

Regaining Control of the Contingent Workforce Program with Vendor Consolidation

Industry: Retail

Our client is a publicly traded Canadian retail company that operates in the automotive, hardware, sports, leisure and housewares sectors. Founded in 1922, our client has over 1,700 retail locations, financial services and e-commerce capabilities that employ over 58,000 workers with assets totaling \$20.38 billion (2020).

The Challenge at a Glance

Our client had a historically tight and well managed list of six contingent workforce suppliers that quickly grew to include over 20 vendors. With the expanded supplier list, our client was not receiving the benefit of preferred pricing based on its volume and lacked the overall visibility and control that it once had over the program.



Our client wanted to reduce the number of vendors and in doing so, reduce the cost associated with its contingent workforce.



Statement of Work (SOW) spend was full of what would otherwise be categorized as Time and Materials staffing, which would typically be sourced through the contingent supply chain.



Vendor consolidation presented significant risk with concerns existing over early contract termination, resulting in the loss of critical knowledge.



Limited visibility with SOW spend and personnel compliance with corporate security policies (background checks, system access, proprietary knowledge, etc.).



Our client wanted to reduce the complexity associated with managing the variety of terms and processes associated with the numerous supplier relationships which were causing confusion for its hiring managers.

Quick Facts

- Helped our client achieve over 17% savings on its contingent workforce spend.
- Provided visibility across both the contingent workforce and Statement of Work engagements.
- Introduced and enforced SOW audit controls.
- Served as Subject Matter Experts through the RFP process.
- Client's implement better management of their true OPEX and CAPEX spend.
- Educated our client on the Canadian labour market, trends and various government regulations in regards to Contingent Workers.

The Bottom Line

To regain control of their program, our client relied on our expertise to identify opportunities to achieve the cost savings, visibility and control it was looking for, while also retaining the talent the organization was concerned about losing.

The Solution

To reach these goals, Procom implemented our Contractor Payroll and Subvendor Management Programs. Our client leveraged our Subvendor Management Program solution to consolidate their vendors at no cost. We also redirected SOW-based agreements into proper contingent categories, which increased opportunities for Master Service Agreements (MSAs), deliverables and critical rate card data.

Procom also extended our contractor rate negotiation services to negotiate clauses with active resources and made concessions based on priority resources and reasonable acceptances. In addition, we reduced our client's vendor list in order to incentivize competitive pricing and increase rebates in exchange for an increase in potential opportunities.



Increased Support of a Tailored Service

By recognizing this individual client's historical dependence on outgoing suppliers, Procom increased the support of our recruitment services in order to offset this dependency.

Enforced Control

Consolidating all the client's vendors into a centralized platform allowed for a significant increase in transparency involving rate data and SOW engagements, allowing for enhanced leverage when negotiating rates with vendors.

Frictionless Conversion

Procom ensured a noise-free transition by implementing a customized transition plan with a focus on personal communication with all affected parties. Priority was set in ensuring that all parties involved were adequately informed and successfully guided through the process.

Key Improvements

Procom's SOW solution established a single, centralized platform for our client to manage all SOW engagements in conjunction with its contingent workforce.



Provided the visibility needed to drive results with easier identification of cost saving opportunities.



Improved Independent Contractor management and enforced control over SOW worker procurement processes.



Increased compliance to processes.



Achieved more competitive supplier rates.



Better management of our client's true OPEX and CAPEX spend.

About Procom

Procom is one of North America's leading staffing and contingent workforce management providers. Our business succeeds because we are reliable, our clients trust us, and we work hard to earn that trust by providing key insights and a commitment to transparency.