

Case Study:

Contingent Workforce Solution



CDI's LiquidMedium® solution allows client to redeploy IT staff on strategic initiatives while driving process improvement and substantial cost savings.

Client Description:

A global leader in the power industry, employing over 26,000 employees worldwide and providing enterprise customers with solutions to improve operating plant competitiveness and profitability.

Background:

With more than a thousand contingent workforce contractors engaged, our client needed to reduce costs, improve processes and eliminate administrative time related to the procurement and management of contract laborers. They also needed detailed visibility into corporate spend on contingent labor to guide initiatives focused on cost reduction while maintaining or increasing the value that the workers provided.

Business Issue:

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

CDI Solution:

Our client leveraged CDI's LiquidMedium® solution to formalize, improve and manage processes based on the most recent industry best practices.

CDI's LiquidMedium solution provides the following services:

- **Electronic Services Procurement:** End-to-end electronic requisition capture and approval management, interview coordination, order fulfillment, supplier coordination and duration management. CDI supports multiple requisition forms and several different tenure rules as well as customized job descriptions and rate structures segmented by client site or division.
- **Workforce Management:** CDI's web-based software platform provides time and expense capture with electronic workflow approval processes, compliance

controls, time-clock integration and electronic receipt attachment. CDI's solution provides on-demand reporting and analytics as well as automatic notification to managers about weekly hours worked and total spend.

- **Systems Integration:** To simplify administration and reporting, CDI's LiquidMedium services integrate with our client's SAP-based financial, HR and e-procurement systems. The systems work together to validate, track and report on all procurement and workforce management transactions which are electronically verified against an automatically updated list of our client's over one million cost centers. Furthermore, LiquidMedium also delivers electronic invoice files directly to our client's SAP installation, eliminating the need for paper invoices and streamlining the overall invoice/payment process. CDI supports multiple invoicing policies which are unique to each division.

Results:

Over 1,500 client executives, managers, employees and contingent workforce members utilize CDI's LiquidMedium solution across North America. The company has seen benefits in the Finance, HR, Procurement and Information Technology departments.

- **Cost Savings:** Since the solutions inception in 2000, our client has realized multi-million dollar hard-cost savings in the area of contract labor spend due to increased efficiencies in areas like time-to-fill, LOA control, rate management, expense policy control and supplier management. Soft-cost savings were also realized by increased manager productivity as a result of reduced cycle times and process improvements in the requisition management and time entry approval workflows. Billing accuracy improvements and our consolidated invoicing

function (where CDI presents one invoice for all of the suppliers' contract labor charges) have streamlined the Accounts Payable department functions, reducing the costs of processing personnel and invoicing.

- **Financial Management:** The ability for client financial management and hiring managers to instantly report and analyze all costs tracked to the appropriate cost centers has supported a variety of decision-making improvements. LiquidMedium was also utilized to handle "project-level" billing, further reducing the burden on financial and accounting teams by managing the contingent labor portion of our client's customer billing.
- **Human Resources:** Through process and compliance controls, CDI's LiquidMedium mitigates risk associated with co-employment through effective duration management. The automation of tasks related to on-boarding, payroll management, FLSA management and contractor off-boarding provide our client's HR executives with confidence that contract workers are managed in keeping with all applicable laws and client policy.
- **Procurement:** Through effective management of the requisitioning process, our client has confidence that all purchase of contract labor complies with their own internal cost controls and limits of authority. These benefits are further realized in the accurate reporting of spend by job category, location, department, manager, business unit or other custom criteria.
- **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 LiquidMedium contingency workforce solution is built upon an underlying software platform that is web-based, securely hosted and managed entirely by CDI, freeing our 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's internal IT infrastructure is large and complex and a number of distinct SAP instances are used across various business units, performing functions such as cost center validation, time collection, project tracking, etc. Since our client chose to use LiquidMedium's full suite of modules, each of those internal processes/systems had to be integrated in some manner. Using secure transfer protocols, CDI created a high-performance interaction between its software and the independent SAP systems to exchange control data, electronic invoices, timesheet feeds and notifications. This linkage between CDI and our client's technologies streamlines the overall staffing process while at the same time increasing overall accuracy by eliminating the need for manual entry.