CONTINGENT WORKFORCE MANAGEMENT:
Service Delivery Models

A White Paper by Taleo Research

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Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>CWM Service Delivery Models</td>
<td>2</td>
</tr>
<tr>
<td>Company-managed Preferred Vendor Program (PVP)</td>
<td>2</td>
</tr>
<tr>
<td>VOP/MSP Models</td>
<td>3</td>
</tr>
<tr>
<td>MSP – Managed Service Provider: Version 2.0 of the VOP Model</td>
<td>4</td>
</tr>
<tr>
<td>Gatekeeper &amp; Non-Gatekeeper Models</td>
<td>5</td>
</tr>
<tr>
<td>BPO – Business Process Outsourcer</td>
<td>7</td>
</tr>
<tr>
<td>VMS Systems</td>
<td>8</td>
</tr>
<tr>
<td>Summary</td>
<td>11</td>
</tr>
<tr>
<td>About the Authors</td>
<td>14</td>
</tr>
<tr>
<td>About Taleo Research</td>
<td>15</td>
</tr>
<tr>
<td>About Taleo</td>
<td>15</td>
</tr>
<tr>
<td>Taleo Research Staffing Management Resources Library</td>
<td>16</td>
</tr>
</tbody>
</table>

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Introduction

Contingent workers – whether they are admin/clerical/light industrial temps, non-FTE professional workers and/or independent contractors – are a component of virtually every company’s workforce. Companies spend hundreds of millions of dollars annually for these temp/contract workers. Worldwide spending is estimated as high as $300 billion dollars for these temporary workers. In many companies, though, there is little or no control on both the hard costs (direct, negotiated fees and rates) and soft costs (hidden, unanticipated expenses) associated with contingent workers. Additionally, companies with a contingent workforce may incur significant liabilities (settlements, fines, penalties, etc.) as they find themselves being audited by IRS/DOL, being sued for “employee misclassification” by the current/former workers, or out of compliance with Sarbanes-Oxley requirements.

Yet few Global 2000 companies have implemented comprehensive programs that reduce costs, introduce the “process controls” required by Sarbanes-Oxley, or address the challenges and risks associated with the acquisition and management of a quality contingent workforce.

Several recent developments have created a new sense of urgency for companies that have not yet designed and implemented appropriate controls:

- Economic pressures are forcing companies to focus on cost reduction;
- Sarbanes-Oxley compliance requires demonstrable accountability;
- Many HR class action attorneys anticipate that “employee misclassification” is the next big area for HR class actions, as significant as discrimination and sexual harassment have been in recent years, as demonstrated by the rise in lawsuits.

In many corporations, developing an effective Contingent Workforce Management (CWM) strategy is becoming a top priority. Effective management of a contingent workforce allows companies to lower operational costs, limit liability, and improve performance. However, HR and Procurement departments, and hiring managers themselves are confronted with a confusing array of services and systems from which to choose for an effective CWM strategy.

Taleo consults with corporations on contingent workforce management, especially risk mitigation, value opportunity assessments, and business process design. The focus of this paper is to define and review the types of delivery models and systems available for CWM for your company today.
CWM Service Delivery Models

To better understand the service delivery models, first start with a definition of CWM. CWM: a program that strategically address all facets associated with contingent workers – the non-FTEs – who perform services for your company. The goals of a comprehensive CWM strategy are to:

1. Reduce cost and leverage spend
2. Mitigate and transfer risk (“employee misclassification”/co-employment, regulatory requirements, Intellectual Properties, security, etc.)
3. Introduce business process best practices
4. Achieve 100% user adoption by delivering outstanding customer service

A clear understanding of these goals will help drive the evaluation process and the ultimate selection of the “service delivery model”, a critical decision in the development of the CWM strategy. There are three basic CWM models (with numerous customized variations of each):

1. Company-managed Preferred Vendor Program (PVP)
2. Vendor on Premise (VOP) and/or Managed Service Provider (MSP)
3. Business Process Outsourcer (BPO)

Company-managed Preferred Vendor Program (PVP)

As the cost implications and potential liabilities of mismanaging the contingent workforce rise, many companies are deciding they must better protect their interests by designing, implementing and managing their own program. Additionally, recent technological advances have spawned the development of a new type of enterprise software that enables companies to reduce the administrative burden while enhancing cost effectiveness and high standards of quality.

