

# Live with Cloud: Managing Today's External Workforce with SAP Fieldglass

Jim Brozny, Senior Director, Customer Operations (SAP Fieldglass)





## Today's Agenda

- SAP Fieldglass overview
- Trends and challenges
- Solution benefits
- Customer stories



## **SAP Fieldglass Overview**



#### **Established Customer Base**

400+ companies \$34B+ in global spend Largest data set for benchmarking



#### **Industry Leader**

Leading vendor for services procurement and contingent management according to Forrester Wave



#### **Global**

35% of deployments outside U.S.

Deployed in 110+ countries and 21 languages



#### **Culture of Partnership**

16+ years experience#1 in customer satisfaction for three consecutive years (SIA)

## **Proven History of Product Innovation & Integration**

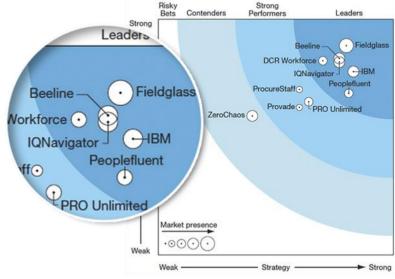
#### **SIA Differentiators Report 2015**

- #1 in overall capabilities
- Most total integrations, as well as those to both Oracle and SAP
- Highest-ranked capabilities in broad range of client program scenarios

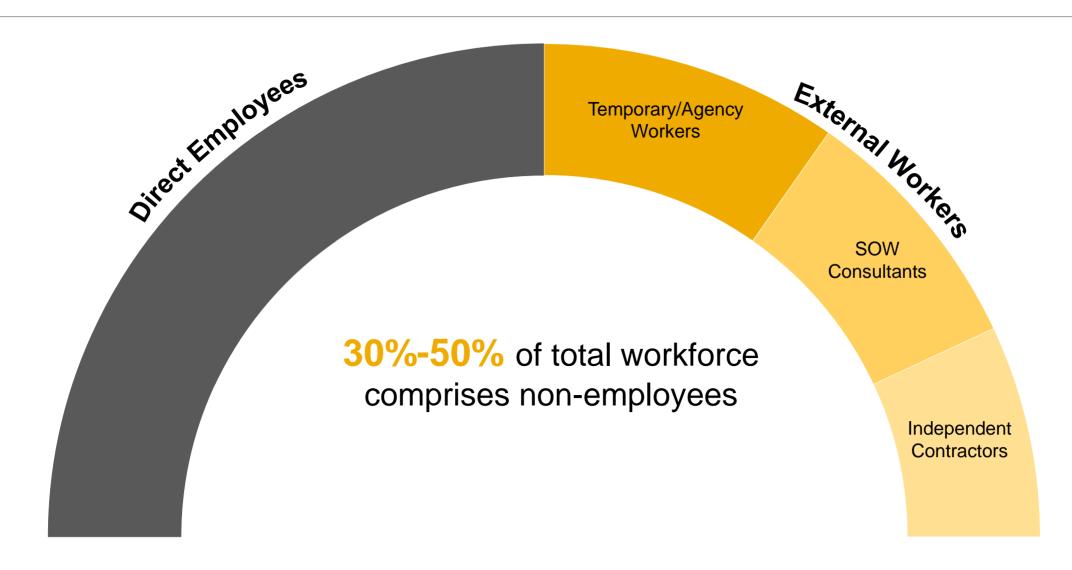
#### **VMS Implementations with Integration** SAP Fieldglass CA Clarity/Niku **IQNavigator** ■ Kronos Lawson Beeline ■ Oracle/PeopleSoft SAP/Ariba ■ Taleo **PRO Unlimited** Workday 100 200 300 400 500

#### Forrester Wave™ 2014

- Highest-rated services procurement (SOW) & contingent workforce management
- Highest global adoption/largest market presence
- Highest ROI



## **Fundamental Shift in the Composition of the Workforce**



## **External Labor as a Strategic Initiative**

#### **Economist Intelligence Unit**



Global Firms in 2020: The next decade of change for organisations and workers

Take on more contingent workers. The proportion of contingent to permanent workers will shift in favour of the former

## WALL STREET JOURNAL

**Temporary Workers and the 21st Century Economy** 

The surge in temp hiring is not a sign of a malfunctioning economy. It is the face of the future.



