

The Client:

VNDLY and Tracz Consulting have teamed up to provide extended workforce management technology and services to the world's largest scientific society. A global non-profit, the congressionally-chartered independent membership organization has more than 150,000 members across more than 130 countries. The organization relies on non-employee workers across various divisions, including publishing, research, education, and professional development.

Already realizing a need for technology and enhanced operational support to increase their access to talent for their extended workforce, the organization took advantage of the slowdown caused by the COVID-19 pandemic. During the first months of the economic and health crisis, the organization started the process to modernize their program, enlisting the services of a neutral consultancy to evaluate their needs and bring together the right technology and service providers together to optimize their outcomes.

The Providers:

The organization worked with an industry veteran for expert operational guidance and chose a technology newcomer that is upending the industry for their vendor management systems (VMS) technology.

Tracz Consulting is a contingent workforce consulting service specializing in helping enterprise clients modernize, simplify, and enhance their programs. The firm works with companies looking to start a program, choose VMS technology, or improve an existing program. Tracz provides substantial implementation support, total talent management strategy, supplier optimization, cost-savings initiatives, and program revenue generation to their clients.

VNDLY, a modern, cloud-based VMS technology company, provides a platform that can fully integrate into existing technology ecosystems, supporting users on their digital transformation journeys. Cloud-based architecture ensures a safe, scalable platform that meets clients' changing extended workforce needs. VNDLY's pre-built API integrations mean easy integration with existing technologies and little or no commitment from clients' internal IT teams.

The Challenges:

The organization was operating its extended workforce management program using manual processes for distribution, candidate evaluation, onboarding, and tracking. Processes for timecards, approvals, and invoicing were inconsistent across departments, creating confusion and straining budgets. There was also a lack of reporting and analytics to support departmental and larger business decisions.

Other concerns revolved around their talent suppliers. There was limited opportunity for vendors to engage and little data surrounding cost controls to help set contractor rates.

The organization realized they needed a VMS platform to streamline and automate many of their existing processes, but were not equipped to evaluate their options. No one at the organization had the necessary information to make strategic decisions.

There was also confusion around the best way to operationalize the program. Should an MSP provider become part of the program or should they choose a different structure? The organization had adequate resources supporting internal process and wanted to ensure the same level of service to their staff.

Process and outcomes:

The organization enlisted the services of Tracz Consulting, drawing on the firm's experience, to figure out what they needed. After weighing the various operational models, the company chose to adopt an internally-managed program with Tracz providing guidance and supporting materials, including a standard operational procedures manual. Since the organization was new to the internally managed process, they decided to keep Tracz on for support.

Key reasons for choosing an internally-managed program:

- Level of control
- Customizability
- Ownership of contracts with staffing suppliers and technology providers

Tracz led the organization through the VMS selection process using a weighted scorecard to evaluate alignment with their program objectives. Focused demonstrations and pricing proposals led the organization to select VNDLY because the platform addressed immediate needs and can be configured (and reconfigured as needed) for evolving staffing needs and long-term growth.

Tracz and VNDLY worked with the organization to establish key requirements, necessary features and functions, integrations with other departments, and global program management capabilities. The entire VMS selection-to-implementation process took a total of seven weeks instead of the more typical industry average of 20. How the process worked:

- Rapid two-week assessment of VMS providers and final selection instead of the usual minimum of six weeks.
- Pre-implementation current and future state assessment
- Information and data gathering
- Implementation of VMS and supporting operational model in five weeks

The program yielded successes almost immediately. Process efficiencies, especially timekeeping and invoicing, improved rapidly because of automation and system coordination through VNDLY's API integrations.

In the first month, the need for managers to provide manual accrual reporting was eliminated, with information sent directly to the finance team. The VNDLY platform allowed 45 managers to approve 326 timecards for 104 workers from 32 different vendors all in one system, reducing time spent and errors reported while saving money. The projected annual savings on invoice processing alone is over \$300,000.

In the first week, the organization saw increased access to talent, which led to faster hiring of better-quality candidates. In only three weeks, 122 candidates were reviewed, 29 interviews were held, and 3 offers made to fill 10 new or transitioned job orders. Using VNDLY's technology resulted in reduction of manual processing hours and coordination of interviews with suppliers and direct-hire candidates.

Approval requests were integrated into new job orders and offers, which streamlined processes and improved supplier relationships. Based on data and reporting now available from VNDLY, Tracz identified opportunities to negotiate with suppliers about existing workers that is expected to save the organization an additional \$400,000 each year, which will more than offset their investment in an outside consultant.

At our client, the benefits of implementing their internally-managed external workforce management program -- and improved employee outlook -- have been significant. VNDLY's ability to implement quickly provides streamlined, automated processes and the ability to track supplier performance, resulting in sometimes almost immediate cost savings.

A few highlights from our client:

- One manager commented that the new operational model and VNDLY's technology had freed up so much time, she was able to focus her staff on more strategic projects.
- Resources that once managed manual, tactical processes using spreadsheets, email, and PO entry, were able to elevate their efforts and work with vendors and hiring managers to meet their needs.
- The client felt so organized with Tracz and VNDLY, they were able to prepare for implementation before the contract was signed.
- Managers are thrilled with the cost-savings elements that produced results almost immediately
- Some managers felt they traded on supplier relationships, and some suppliers were taking advantage. Those have been corrected and are now functioning within acceptable parameters.
- Rate mark-ups were discovered that were dramatically out of line with market rates. Rate cards have been implemented, and suppliers are now remaining in line with established, data-based market rates.
- After the first three months using the internally-managed program and VNDLY, 88% of the vendors cited an improved payment process.
- HR, finance, IT, and other shared divisions are included under the newly operationalized program, with larger departments phasing in.