

**Case Study:**

# Large Program Contract Staffing



CDI reduces client's contingent labor cost by **15% - 20%** utilizing a predominant supplier approach.

**Client Description:**

A multinational computer technology and consulting corporation which manufactures and sells computer hardware and software and offers infrastructure services, hosting services and consulting services.

**Background:**

To meet the needs of both the internal and external customer, our client had built a network of vendor companies to support their technical resource needs. Over time, this network had grown to over 50 preferred and niche direct suppliers with over 150 sub-tier arrangements across more than 100 work locations throughout the United States and Canada. The administration, management and cost of this large and growing vendor network became a burden to our client.

Our client determined that a predominant supplier concept with vendor consolidation must be implemented. The new model would affect all suppliers, creating a challenge for the client and the new predominant suppliers. The transition to this new model had to be seamless resulting in no service disruption to the organization. Key advantages of this model included:

- Governance and Compliance – directly manage only 2 suppliers, not 50+
- Cost Control and Reductions – standardized pricing structure leveraging volume
- Process Improvement – common procurement process and integrated administrative processes
- Ability to drive longer term assignment
- Gain Sharing Concept – component of Service Level Agreement (SLA)

**Business Issue:**

The weight of the administration and management costs of the existing supplier network resulted in our client's need

for change. For a significant portion of its US-based services business, our client sought to maintain and grow its existing IT talent pool, while controlling and ultimately significantly reducing its ongoing costs. Our client sought a partner who would share in the vision and strategy, as well as the commitment and risk to shared success.

**CDI Solution:**

CDI implemented a three-phase customized staffing solution, based upon a dedicated national fulfillment and service delivery team:

- Phase I – Planning/Governance
- Phase II – Transition
- Phase III – Steady State

In Planning/Governance, CDI established the project team, collected and analyzed vendor data, established project schedule and controls, identified risks and defined mitigation plans, customized fulfillment strategy for vendor transition as well as new and backfill positions, created a detailed execution plan and established a governance model with roles and responsibilities for customer satisfaction, project oversight, change management, escalation resolution, performance monitoring, SLA achievement and day-to-day management.

In Transition, CDI dedicated a seasoned project manager utilizing proven methodologies to implement a high-touch, local model approach with SWOT teams of client executives, contract specialists and recruiters. Teams were responsible for supporting the coordinated, multi-location program introduction and orientation, data gathering and analysis, risk mitigation and program communication. SLAs were implemented to manage the retention of not only critical but all incumbent resources through the transition process.

Following a few weeks of information gathering and

project planning, CDI kicked off Steady State operations to handle pent up demand and organic growth for the client. Steady State operations included ongoing project planning, forecasting, change management, business needs assessments, fulfillment, issue resolution and escalation resolution, as well as customer and employee support. CDI addressed the need for responsive fulfillment across a broad spectrum of IT based skills and technologies through our project-based management approach and targeted fulfillment strategy.

**Results:**

CDI successfully transitioned 700 resources, which included 100% of incumbent critical resources as well as over 98% of non-critical resources. CDI completed Transition without any service interruption to the client and met or exceeded all performance SLAs, incurring no SLA-related financial penalties. CDI hired an additional 265 IT resources for new assignments during Transition; then in the following 30 months an additional 1,500 resources bringing the total new hire number to 1,765 under the life of the original three year agreement.

CDI's application of a proven transition methodology, a focused fulfillment model, committed delivery and service contacts, a dedicated transition team and integrated improved processes, enabled CDI to significantly reduce client's costs by 15% - 20% in year one alone, while maintaining the talent and high quality of its resources. CDI supported our client's national technical staffing needs by supplying qualified resources in 42 states.