disadvantaged businesses.

TAPFIN SOLUTION

After an extensive national search, the company selected TAPFIN to implement its Vendor Management Services (VMS) solution — the ideal answer to the company's situation — for its combination of people, processes and technology. TAPFIN's VMS program coordinated and standardized all activities surrounding contingent staff resources.

TAPFIN's wisdom and experience in managing staffing solutions for major Fortune 500 companies assisted the company in achieving consistency in key processes, savings on spend, improvements in the quality of their vendor contract services and, where appropriate, reductions in vendor community complexity, narrowing the field to a defined list of preferred vendors.

BENEFITS

With the TAPFIN VMS program, the client achieved significant overall cost savings for the organization. In the first year of the program, TAPFIN was able to save the client approximately 10% from the previous year. In addition, TAPFIN worked with the client to review and revise their vendor list, to ensure compliance and more effectively provide coverage nationwide. TAPFIN also worked with the client to standardize and implement detailed on- and off-boarding procedures for all new consultants.

FAST FACTS

CLIENT BENEFITS

- > 10% savings in first year resulting from consistent processes and hiring efficiencies, including lower vendor rates
- > Improved participation of small, minority and disadvantaged businesses with increased reporting capabilities
- > Better quality vendors thanks to increased vendor competition

PROGRAM SCOPE

- > Annualized Managed Spend: \$39,543,000
- > Contractor Count: 417
- > Vendor Count: 35
- > Job Classifications: IT, Admin/ Clerical
- > Contractor Count: 417
- > Vendor Count: 35



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Process defined. Resources delivered.

www.tapfin.com 877-626-6797

CLIENT BENEFITS

- Establishment of more workable vendor selection criteria, allowing greater equity between small and large firms
- Re-rationalization of the relationship between pay and like positions, for a more competitive rate environment
- Audit and correction of vendor contracts, resulting in uniform compliance
- Soft-dollar savings from Process Efficiencies, equaling approximately 5% of spend
- Re-allocation of client resources to focus on mission-critical tasks
- Improved participation of small, minority and disadvantaged businesses
- Improved budget monitoring and control
- Improved quality of resources
- Single point of contact and accountability for the client and vendors
- Time-saving, automated process from initial input of a requisition to final approval
- Simplified invoicing and payment to suppliers
- Quick and easy access to vast amount of information
- Man-hour savings resulting from resume screening by TAPFIN
- Improved contract compliance
- Shortened procurement and fulfillment cycles
- Reduced administrative costs
- Enhanced responsiveness to agencies and suppliers
- Improved spend visibility
- Better supplier intelligence
- Enhanced decision-making capabilities

VENDOR BENEFITS

- Web-based access to all IT requisitions for all client departments
- Clearly defined job and skill requirements, facilitating a more efficient recruiting and placement process
- Online timekeeping and approval process, with consultant time reporting capability
- Streamlined invoicing and collection process
- Opportunity to capture additional business based on performance and rate structure
- Ability to support other TAPFIN accounts in a similar capacity (TAPFIN Supplier Network)

ABOUT TAPFIN

- > First to offer an integrated solution for acquisition, management and optimization of human capital and contracted services
- > Customized services to meet the unique needs of clients in industries ranging from technology and financial services, to life sciences and telecommunications
- > One of the largest, most financially stable providers of resource management services in the industry
- > A history of process and technology innovation since the inception of resource management process outsourcing
- > The only provider to have achieved ISO 9001:2008 quality management system certification
- > Publicly-traded parent company (NASDAQ: CITP)
- > Billions in managed spend under contract
- > Over 65 programs active today
- > 16 Fortune 500 programs
- > Over 4,100 supplier contracts negotiated