With a company-managed Preferred Vendor model, your company must employ a full-time CWM/PVP manager who:

- develops/updates contingent workforce policies and procedures
- Sarbanes-Oxley compliance requires demonstrable accountability;
- designs, implements and oversees the infrastructure of the program
- manages relationships with managers, suppliers and workers
- manages costs and leverages spend
- mitigates risk by monitoring corporate compliance with all applicable laws/regulations
- evaluates service delivery and insures customer satisfaction
- troubleshoots on behalf of the corporation and its client managers
A company-managed Preferred Vendor Program absolutely requires a commitment of resources. The program will not “run itself.” Alternatively, there are outsourcing options for companies that do not want to utilize their own headcount and develop their own expertise.

**VOP/MSP Models**

The original outsourcing model was the VOP.

**VOP – Vendor on Premise:** A staffing firm comes onsite to:

1. fulfill open job requisitions; and
2. manage administrative processes such as billing and reporting

VOPs market themselves as “experts in contingent workforce management,” when, in fact, their expertise lies in “fulfillment”: putting temporary workers into open job reqs. While this expertise is invaluable to a company’s ability to acquire the right skills, in the right timeframe, at the right price, “fulfillment” should not be confused with contingent workforce management. The two are as different from each other as “driving a car” is from “manufacturing a car” - just because you can drive one, does not mean you can build one.

Most companies that choose an outsourcing model do so because they want to focus on their corporate deliverables rather than be distracted by the overwhelming minutiae of contingent workforce management. While this is a good business strategy, its success depends on the specific strategy and subject matter expertise available from its outsourcer of choice.

The Vendor on Premise model is commonly referred to as “the fox in the hen house” methodology, as it is built around an inherent and unavoidable conflict of interest. This is not meant to be a derogatory comparison. Just as a farmer recognizes the value of a fox in the natural scheme of things (foxes on the farm fill a critical need by handling “population control” of pesky varmints), the smart farmer uses the fox for what it does best, but does not then “promote” the fox to jobs that are inherently incompatible with its true nature.

In evaluating whether the Vendor on Premise will provide the best option for achieving your company’s CWM goals, consider this:

- VOPs are staffing agencies, or subsidiaries of same. Their service delivery model contains an inherent conflict of interest that alienates most (if not all) of the high-caliber vendors whose services are needed if the client-managers’ needs are to be met.
- Job descriptions for the VOP’s on-site team are typically ranked as low paying, “glorified admins”, resulting in high turnover that creates an inconsistency in service delivery.
- The VOP’s primary goals (turf protection and generation of fulfillment revenue) are incompatible with the client’s goals of protecting the company from any/all potential liabilities, managing costs and leveraging spend, and guaranteeing a high degree of customer satisfaction.
Recognized pitfalls of the Vendor on Premise model include:

- If the VOP has a vested interest in withholding job requisitions from other suppliers while its own company attempts to surface a candidate, your client managers are not receiving the best possible service.
- Double mark-ups are inherent in the VOP model: one to the VOP and one to the sub-contracted supplier. If the sub-contracted vendors are willing to negotiate discounted rates as required by the VOP, how much more could your company save if it received those rates directly and did not pay the second layer of fees required by the VOP?
- Your company may no longer be able to get the best talent. Because vendors must send their candidates’ resumes through the competing VOP, and because they are generally prohibited direct communication with hiring managers, top-tier vendors often balk at operating as sub-contracted vendors; and they consistently send their best candidates to other local corporations who use a different supplier model.
- Many VOP companies claim, often erroneously, to have sophisticated software tools (usually home-grown) with which to manage your contingent workforce data. Since data management is a significant component of the service you are buying in the VOP model, have your own information technology specialists vet their system.
- Although the VOP sales team may present it differently, VOP on-site representatives are seldom conversant in state/federal tax and employment laws/regulations that are applicable to the use of contingent workers. Vendor contracts rarely include protections for the client. The installation of these unseasoned VOP reps exacerbates a client’s potential liabilities rather than mitigates the client’s risk.

To answer the question, “Is the VOP model right for my company”, depends largely on your company’s goals:

- If your company is focused on “fulfillment”, the VOP may be an adequate option.
- If your company is focused on contingent workforce management (cost reduction, risk mitigation, etc.), the VOP model is highly unlikely to meet corporate goals.