#### Your Workforce Isn't Who You Think They Are

Redefine your workforce. Most companies depend on non-employees to do many things. And more companies — especially big ones — expect to increase their contingent workforce during the next decade.

#### FINANCIAL TIMES

#### Dispelling a myth that all temps are in lowpaid roles

Last year saw the number of people in permanent jobs stay roughly static and the number of people in temporary work rise month on month.

## **Fast Growing External Workforce**

\$3.3T

spent annually on non-payroll labor

41%

increase in contingent workforce spend in past five years

55%

of contingent labor is unaccounted for

67%

more workers hired for temporary roles than the previous year

## **Fundamental Shift in Composition of the Workforce**



## **Fast Growing Contingent Workforce Brings Challenges**

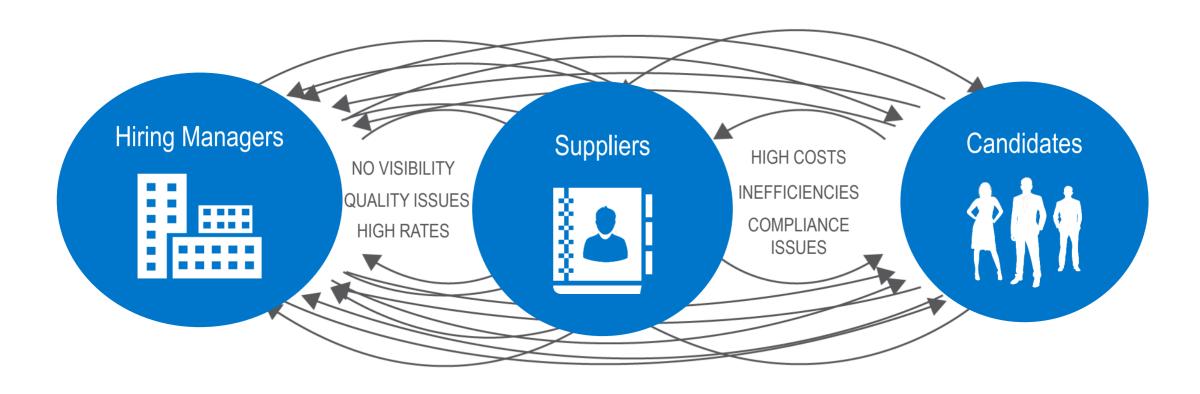
#### **Lack of Visibility**

**Operational Inconsistencies** 

Missing engagement & alignment

- Higher labor costs
- Increased regulatory & compliance risk
- Fragmented labor spend & performance controls
- Disparate systems
- No single access point to manage workforce
- Workers excluded from HR systems
- Misaligned with business goals & strategies

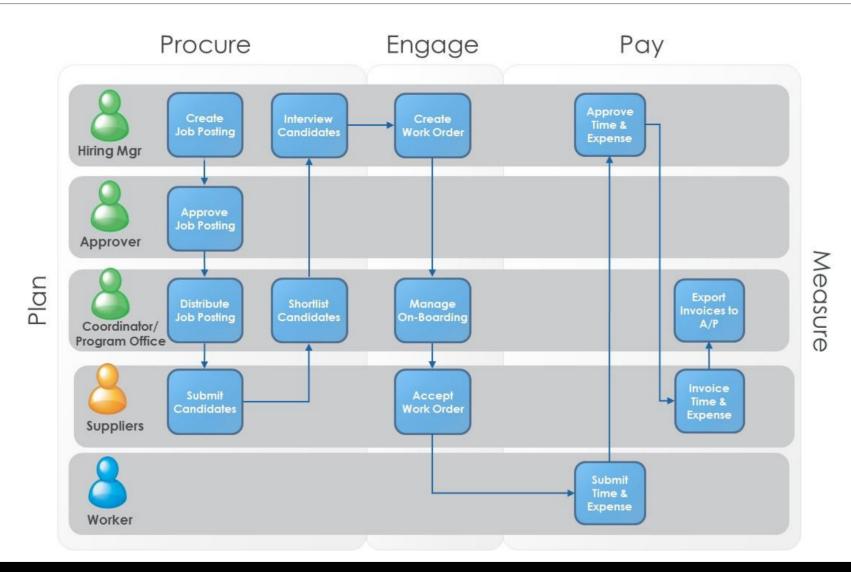
## What's the Problem?



