



zerochaos

Customer:
**A Global IT Services
company**

Corporate Profile:

Fortune 500 company
Billions of \$ annually in contingent spend
Over a century in business

THE ZEROCHAOS THEORY:

Leverage your brand to attract top talent and reduce costs.

The ZeroChaos Theory Results:

You don't have to take our word for it. The direct sourcing model was one of the innovations that landed Harold Mills, ZeroChaos CEO, The Peter Yessne Staffing Innovator Award in 2010 from Staffing Industry Analysts, for launching a business model that:

- Significantly changed staffing industry processes
- Profoundly impacted the staffing industry in a positive way
- Stood the test of time
- Is still visible today and for the foreseeable future

Background:

A global Fortune 500 IT services company was spending billions a year on contingent labor. As many of these workers were creating IT solutions for their clients, they had to be at the top of their game. Demand was high for these types of workers. Our customer needed an innovative solution to save money while still attracting top talent all over the world.

The Challenge:

Based on a 90-day market test and other research, ZeroChaos discovered:

- ▶ **Long-term supplier contracts limiting the ability to adapt to market rates**
- ▶ **Suppliers using common candidate sources resulting in duplicate submittals and similar prices**
- ▶ **70% of all submitted candidates were easily found on public job boards**

ZeroChaos Solution:

We combined our full-disclosure cost-plus employer of record services with leading-edge recruiting technology to create the direct sourcing model. This enabled the customer to leverage their well-known brand to attract the best talent to consider for contract positions.

The Results:

This disruptive sourcing model breaks down the former opaque mystery surrounding recruiting cost mark-ups and leverages technology and branding that the customer already owns. Combined with ZeroChaos processes, sourcing team and low cost employment model, the customer realizes:

- ▶ **\$14,000 per year per contractor savings in North America alone**
- ▶ **\$19,000 per year per contractor savings in the Nordic countries**
- ▶ **\$9,000 per year per contractor savings in the BeNeLux region**
- ▶ **Millions of dollars saved annually**
- ▶ **Supplier focus on passive candidates while the brand focuses on active**
- ▶ **Reduced hiring cycle times from quicker candidate access**

“In North America, this model generated \$14,000 a year savings for every contractor.”

The Full Success Story:

A global Fortune 500 IT services company was spending billions a year on contingent labor, and needed an innovative solution to not only save money, but to attract top talent that might otherwise go to work for the competition.

The customer had built a global core supplier program with 3-year negotiated rates. During a ZeroChaos Rapid Business Assessment, we discovered that most of these core suppliers were using the same job boards, skills portals, and other sources to mine their talent, leading to duplicate submittals, similar pricing and limited options for creating savings and finding the right talent. Based on a 90-day market test, ZeroChaos proved that roughly 70% of all candidates submitted were easily found on public job boards.

How Success Was Achieved:

ZeroChaos combined their full-disclosure cost-plus employer of record services with leading-edge recruiting technology to create the direct sourcing model. This enabled the customer to leverage their well-known brand to attract the best talent to contract positions.

We consulted with the customer to create a disruptive sourcing model that took advantage of web-crawlers, bots and 24x7 search agents to find consultants with the required skills in leading job boards, skills-based communities, and social media. Candidates were invited to the customer's career site to explore contract positions. Communications with the candidates were branded as if coming direct from the customer, prompting more interest and faster, more consistent response. Arriving at the customer's career page, candidates are given the opportunity to continue the selection process recognizing they will not be taking a direct contract with the end customer, but instead with ZeroChaos, a trusted partner.

The ZeroChaos sourcing team then screens the candidates, runs background checks using our Employment Screening Services, and presents the final candidate to the end customer. On acceptance, the contingent worker may follow one of two paths. For the majority, ZeroChaos becomes the employer of record for the contingent worker. If they are a valid corporation and can pass an independent contractor evaluation provided by ZeroChaos, they become a sub-tier supplier. The resulting database of talent is 100% dedicated to the customer.

Rich Results:

This disruptive sourcing model breaks down the former opaque mystery surrounding recruiting cost mark-ups and leverages technology and branding that the customer already owns, with ZeroChaos processes, sourcing team and low cost employment model to deliver results such as:

- ▶ **In North America, this model generated \$14,000 a year savings for every contractor sourced through the direct sourcing model vs. traditional staffing companies, equaling millions of dollars in savings annually.**
- ▶ **In the Nordic countries due to much higher bill rates, the savings average \$19,000 per contractor annually, and millions over the life of the contractual relationship.**
- ▶ **In the BeNeLux region, savings average \$9,000 per year per contractor.**
- ▶ **The branded delivery model is attractive to small and diverse businesses. Over 35% of the suppliers are minority-owned.**
- ▶ **The dedicated database creates exceptional response rates, with over 90% of candidates submitted within 48 hours.**
- ▶ **Candidate quality is also exceptional, with less than 1% turnover.**