**MSP – Managed Service Provider: Version 2.0 of the VOP Model**

The Managed Service Provider (MSP) model was developed by staffing companies at the insistence of clients who were early adopters of the Vendor on Premise model. Those clients quickly realized their own requirements took a backseat (if any seat at all) to the VOP’s revenue generation and turf protection goals. Those client corporations demanded a “vendor-neutral” model, which resulted in the birth of the MSP model. Staffing firms immediately stepped to the plate by spinning off “managed service providers.”

MSPs generally come onsite to manage administrative processes, but do not fulfill open job reqs. However, as subsidiaries/divisions of staffing firms, part of their
mission is to funnel fulfillment of requisitions to their sister companies. (This model is comparable to “putting the fox’s cousin in charge of the henhouse.”)

Even in instances in which the client prohibits subsidiary/affiliated staffing firms from providing fulfillment, the model is still not vendor neutral.

**Understanding Vendor Neutrality**

Question: Why will a staffing firm agree to restrict its ability to complete in its core business? Answer: It has something to gain…

Through trial and error, the definition of vendor neutrality has expanded for beyond “creating a contingent workforce marketplace where both the technology provider and the managed services provider are completely dissociated from the actual placement of their own contract labor supply.” Even when a staffing-firm-owned Managed Service Provider is restricted (for the sake of vendor neutrality) from placing its own contractors into an organization, the MSP still gains significant competitive advantage by:

> Acquiring substantial visibility into the bill rates, placement practices, competitive differentiators, and contractor pool of its key competitors.

In short, the competitive advantage the staffing-firm-owned solution provider gains can often outweigh the monetary value of placing contractors into an organization. (Why else would it restrict its ability to compete in its core business?)

Moreover, suppliers have begun to take defensive measures to protect their businesses from non-neutral solutions. This has led to supplier adoption issues that can impact the buying organization’s ability to implement a successful contingent workforce supply chain solution. Furthermore, suppliers have also become defensive since performance analysis/measurements conducted by competitors cannot be conducted in an unbiased capacity. Again, this leads to issues of supplier adoption.

And, last but not least regarding vendor neutrality: Is there a Sarbanes-Oxley issue for the CFO if the company has turned over “management and reporting of financial data” to a supplier who has something to gain by controlling those processes and data? Is this a bit too much like the Enron issue in which its audit partner (Arthur Anderson) also enjoyed lucrative consulting contracts? Sarbanes-Oxley is still too new for the ramifications to be fully understood, but in the development of your corporate CWM strategy, all aspects of vendor neutrality should be carefully considered.

**Gatekeeper & Non-Gatekeeper Models**

**With A Gatekeeper**

Some companies choose a model wherein a gatekeeper functions as an intermediary between the client manager and the vendors; and direct communication between the client manager and the vendor is prohibited. In this model, all requisitions from client managers go to the gatekeeper who then disseminates them to the vendors; responses from the vendors (generally in the form of contingent worker resumes) are submitted to the gatekeeper, who may review the resumes and decide which to forward to the client manager.

The gatekeeper usually functions as the point of contact in the evaluation and selection processes, as well as in negotiations. While the objective of such a structure – to minimize the burden on the hiring manager – is admirable, the results are generally not so favorable. By blocking direct communication between the hiring manager and the vendor, a company sets up a scenario that resembles the childhood game called “pass it on” in which messages are delivered up and down the chain, becoming garbled and open to interpretation as they pass from one person to the next. Invariably this leads to a longer service-delivery cycle and creates frustration on the part of everyone involved.
In addition, the emergence of services e-procurement software has further reduced the viability of the gatekeeper model. The technology solution can serve as the central source for monitoring and reporting on acquisition activity, and through automation, reduce the bulk of the administrative burden as well as the cycle time.

Furthermore, companies must consider the “misclassification of employees” potential that may be exacerbated by the gatekeeper model.

- Does the gatekeeper model mirror the company’s model for hiring FTEs? (Do recruiters screen resumes and negotiate contingent worker rates much the same as they do for full-time candidates?) If so, what distinguishes the contingent worker acquisition model from the FTE acquisition model?