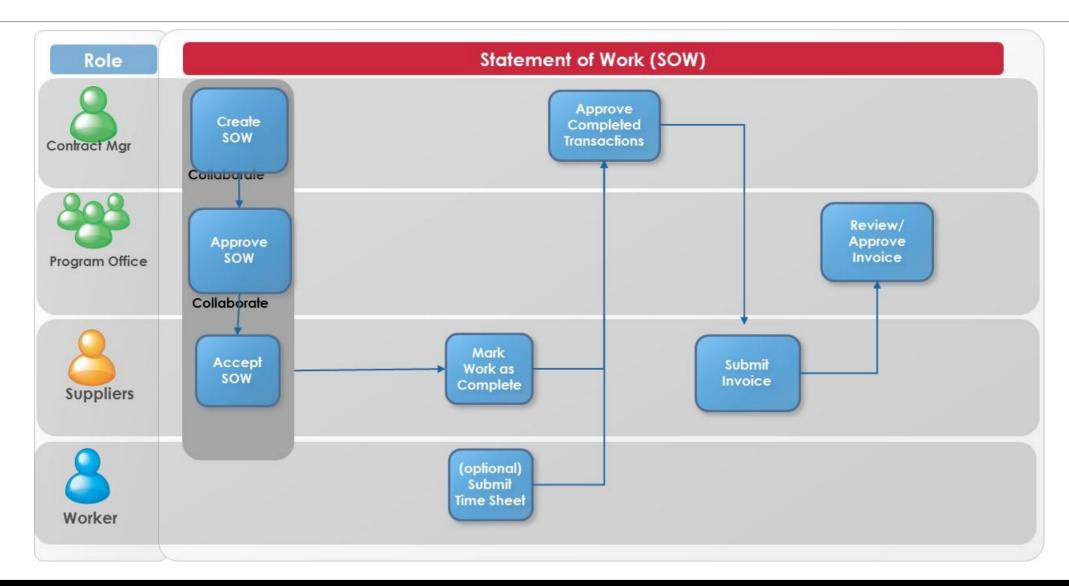
## How the Problem is Simplified and Solved



## **Process Flow: Contingent**



#### **Process Flow: Services Procurement**



## **Benefits to Customers**

COMPLIANCE



COST



VISIBILITY



**EFFICIENCY** 



QUALITY



## **SAP Fieldglass Differentiators**

#### **Differentiators**



**Supply Base Management** 



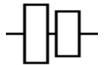
Talent Pools/ Bench Mgmt.



Worker Profile Tracking



**Global Pay Rules** 



Visualizer & PMM

#### **Traditional VMS Capabilities**



Requisition



Candidate Selection



**Work Order** 



**Timesheets** 



Statement of Work



Invoicing



Reporting

# SAP Fieldglass Enables Total Talent & Total Spend Management

#### **Total Workforce Management**



SAP Fieldglass



**Total Spend Management** 

SAP ECC



# Savings Opportunities: Case Studies





## **Serving Customers Across Industry Verticals**

#### **Consumer & Retail**

















#### **Energy/Power/Resources**

















#### **Financial Services**





AMERICAN EXPRESS









#### Healthcare/Pharma

















#### **Business Services**

















#### **Technology & Telecom**

















#### **Manufacturing**











Johnson Controls





#### Others

















## CUSTOMER SUCCESSES

\$100M+

in cost savings, attributable to visibility, competitive bidding & rate card creation

## FULL COMPLIANCE

with TARP process & the Fieldglass platform is fully certified as secure & compliant

