



zerochaos

Customer:
Computer storage and data management company

Corporate Profile:

12,000 employees worldwide
Headquartered in Sunnyvale, California
Annual Revenue 2011: 5 billion+

THE ZEROCHAOS THEORY:

A model for success both here and around the world.

The ZeroChaos Theory Results

By eliminating all vendor bias from the recruitment process and leveraging our industry-leading technology, the ZeroChaos Managed Service Provider program provided this customer with:

- Improved economics
- Increased quality of contingent resources
- Enhanced organizational efficiencies
- Decreased risk
- Improved effectiveness of hiring managers
- Greater transparency into all aspects of the supply chain

Background:

In 2009, a customer began reviewing their process for managing its contingent workforce. At the time, it employed a master vendor model for the US, Canada and Latin America, utilizing a staffing provider who filled most requisitions. Other staffing providers were engaged to fill difficult positions only as needed. The customer had four goals for the review: greater program adoption, improved data quality and analysis, cost savings and global growth.

The Challenge:

Under the master vendor model, the customer's challenges included low adoption rates, long recruitment cycle times, difficulty engaging with suppliers, lack of visibility and lack of competitive pricing. They were hoping to gain visibility into their contingent workforce activity and spend as well as find a partner who could provide a roadmap for global expansion.

ZeroChaos Solution:

By having no connection to a staffing company whatsoever, the ZeroChaos Managed Service Provider Program can be relied on to deliver a level of vendor neutrality that ensures our customers always get the best possible candidate at the best possible rate. And, with industry-leading, intuitive technology and superior visibility into spend, our program was able to help this customer take on their current contingent labor challenges as well as prepare themselves to succeed on a global scale. Highlights included:

- ▶ Relevant, customized software and training encouraged adoption.
- ▶ Adding more data to increase visibility.
- ▶ Opened up the bidding process to a much wider range of suppliers, resulting in competitive pricing and significant cost savings.

The Results:

Fully adopted by the customer's managers, the program exceeded all expectations.

- ▶ Uncovered an incremental \$18M of rogue spend that now was able to be managed intelligently.
- ▶ Resulted in an average of \$12K/month on average in cost savings for the client.
- ▶ ZeroChaos enabled an environment where HR and procurement were able to work together to ensure appropriate classification of workers and reduction of risk.

“Our attempt was to develop an employment brand that would resonate around the globe, for contingent and full-time employee hiring.”

- Senior Director for Global Staffing

The Full Success Story

Looking to achieve better visibility into spend, improve pricing through vendor neutrality and find a partner who could provide a roadmap for global expansion, the Senior Director for Global Staffing sought an alternative to the master vendor model - an alternative that would come in the form of an integrated managed service provider (MSP) and vendor management solution (VMS). After a very robust RFP process, ZeroChaos was chosen thanks in part to glowing recommendations from other customers and our proven ability to partner as a world class MSP/VMS solution.

How Success Was Achieved

In January 2010, ZeroChaos began a discovery process that was to prove extremely useful thanks to the full engagement of the customer who brought not only representatives from human resources to the table, but also all affected departments, from IT and legal to marketing. With so many stakeholders giving input, ZeroChaos was able to develop meaningful program goals that were then incorporated into a customized program with a very user-friendly dashboard.

A “lift and shift” methodology was put into place as workers were transferred to the new program with minimal disturbance. With plenty of notice and no break in benefit coverage whatsoever, ZeroChaos became the employer of record, engaging staffing partners, streamlining the requisition process, reducing manager time, rationalizing rates and standardizing the rules of engagement. The new program was rolled out with high adoption.

ZeroChaos was soon asked to expand the program, beginning first in India. After taking time to study local laws and cultural practices, ZeroChaos established a business entity, after which time the customer’s standardized program was put into place with requisite modifications for in-country business practices. New suppliers who had previously indicated they would never adopt such a program came on board and the program continued to expand.

Rich Results

Though all had recognized the success of the fully adopted program, even ZeroChaos and the customer were surprised to learn the staggering number of worker misclassifications. ZeroChaos was able to uncover an incremental \$18M of rogue spending that, once discovered, could be intelligently and cost-effectively managed. The result was that in 2011 alone, the cost savings realized averaged approximately \$12K per month. Once the solution was implemented, ZeroChaos followed-up and fine-tuned the program to further increase efficiencies and rate of adoption.

Looking Forward

With rousing success in the US, Canada, Latin America and India, ZeroChaos was asked to turn its attention to Asia Pacific, where discovery is now under way and a go-live date estimated for 2012. Next in line are Europe, the Middle East and Africa. Integral to the customer’s position as Senior Director for Global Staffing, ZeroChaos has become a true partner, assisting with strategic decisions that can be quantified with real data and accurate reporting.