- If the vendor (i.e. the employer of the contingent worker) can have no direct access to the client for whom the services are being provided (i.e. the client manager), how is the vendor to manage the service delivered by his/her employee; how is the vendor to negotiate deliverables and rate changes? Removing these responsibilities from the vendor calls into question the employee/employer relationship (i.e. “Who is the common law employer of the worker?”) and creates avoidable exposure for your company.

- In today’s business environment, the greatest source of “misclassification” and/or co-employment exposure for any company is a lawsuit brought by a current/former contingent worker. The company must never create situations in which the contingent worker becomes unclear who his/her employer actually is. If the company designs procedures which could be construed as cutting out the vendor, it may establish the precedent by which the contingent worker feels he/she may do the same thing, creating the perception that he/she is your company’s “misclassified employee.”

The Vendor on Premise/Managed Service Provider program generally employs the “gatekeeper” model, wherein the VOP/MSP account team serves as a filter that prohibits the subcontracted staffing firms from interacting with the client managers. In addition to the conflicts of interest inherent in the VOP/MSP models, the gatekeeper model greatly exacerbates the client company’s risk because it removes any possibility that the staffing firm can claim “control” over its alleged employee, the temporary worker. (“Control” is the key factor used to determine a worker’s classification – i.e. employee of the client company or employee of the staffing firm.)

If your company elects to use the gatekeeper model, take care to avoid establishing procedures that inadvertently create avoidable misclassification exposures, as well as service delivery inefficiencies.

**Without A Gatekeeper**

The best contingent workforce management strategy is one in which a short list of Preferred Vendors develop one-on-one business relationships with client managers. If the CWM program is tightly managed by subject matter experts with strong supply chain management skills, direct communication between project managers and vendor account managers facilitates effective service delivery.
The most successful Contingent Workforce Management/Preferred Vendor Program model is the one in which:

- Each vendor understands the technical skills and personal attributes required of the contractor who will successfully provide services in a particular manager’s environment;
- The manager is able to contact the Preferred Vendor and request “another resource” without labor-intensive, redundant knowledge transfer (and without miring the manager in administrative requisition processes);
- A direct feedback loop allows both parties to efficiently fine-tune requirements/responses/service delivery;
- The vendors are held accountable for very specific standards of conduct and performance.

While this program structure requires the oversight of a knowledgeable program manager, the administrative/candidate-screening burden is significantly less for all parties than that required in a gatekeeper structure. (Clearly, “burden” equals “cost.”)

With an enterprise software technology solution that serves as the infrastructure for monitoring and reporting on acquisition activity and, through automation, reduces the bulk of the administrative burden and cycle time, this structure is the best option for companies that engage a significant number of contingent workers.

**BPO – Business Process Outsourcer**

A Business Process Outsourcer (BPO) is a third-party firm that is not affiliated with any staffing firm and does not fulfill job requisitions. Reputable contingent workforce management BPOs provide genuine subject matter expertise as well as a track record in the critical area of business process reengineering. These firms can be crucial in assisting the corporation develop and administer a comprehensive CWM program. Typically, these service providers work on-site at a client location, and manage the entire program on behalf of their client.

For companies that do not have – and do not wish to develop – CWM expertise, the next best option is a professionally managed, third-party Business Process Outsourcer that is not affiliated with a staffing firm.

In the evolving CWM service industry, there are very few BPOs that have genuine expertise in CWM; but, with a BPO designed and implemented by subject matter experts who have experience working in-house for Global 2000 companies, this model can:

- Reduce cost and leverage spend
- Mitigate and transfer risk
- Introduce best practices to the organization
- Deliver consistently high-quality service to end users

This is the best option for companies that wish to outsource CWM.
VMS Systems

VMS – Vendor Management System: A software (or e-procurement) application that is used to manage contingent workforce data. E-procurement tools are generally “req-to-check.”

In the past two years, as Vendor Management Solution (VMS) tools have gained popularity, some companies have believed they could simply choose and implement a tool, and contingent workforce management would take care of itself. This logic is as faulty as a corporation assuming that if they install an HRIS system, they can dismiss all the HR support staff. A CWM program must be administered on a day-to-day basis; it will not operate itself.

It is true that a VMS software tool is critical to a solid CMW strategy…but the tool is only the enabler, not the “solution.”