## SINGLE SOURCE OF ENTRY

provided by integration with ecommerce transaction system

## ASSESS TURNOVER & TRENDS

in various markets by monitoring key metrics throughout workflows

## **CONTROLLED MANAGEMENT**

of the company's workers and a consolidated view of the entire population for upper management

## I.T. OFFSHORE INITIATIVES

gain visibility and governance improvements



## CUSTOMER SUCCESSES

\$33M+

in cost savings, due to competitively bidding SOWs and identifying commoditized SOWs

#### **SOFT SAVINGS**

achieved by tracking SOW revisions, enforcing approvals and limits, and avoidance savings

## SECURE TRANSFER

of Fieldglass data to Cisco's business intelligence tool for reporting

#### **REPORTING**

Rate reporting for all managers to better manage costs



## CUSTOMER SUCCESSES

Reduced overall vendor population by

45%

Reduced tier one vendor distribution by

50%

Reduction in time-to-fill by

20%

Decrease in cycle time for requisition approvals from 2+ weeks to

1.75 days

## **Savings Opportunity: Tenure Discounts**

A customer in the healthcare services sector

#### **Method**

- Implement program-wide tenure rules
- Determine length of time and amount of discount
- Communicate and negotiate with existing supplier base

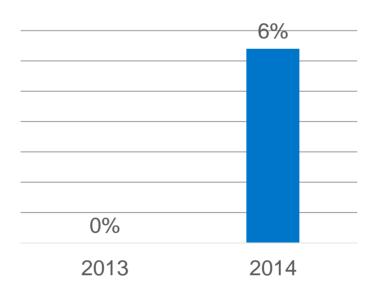
#### Results

- Over 6% savings on new tenure initiative
- Automated process improved rate change efficiency

5% decrease after six months

10% decrease after 12 months

#### **Tenure Savings**



## Savings Opportunity: Supplier Rationalization

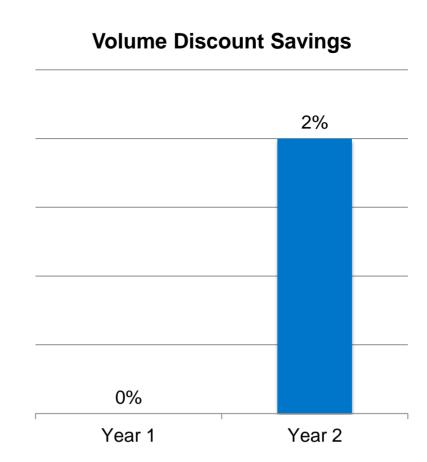
A customer in the healthcare services sector

#### **Method**

- Analyze supplier data to determine best performers
- Work with best suppliers to consolidate spend
- Amend existing supplier contracts for volume discount

#### Results

- ~2% savings through volume discounts
- More suppliers reached volume thresholds, triggering discounts



## Savings Opportunity: Rationalize Rate Card

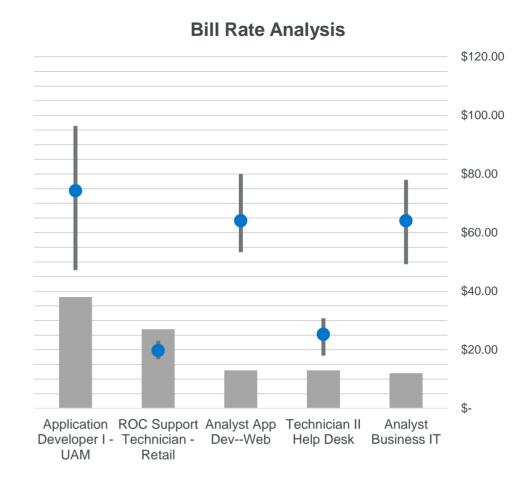
A customer in the energy resources sector

#### Method

- Update Rate Card on an annual basis
- Rate Card accounts for regional/local variations and is optimized for cost of living guidelines
- Better rates for Tier A suppliers

#### Results

- Right sized staffing pool
- 20% improvement in spend compliance
- 10-12% reduction in average rates for top tier suppliers





#### **Contact information:**

Jim Brozny
Sr. Director Customer Operations
312.763.4279

<u>James.brozny@sap.com</u>

## Thank you