

SUCCESS STORY



VENDOR MANAGEMENT SERVICES (VMS) & SERVICES PROCUREMENT MANAGEMENT (SPM): LARGE FINANCIAL SERVICES FIRM

A large financial services firm relied heavily on project support from contingent labor, including information technology, administrative/clerical, business, finance, marketing, human resources and legal resources. An extensive internal assessment revealed that more stringent controls for contingent labor expenditures were required, focusing on both structured guidelines and process improvements surrounding contingent labor management.

In response to an inconsistent and decentralized process supporting contingent labor, the client wanted to implement auditable controls and process improvements related to contract resources and project services. The client identified pre-employment process structure, on-boarding and off-boarding standardized processes, vendor performance evaluation, cost savings and reporting capabilities as specific areas requiring improvement.

The client's complex pre-employment screening involved coordinating a number of related internal organizations and disparate systems which did not hold vendors accountable for meeting on-boarding compliance benchmarks. This manual, non-standard approach coupled with the sheer volume of transactions represented a substantial liability.

The absence of a single system for contingent labor made management, reporting, and analysis challenging. It was virtually impossible for the client to make strategically sound decisions related to contract labor and services without visibility into performance and spend.

TAPFIN SOLUTION

TAPFIN was selected to implement its Vendor Management Services (VMS) program as a pilot, remaining a neutral participant, within a select business group. Employing an ISO 9001:2000 certified quality management system, TAPFIN successfully performed the initial limited deployment. As a result of the pilot, the client awarded the full deployment to TAPFIN within one fiscal quarter. The client's degree of confidence in the TAPFIN team and solution was further evidenced by their expansion of the program to include the procurement and management of services.

The solution included a user-friendly, web-based tool with extensive client-driven enhancements and customization reflecting the client's optimized processes and workflows. The proven operational processes and skills of the TAPFIN team coupled with this tool deliver the control and visibility which the client requires to effectively manage key variable costs.

The TAPFIN team was set up to support the major locations of the client. With team members on site in New York City, Charlotte and Denver, TAPFIN could provide proactive and ad-hoc support for all employees. The focus of the vendor management team was coordination, vendor relations management, client process management and program administration. The team concentrated on implementing process consistencies, along with creating and deploying standard new processes across all business lines to help the client achieve their key objectives.

FAST FACTS

CLIENT BENEFITS

- > \$3.1M savings and avoidance in the first six months of program, thanks to auditable controls and process improvement of contingent workforce management
- > Better-informed decisions regarding the use of contingent labor and services through single management system
- > Control and visibility through use of customized, web-based system enabling performance evaluation and reporting functions
- > Usable data for accurate monitoring and measuring and spend control
- > 100% contractual compliance and 100% pre-employment compliance resulting from full visibility into supplier performance and pre-employment structuring

PROGRAM SCOPE

- > Annualized Managed Spend: \$325M
- > Contractor Count: 3,000
- > Vendor Count: 260
- > Skill Sets: IT, Admin/ Clerical, Business, Finance, Marketing, HR, Legal



Within the first year of program activity, the following were achieved:

- > Process mapping and optimization
- > Management of the client's Non-Preferred Vendor Community by enrolling them into the VMS program
- > 95% supplier transition rate
- > Invoice consolidation
- > Integrations with multiple client systems
- > Pilot program and software deployment in 37 days
- > Informational program websites developed for managers and suppliers
- > Developed and implemented vendor rules of engagement
- > Developed standardized reporting
- > Developed vendor performance reviews
- > Creation of Time and Material (T&M) rate card

CLIENT BENEFITS

- Enterprise-wide system to track and manage all contingent labor
- Fully integrated solution for the procurement and management of professional services and staff augmentation resources
- Formal staff augmentation rate card based on current market conditions, offering more consistency and increased savings opportunities
- Standardized agreements with vendors, increasing enterprise contract compliance from below 20% to 100%
- Automation of creation and approval of business cases for strategic projects and other outsourced services
- Consolidated invoicing services, reducing administrative costs
- Deployment of a custom solution which focused on process optimization and automation and improved the user experience
- Establishment of an auditable "System of Record" for Sarbanes-Oxley and a range of additional compliance management efforts
- Reduced co-employment risks, satisfying internal risk management needs
- Ability to track vendor performance against agreed-upon Service Level Agreements
- Greater visibility into vendor process and spend, resulting in more informed business decisions
- Established business process for outsourcing contract labor management
- Shortened procurement and fulfillment cycles, immediately increasing productivity
- Access to usable, real-time data for monitoring and measuring key metrics

VENDOR BENEFITS

- Use of an automated system to conduct business
- Opportunity to capture additional business with the client, based on their performance
- Online electronic timekeeping and approval process
- Streamlined administrative process (reducing account support costs)
- Online tracking of project milestones and deliverables
- Real-time visibility of vendor's performance against Key Performance Indicators
- Automated billing and payment process
- Easy access to real-time data regarding their contingent labor roster

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

