

Case Study:

Workforce Management



CDI implements LiquidMedium® solution to streamline and automate processes and manage contingent workforce tenure.

Client Description:

A leading global technology, software and consulting business employing over 20,000 employees worldwide, creates and applies advanced technologies to enable the safe and efficient operation of industrial and commercial operations.

Background:

With more than 200 contingent workers in place, our client needed to unify their requisition and fulfillment process across their geographically dispersed company, including divisions operating under disparate business rules. At the same time, they had primary goals of controlling cost and reducing the administrative time required by the requisition process and daily management of contract laborers. Additionally, they needed to improve the real time manageability of assignment spend and the employment tenure of their contingent workforce.

Business Issue:

Our client partnered with CDI in June 2006 to address the challenges of procuring and managing a large and diverse contingent workforce.

CDI Solution:

Our client chose to engage CDI as a Managed Service Provider and built a program based around CDI's LiquidMedium web-based technology to formalize and improve processes while implementing industry best practices.

Specifically, the program implemented:

- **Electronic Services Procurement:** Including electronic requisition capture, approval, and pre-auditing for quality review as well as supplier management and collaborative fulfillment including online resume submission and offer extension. Since our client has a broad presence across

the USA and Canada, they chose to develop a region-specific rate card for each job title and use LiquidMedium to present those rates to hiring managers and suppliers based on the job location on the requisition. Requisition approval takes place through an automatically generated, customized workflow based on client-defined relationships between managers. For low-level positions, our client also chose to bypass the normal manager candidate review mechanism and have candidate submissions automatically enter the onboarding process.

- **Workforce Management:** Our client chose to use LiquidMedium's web-based time and expense capture modules, including electronic routing of transactions to managers for approval. The expense module includes electronic receipt attachment, allowing managers to review supporting documents at the time of approval. Since our client's program supports both white- and blue-collar workers, the LiquidMedium time module was configured to present a time card specific to each job type, with time tracking down to the 1/100th hour increments against multiple project codes per day. All online forms were customized to present users with only those data elements (project codes, etc.) that were relevant to their business unit.

Contingent worker tenure is an area of particular concern for our client. In keeping with that client focus, LiquidMedium was configured to automatically enforce tenure rules, including both maximum assignment duration and employment gaps. The system also offers an assignment extension module that routes extension requests through various levels of approval as assignment duration changes. As an extension to the system's built-in, on-demand reporting, the client implementation automatically distributes assignment completion and

budget exhaustion reports to each manager on a weekly basis. This eliminates the need for managers to spend time searching and retrieving data and instead proactively delivers an accurate snapshot of their current workforce performance and expense levels.

- **Systems Integration:** CDI's LiquidMedium solution was architected to integrate to industry standard financial, HR and e-procurement systems. In this case, LiquidMedium delivers electronic invoice files in a custom, client-specified format directly to our client's SAP installation via secure file transfer, eliminating the need for paper invoices and streamlining the overall invoice/payment process. Invoices are automatically consolidated based on payment terms, reducing what would normally be two hundred individual invoices into three for ease of tracking and payment as well as reducing the processing burden for our client's internal departments.

Results:

Over 650 client executives, managers, employees and contingent workforce members utilize CDI's LiquidMedium solution across North America. Our client has seen benefits in the Finance, HR, Procurement and Information Technology departments. As part of the ongoing relationship, CDI provides quarterly business review support and the primary source of data for that activity is the metrics collection from processing requisitions, timesheets and various other elements within LiquidMedium.

- **Cost Savings:** Our client has saved millions of dollars in the area of contract labor spend due to streamlining and automating processes within LiquidMedium. Soft-cost savings in manager productivity are a result of process improvements in the requisition management and time entry approval cycle. Billing accuracy improvements and our consolidated invoicing function (where CDI presents one invoice for all of the suppliers' contract labor charges and allows managers to approve invoices before formal delivery) have streamlined our client's Account Payable department's functions.
- **Financial Management:** Our client's financial management and hiring managers can instantly report on and analyze all costs tracked to the appropriate cost centers which has supported a variety of decision-making improvements. Managers conveniently receive a weekly spend report via email for their individual contingent employees automatically generated by CDI's LiquidMedium application. As workers submit

timesheets, the system also sorts them into tenure buckets to enable calculation of contractually-based tenure discounts.

- **Human Resources:** Risk has been mitigated regarding HR co-employment issues due to increased visibility of all contingent worker starts and scheduled completion dates. Managers receive an escalating series of email notifications as a worker approaches the end of a contract, giving them the ability to pro-actively extend assignments as required and keep projects underway, all subject to electronic enforcement of our client's tenure rules.
- **Procurement:** Through electronic procurement process improvements, we have been able to assist our client in rate compliance, cost management and interview management. The requisition pre-audit process CDI designed with our client ensures target bill rates are reasonable for the job title and market and reduces the number of exceptions that must be dealt with after the fact.
- **Information Technology:** The LiquidMedium solution is hosted and managed by CDI, requiring only a web browser and Internet connection to securely utilize its benefits. The ease of deployment, flexibility of scale and ease of use frees up our client's IT department to concentrate on other key initiatives, while CDI supports the technology and end user community.

Technologies Used:

CDI's contingency workforce solution has at its core the LiquidMedium web-based platform, which is an end-to-end tool designed to manage all facets of the contingent labor life cycle. LiquidMedium is securely hosted, managed and supported by CDI, freeing the client from the burden of installing new hardware or software. Additionally, since 24/7 support is included with a LiquidMedium engagement, the application requires no additional resources from the client's internal user support structure. Built on proven, widely-deployed open source technologies, the LiquidMedium platform is delivered as a series of stand-alone yet integrated modules that can be rolled out incrementally allowing our customers to engage only those processes that provide the highest ROI and the lowest risk.

Our client operates as a number of separate business units which have varying levels of technological sophistication. As such, LiquidMedium was called on to support both



fully-integrated SAP-based processes as well as manual paper-based processes, each of which was achieved successfully. The SAP-enabled portion of the business automatically receives electronic invoices on a weekly basis, increasing efficiency and reducing fallouts and re-processing. The success of that portion of the program has led our client to ask CDI to investigate increasing the level of integration between LiquidMedium and client systems to allow orders and approvals to flow directly from their SAP buying platform into CDI. This will allow users to have one unified application from which to manage the purchases of all their goods and services, including contingent labor. For the manual portion of our client's processes, CDI's solution provides the ability to batch enter timesheets for users without regular access to computers and also generates paper invoices.