There are many critical factors to consider when evaluating a VMS technology. These include:

- functionality of the VMS
- risks associated with the VMS
- VMS evaluation strategy
- staffing company solution versus vendor-neutral, third-party tool

VMS Functionality

A good Vendor Management System tool will be robust enough to meet the needs of an organization’s diverse user groups, yet it will be flexible enough to map to the particular business rules of each of the business units that will use it.

A good VMS tool will provide the following benefits:

- Allow the company to control costs and leverage spend by means of comprehensive financial management functionality.
- Mitigate risk by facilitating compliance with applicable tax/labor laws as well as pertinent industry regulations.
- Support company-specific processes and procedures, including assurance of appropriate authorizations through configurable workflows.
- Configure to support individual business unit requirements.
- Manage compliance with corporate contingent workforce policies.
- Automate time tracking, invoicing and payment cycle to achieve 100% accuracy.
- Manage, track and report all contingent workforce data, including all financial data.
- Report on supplier performance metrics.
- Integrate, as required, with existing corporate technology infrastructure.
- Support changing policies, procedures, user requirements and supplier lists as the CWM program evolves.
Focus on Strong Financial Management Capabilities

Reconciliation: A primary benefit of a technology solution specifically designed for CWM is that a company can connect front-end requisitioning to back-end cost reconciliation. The technology solution should provide an automatic closed-loop reconciliation process by tying invoice generation to approved time sheets and deliverables. Utilization of “online approval workflows” is a simple and effective way to ensure that you are paying only for what was delivered.

Another way to avoid overpayment is to make sure the solution supports financial policies that are specific to your program. Automated calculations of overtime, double-time, shift differentials and localized tax calculations are core features necessary to ensure proper compliance to these policies.

Reporting: The reporting mechanisms of the solution should be robust and flexible. Accounts Payable and finance managers will quickly come to depend on the up-to-the-minute, accurate accruals and spend reports generated by the VMS. While most vendors will provide some basic reporting tools, all reporting tools are not created equal. Be sure that your solution vendor leverages best-of-breed reporting tools and data warehouse architectures to ensure the best optimization and performance possible within your enterprise environment. Be cautious of custom designed web reporting tools since performance can become an issue. If reporting data is not accessible quickly and consistently, a major benefit to your organization will be lost.

Opt for Configurability versus Customization

Many third-party solutions advertise that their application can be customized to support your organization's business processes. Further investigation generally reveals those customizations may include klugy work-arounds, or may require your company to become involved in labor-intensive systems maintenance to support those customizations.

It is critical that your solution of choice have the flexibility to meet your company's specific needs. This must include the ability to support corporate-level business processes, while simultaneously mapping to the specialized business procedures used by different business units and groups within your organization. Standardized practices are crucial for some regulatory and procurement policies. Nevertheless, if the unique requirements of a decentralized corporation are not recognized and supported, the contingent workforce management program is unlikely to be successful.

It is also important that the solution be “configurable” (turning “switches” on and off) rather than “customizable” (modifying the computer code). As you implement your CWM program and gather data on the success metrics, you will continuously improve the program and its processes. A good technology solution should be easy to change so that it can mirror the evolution of the program and continue to reduce costs, improve quality and minimize risk.
Adoption, Adoption, Adoption

In the real estate industry, the mantra is, “location, location, location.” In all components of the contingent workforce management strategy, the mantra must be, “adoption, adoption, adoption.” Each element of the strategy, the program and the software must be designed, developed and implemented with the goal that the entire user community will see value from it; and will embrace it joyfully.

One of the most important factors about the Vendor Management System software is its “intuitiveness.” At any corporate site, a number of specialized groups are likely to become routine users of this software (e.g. Procurement Specialists, Financial Analysts, Accounts Payable clerks, etc.). In the average Global 2000 environment however, the vast majority of the tool’s users will have no time, and no interest, in “mastering the software.”

Many Global 2000 companies have learned (through experience) that line managers will not attend formal training classes to learn new processes and/or software that they will be expected to use to requisition a temp worker; and will be extremely annoyed if they have to reference a software instruction manual. Ultimately, they’ll look for any excuse to bypass the new CWM program/system and make a maverick buy – the very thing the company is trying to curtail by implementing the CWM strategy.

