# Facilitating Flexible I.T. Workforce Needs & 1099 Compliance for a Sophisticated Technology Device
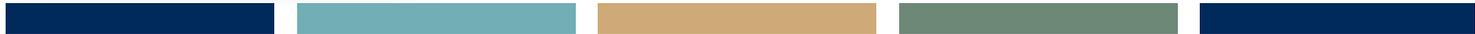
## CHALLENGE

- Difficulty scaling internal program to meet the demands of growing workforce
- Multiple staffing providers with inconsistent hiring processes
- Candidates ill-equipped
- No approval process, consistent billing or reporting
- Rogue spending
- Difficulty managing 1099 population

## CLIENT SITUATION

A premier technology company in the medical field was managing their growing workforce needs internally. The company provides leading edge treatment solutions to help cancer patients live longer, better lives. Contracts with multiple staffing providers meant assorted versions of reports, invoices, timesheets, on-boarding and off-boarding procedures, and approval processes. This opened the door to unexceptional recruiting and candidate selection, rogue spending, and little to no reporting to track costs. Another pain point for the company was independent contractor (often referred to as 1099) compliance, as increased risk and financial exposure from government audits loomed. While the company's human resources (HR) department was doing its best to manage both internal hiring and the contingent hiring needs, they also understood the necessity for a dedicated solution to stay ahead of engineering and production targets, as well as maintain shareholder value.

As a current staffing provider to the company, Ultimate Staffing Services presented our expertise in implementing fully-customized programs that could address each of their concerns. Additionally, as both companies shared a similar vision of how they conducted their businesses—making life better for the people they serve—the company immediately knew this partnership would be a great fit.

## DIFFERENTIATOR

- Shared pride of strong culture and values
- Matching passion to make life better

## HOW ULTIMATE STAFFING MADE LIFE BETTER

During the initial phase of implementation, Ultimate Staffing learned that:
- The approach to recruiting was inefficient and had low internal customer satisfaction
- With correspondence going through HR, hiring managers did not have relationships with the staffing providers
- Candidate profiles were often incomplete or inaccurate
- The company required niche staffing suppliers to meet all their talent needs
- The finance department was frustrated with the workload of multiple invoices
- 1099 compliance classification process required dedicated and expert resources

## SOLUTION

- Scalable, centralized workforce management solution
- Formalized job profile process
- Enhanced on-boarding and off-boarding procedures
- Developed a manager's guide to explain the hiring process
- Created a requisition process flow
- Consolidated approvals, reporting and invoicing
- Conducted quality checks

Based on this information, Ultimate Staffing set out to develop a Master Vendor Managed Service Provider (MSP) Program. The program centered on Ultimate Staffing serving as the primary staffing provider delivering the consistency the company required, while also managing the company's entire contingent workforce program (including reporting and tracking, secondary supplier management, order distribution, 1099 compliance management and consolidated billing) to relieve their internal resources and ensure comprehensive talent fulfillment.

To create our solution, we began by listening to the client through the use of Process Adapt™. This proprietary methodology is designed to explicitly determine the unique perceptions of quality for each hiring manager and continually adapt their perceptions over time. Our implementation team sat with each manager to understand their unique talent needs and work cultures. With this information, Ultimate Staffing implemented the following key features:

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## CUSTOM SERVICES

- Process Adapt™
- 1099 Compliance Management
- Expedite™
- Connectivity to customer's technology

- Thorough benchmarking analysis of top performers in positions fulfilled by temporary workers to develop consistent job profiles and hiring criteria
- Hiring manager's guide that outlined the recruiting and hiring process
- Dedicated program team to serve as a single point of contact for all contingent labor requests, including secondary supplier activity
- Requisition process workflow, including improved interview practices, and on-boarding and orientation procedures, that complemented the company's culture
- Efficiencies around payroll, timekeeping and invoices
- Quality checks through surveys and managing key performance indicators (KPIs)
- Quarterly Business Reviews to review program performance
- 1099 compliance management evaluation and expert review via web-based technology
- Secondary vendor management, including order distribution, contract review, risk assessments, and insurance guidelines
- Implemented Expedite™, our proprietary web-based technology, to deliver online timekeeping, customized reports, and streamlined invoice processing and retrieval
- Connectivity to company's talent management software, Oracle Taleo

## RESULTS

- ✓ Improved candidate consistency
- ✓ Lowered average markup
- ✓ Reduced turnover
- ✓ Organized billing with consolidated invoices
- ✓ Improved 1099 compliance
- ✓ Supported cost savings initiatives
- ✓ Aligned program with company's culture and improved reputation

## OUTCOMES OF OUR DEDICATED APPROACH

We are proud to have attained the following results for this company:

- Improved candidate consistency with an enhanced job profile
- Delivered better-quality recruiting and on-boarding processes
- Enhanced performance measurement and forecasting through the use of Expedite™
- Lowered average markups for many positions by 2% to 6%
- Reduced turnover rate resulting in average length of service of approximately one year
- Organized billing through consolidated invoices
- Improved 1099 compliance with IRS guidelines
- Supported company's cost savings initiatives by consolidating 20% of their locations and delivering an estimated $130,000 of cost savings annually
- Served as an engaged partner by delivering continuous communications

## ULTIMATE STAFFING'S REMARKABLE SOLUTION

**Program Start:** August 2007
**Program Model:** Master Vendor MSP
**Typical Daily Headcount:** 30 (average)
**Average Annual Spend:** $4.8 million
**Average Monthly Hours Billed:** 8,800
**Skill Set:** Engineering, IT and Technical
**Number of Locations:** 2 (company headquarters and a facility in another state)

## ON-GOING COMMITMENT TO UNCOMPROMISED QUALITY

As our partnership matures, we have steadily gained the confidence and trust of our client. We are continually focused on implementing new ideas, improving efficiencies, and incorporating industry best practices. Some of the improvements we have made include:

**Dedicated Resources:** We placed a dedicated manager on-site at the company's headquarters, which has dramatically improved response time and enhanced the rapport between hiring managers and Ultimate Staffing.

**Program Expansion:** When our client acquired a new company in another state, we rolled the new location into our program. We implemented consistent program policies and procedures, developed secondary supplier partnerships with incumbent staffing providers, and created diligent remote vendor management processes to ensure job requests are received, distributed and fulfilled efficiently.

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