



zerochaos

Customer:  
**A Global Aerospace Designer  
and Manufacturer**

Corporate Profile:

Headquartered in Kansas  
16,000+ employees  
15 million+ sf global footprint

## THE ZEROCHAOS THEORY:

## The growth and evolution of a global contingent workforce program

### Global Employer- of-Record

We're in a global economy, and you have a global contingent workforce. If the acquisition and management of this workforce isn't handled correctly, it can expose your company to significant risk and cost. An experienced global employer-of-record provides risk and cost reductions in a wide variety of ways, including:

- Reduced process and invoicing costs through one system of record and consolidated invoicing
- Improving compliance with local labor regulations
- Cost transparency through reporting
- Finding and managing local staffing suppliers to meet needs

### Background:

This global aerospace company, originally formed by divestiture from an airframe manufacturer, spent its first four years in business redefining itself, one division at a time, streamlining operations and reducing costs. Eventually, a light was shown on their contingent labor program – at that time, an \$80M cost item. The redesign of this program required an innovative player in the market – ZeroChaos.

Years later, this program has grown to encompass a Managed Services Program (MSP), Vendor Management System (VMS), global employer of record services, alternative sourcing solutions, and employment screening services..

### The Challenge:

ZeroChaos has met a number of challenges with this customer as the program has evolved into greater breadth and overall complexity:

- ▶ **Initially, 40% of their professional workforce was eligible for retirement in 5 years, with an average employee age over 50 years old**
- ▶ **Time-consuming manual processes for acquiring contingent labor**
- ▶ **High-cost employer-of-record services through staffing suppliers**
- ▶ **More recently, growing needs for internal contingent workers.**

### ZeroChaos Solution:

ZeroChaos placed on-site team to simplify and streamline the overall process and remove administrative burdens from its management team and implementing their proprietary vendor management technologies.

### The Results:

By partnering with ZeroChaos and implementing our award-winning VMS/MSP solution and other services, the company realized:

- ▶ **Risk and cost reduced through employer-of-record services**
- ▶ **Initial cost savings in the first year over 7%**
- ▶ **Reduced cost and faster ramp-up times for contingent workers with the ZeroChaos alumni program**

“In the first year alone,  
the customer  
experienced savings in  
excess of 7%.”

#### **The Full Success Story:**

This global aerospace company, originally formed by divestiture from an airframe manufacturer, spent its first four years in business redefining itself, one division at a time, streamlining operations and reducing costs. Eventually, a light was shown on their contingent labor program – at that time, an \$80M cost item. The redesign of this program required an innovative player in the market – ZeroChaos.

Years later, this program has grown to encompass MSP, VMS, global employer of record services, alternative sourcing solutions, and employment screening services on a global basis, with contingent workers in sales, engineering, IT, and manufacturing in such diverse countries as Israel, Japan, Malaysia, Brazil, France, and Scotland.

#### **How Success Was Achieved:**

Using our Rapid Business Assessment methodology to garner a true picture of the program, ZeroChaos conducted interviews with hiring managers, surveyed suppliers, and worked closely with the procurement, accounting, HR, and legal divisions to evaluate responsibilities within the contingent labor program. The detailed information uncovered by this analysis created a comprehensive view of the customer’s contingent labor use.

ZeroChaos recommended placing an on-site team to simplify and streamline the overall process and remove administrative burdens from the customer’s management team and implementing their proprietary vendor management technologies. As the program grew to include significant international business, the MSP has grown as well, with standardized contracts and processes, rate validation for international partners, managing contracts and billing issues, and providing advice on currency fluctuations.

#### **Rich Results:**

ZeroChaos became the employer-of-record for many of these contingent workers, saving the customer over \$500,000 per year. In the first year alone, the customer also experienced savings in excess of 7% by applying a number of ZeroChaos best practices, including tenure discounting, rate rationalization, and reverse auctions.