In further understanding these primary users of both the program and the tool, it should be anticipated that many managers may requisition only one or two temp workers in a twelve month period; and, with the exception of routine timecard authorizations, they will expect to have minimal interface with the software.

In order to achieve successful adoption, the software tool must be intuitive to the degree that managers can log into the system and easily discern which fields to complete and which processes to follow for any function they wish to perform, whether it has been six months since they last used the system...or they have never used it at all. If the tool (or the processes, for that matter) requires a great deal of training, the user community will use this as an excuse to skirt the system and engage in individual buys.

When choosing a VMS, keep simplicity and ease of use at the forefront of the decision process. For the end user, less is quite often much better. If it is confusing, filled with complex links and descriptions and overall difficult to navigate through the most basic screens and workflows, then the harried, overworked users will have challenges embracing the system.

In summary: even if everything else about the software tool represents a software developer’s greatest shining moment – the integration is seamless, the security architecture is impenetrable, every function ever conceived is available to be easily configured into or out of the application – even if all those things are flawless, the software, and therefore the CWM initiative, will not be successful if the user interface is not thoughtfully designed and developed from the perspective of the individual users.
Summary

This examination of service delivery program structures should validate a central premise: whether outsourced or in-house, choose the right vendors and manage them to the highest standards to reduce corporate expenditures, minimize potential liabilities and insure customer satisfaction. Ultimately, each company must select the service delivery model that will be most successful in its corporate culture.

Contingent workforce management is a cross-functional endeavor that impacts virtually every group within the enterprise. Designing, implementing and administering a comprehensive CWM strategy requires dedicated resources who are knowledgeable about all aspects of CWM and how it will impact your company. And, no matter the CWM model the company chooses – whether managed by a Vendor on Premise/Managed Service Provider, outsourced, or managed in-house by FTEs – the company must go through the process of developing its own CWM strategy.

Because of the inefficiencies and exposures created by CWM models of the past, available systems and models have evolved to create greater advantage for the company.

It is important for the selected service delivery model to incorporate a best of breed VMS tool. But that tool should be selected only after the company has a clear understanding of what the tool must accomplish – just as one would not buy a pair of shoes without knowing if they were to be used for walking or running, used inside the house or out, and worn with blue jeans or a ball gown.

Current economic realities are forcing companies to recognize that cost savings achieved through better management of staffing and consulting vendors are significant contributors to improved earnings per share. Yet, the efforts put into
obtaining pre-negotiated rate terms and volume discounts from vendors are often lost because the information is not disseminated, supported and measured across the organization. Improved program management coupled with a services e-procurement technology solution enable companies to see savings that can total more than twenty percent of the amount they spend on these services.

Now, more than ever, it is critical that responsible corporations establish comprehensive, well-designed contingent workforce management strategies. The costs of failing to do so are substantial.
Taleo Research CWM Consulting Services

Taleo Research consultants utilize a proprietary methodology and specialized contingent workforce management expertise—drawn from consulting engagements with large corporations worldwide—to provide three critical services around contingent workforce management.

- Risk Mitigation Engagement
- Value Opportunity Assessment
- Business Process Design

1. Risk Mitigation Engagement
Increasingly, Global 2000 corporations are incurring significant and material liabilities associated with the use of a contingent workforce. A Risk Mitigation Engagement evaluates exposure and delivers actionable recommendations in the five key areas of risk:

- "Employee misclassification" and/or coemployment
- Regulatory compliance
- Intellectual Properties (proprietary product info, trade secrets, customer lists, etc.)
- Security (physical plant, employees, data)
- Sarbanes-Oxley (Section 404, Internal Controls)

2. Value Opportunity Assessment
Most companies overpay for contingent workers, and overspend due to inefficient processes. A contingent workforce management Value Opportunity Assessment provides a consistent review of all sources of CWM savings, including:

- Managed bill rates/margins
- Applicable discounts (volume, early pay, tenure, etc.)
- Performance incentives
- Eliminate redundancies and "multiple touches"
- Minimize the "human error" factor
- Offload administrative burden to the suppliers
- Eliminate "maverick spend" and Benchmarking

3. Business Process Design
Designing, implementing and administering a comprehensive, best practice CWM strategy can deliver exponential benefits to your organizations. Through Taleo Research, contingent workforce management Business Process Design includes:

- Contingent Worker Usage Policy Statement
- Master Services Agreement for Suppliers of Workers
- Procedures & Operations Manual defining roles, workflows and outputs
- Rate Management Strategy
- Methodology for selecting Preferred Suppliers
- Relationship management with suppliers (temp. agencies)
- Implementation strategies designed to ensure 100% enthusiastic user adoption

Email info@taleo.com to discuss CWM Consulting Services for your company.

