

Cost Savings

A White Paper Analyzing Actual Cost Savings



By: Bartech Workforce Management
30150 Telegraph Road
Suite 320
Bingham Farms, MI 48025

WORKFORCE MANAGEMENT

It's been our experience that mark-ups work well for LI orders because they tend to be shorter-term and more transient. Depending on the Customer, Clerical orders may be short-term or long-term, while IT and Engineering positions tend to be long-term. BWM's experience as a leading Aggregator has shown that, for longer-term positions, mark-ups do not offer the greatest opportunity for hard dollar cost savings. We recommend that Customers utilize Baseline Market Rates to increase opportunities for cost savings. Most of our Customers use Baseline Market Rates and BWM has been very successful in negotiating cost savings based on these rates.

Please note the following Case Study:

- 2005- Hard Dollar savings of \$1.6 million associated with bill rate
 - Customer had large national contracts with staffing suppliers and had limited visibility into these contracts. During implementation, our assessment work uncovered inconsistencies in the way the contracts were being managed at the branch level. This resulted in
 - overcharges to our customer. Our assessment work allowed our customer to receive a rebate from the suppliers who were overcharging in the amount of \$132,000.
 - Additional bill rate negotiations during the sourcing process of \$104,000
 - BWM has eliminated invoice errors and streamlined the invoice process for temporary labor. The Customer receives only 12 invoices per year from BWM. The customer has experienced an annual savings of approx. \$4 million per year associated with billing/payment for temporary labor across the enterprise.
 - BWM leveraged their buy for drug screens and background check (saving \$350,000 annually).
 - In the process of conducting trend analysis and benchmarking to drive additional efficiencies and savings to customer.
 - Exceeded customer diversity sourcing goals.
 - In addition to the above savings, the Customer now has a procurement process that is in compliance with Sarbanes Oxley
- Legislation and now has standardized job titles and descriptions for all temporary workers. This is a direct result of BWM's ability to effectively manage the Customer's contingent workforce program. This allows the Customer to focus on their core business and functions.

One of the reasons for BWM's success is that we treat our suppliers like customers, educating them on how to successfully grow their business, while trimming the fat from it. The Supplier benefits of the BWM MSP program include:

- Increased productivity: Time consuming and paper-intensive processes - for bids, time reporting, invoicing and payment - are fully automated and tracked, decreasing administrative costs by over 60%.
- Faster payment: With automated financial processes that ensure invoices match the approved time and comply with contract terms, resulting in shorter cycle time through invoice payments.
- No more paper invoicing resulting in a reduction of costs.

WORKFORCE MANAGEMENT

- Opportunity to expand market diversity. Suppliers receive requisition broadcasts across all customers departments and locations.
- Supplier Council conferences to share best practices.
- Single Point of Contact for all staffing needs.
- Web-based: Accessible anywhere with a computer and Internet access.
- Know the bill rate, candidate requirements, and experience required up front.
- Easily submit candidates virtually and receive prompt feedback regarding submittals.
- Schedule interviews on-line.
- Access detailed real-time reports.
- Receive job postings in real-time.
- Easily evaluate and receive feedback on worker's performance.
- Track and manage your assigned workers in real time.
- No more paper time sheets. Workers can submit their time on line for approval.
- Enhanced control of recruiting processes and cycle time.

In summary, BWM is confident that we can effectively manage all costs associated with the procurement of temporary labor. This document includes the various components of our management methodology. Lastly, we included a recommendation in which we offer guarantees that we believe will make this endeavor successful.

WORKFORCE MANAGEMENT

Headquarters

17199 North Laurel Park Drive,
Suite 224
Livonia, MI 48152
734-953-5050

Bingham Farms

30150 Telegraph Road
Suite 320
Bingham Farms, MI 48025
248-593-1610

New York

200 John James Audubon
Parkway, Suite 208
Amherst, NY 14228

Toronto

160 Traders Blvd East
Suite 112
Mississauga, Ontario
905-502-9914

Indianapolis

6666 East 75th Street
Suite 510
Indianapolis, IN 46220
317-577-2255

Miami

815 NW 57th Avenue
Suite 205
Miami, FL 33126
305-261-2012

Toledo

3454 Oak Alley Court
Suite 402
Toledo, OH 43606
419-535-7343

www.bartechgroup.com

Bartech Workforce Management provides contingent workforce management solutions to large-scale users of temporary labor. At BWM, we help customers optimize their investment in temporary labor through: policy development, standardized processes, workflow automation and staffing vendor management. The value of our solutions is process efficiencies, improved visibility into both temporary labor spend and usage, improved worker quality, risk reduction, and reduced costs associated with the procurement of temporary labor. In fact, our customers have reported savings ranging from 5-20% which translates to millions of dollars saved.

Selected Customer List

Blue Care Network

Blue Cross Blue Shield of Michigan

Blue Cross Blue Shield of South Carolina

Delphi Corporation

DTE Energy Company

Eaton Corporation

Johnson Controls, Inc.

KUKA Flexible Production Systems

MAXIMUS, Inc.

Owens Corning

Verizon