Examples of Lawsuits

- Microsoft, $97 million-plus settlement
- Time Warner, $5.5 million settlement
- U of Cal System, ~$500 million
- Allstate ($2 billion lawsuit)

...your company???

Cost Savings

Worldwide, companies will spend an estimated $300 billion dollars this year for contingent workers.

On average, companies spend 7% of their revenue on contingent workers.

All of our CWM consulting engagements have shown a potential for better cost control, with impact ranging from 4% to 22%.
About the Authors

Elaine Taylor

Elaine Taylor (etaylor@taleo.com) is the Director of Contingent Workforce Strategies for Taleo Research. Ms. Taylor, a subject matter expert in the area of contingent workforce management (CWM), consults with large companies worldwide on strategies and best practices for effectively managing the contingent workforce to reduce costs and legal risks, and increase enterprise productivity.

Prior to joining Taleo Research, Ms. Taylor consulted with Global 2000 companies to help them develop CWM strategies that effectively reduce the cost of their temporary labor resources (by as much as 22%), while minimizing “employee misclassification” risk and introducing business process best practices. Former clients include Charles Schwab & Co., Inc., Entergy Corporation, American Family Insurance, Ryder Transportation & Logistics, Northrop Grumman, Sutter Health and BP.

Ms. Taylor has published broadly in the area of CWM, including co-authoring HR.com's Vendor Management System Buyer's Guide. Ms. Taylor is an accomplished and sought-after speaker on the practices and processes essential for successful contingent workforce management in today's business climate.

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Yves Lermusiaux (yveslerm@taleo.com) is president and founder of Taleo Research (www.taleo.com). He is a recognized authority on strategic talent management, economics and metrics.

Mr. Lermusiaux is well known as a public speaker and industry analyst, and is often quoted in leading business media worldwide, including Fortune, The Wall Street Journal, Financial Times, Business Week, and Time Magazine. His articles and commentary are published regularly in online publications and business magazines, as well as on Taleo’s Talent Management blog (www.taleo.com/blog). Mr. Lermusiaux is on the Advisory Board for the Human Capital Institute, and was named one of the “100 Most Influential People in the Recruiting Industry.”

Mr. Lermusiaux founded and was subsequently president and chief of research of iLogos Corporation. In September of 1999, iLogos became the independent division of Taleo (formerly Recruitsoft).

Mr. Lermusiaux earned a degree in Physics, Philosophy and a diploma in Economics from the University of Brussels and from the University of London.
About Taleo Research

Taleo Research analyzes the best practices and economics of talent management for organizations of all sizes, worldwide. The specialty research practice focuses on business analytics that tie talent management technology and process improvements to financial results.

Taleo Research also conducts primary research on critical issues of talent management and maintains a valuable library of talent management resources. Published reports and studies include *Hidden ROI of Talent Acquisition and Mobility, Contingent Workforce Management: A Recipe for Success, Quality of Hire, Internal Mobility, Hourly Job Applications Methods at Top 100 Retailers, Economics of Candidate Relationship Databases, Corporate Careers Site Value Creation*, and *Jobseeker Surveys*, among others.

Founded in 1997 as iLogos Internet Intelligence, Taleo Research is the talent management research division of Taleo.

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About Taleo

Taleo Corporation (NASDAQ: TLEO) delivers on demand talent management solutions that enable organizations of all sizes to recruit, assess and manage their workforces for improved business performance. Taleo’s customers use its suite of solutions to improve their talent management processes to reduce the time and costs associated with these processes and to enhance the quality, productivity and satisfaction of their workforces. Taleo currently has more than 350 corporate customers with approximately 500,000 registered users who use our services to fill positions in almost 100 countries. For more information, visit [www.taleo.com](http://www.taleo.com).

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