Future Workforce: Next Generation Workforce Management

Presented by:
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Senior Director of Customer Operations, Fieldglass

Stephen Clancy
Director, Contingent Workforce Strategies, Knowledge & Research, CCWP, Staffing Industry Analysts

Steve Silver
Sr. Director, Contingent Talent Management Program & IT, Recruitment Services, Kaiser Permanente

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Thank you to our sponsor...
Who We Are

**Staffing Industry Analysts is the global advisor on contingent work.**

- Our staffing firm membership is composed of many of the largest regional, U.S. and global staffing firms in addition to representatives from all parts of the contingent workforce industry.

- Our CWS Council membership represents over $100 billion in annual contingent workforce spend.

- We are a trusted advisor providing objective research within the contingent workforce ecosystem.

**Founded in 1989**

- Acquired by Crain Communications ($200M media conglomerate) in 2008, headquarters in Mountain View, California and London, England

- Comprehensive and vast industry and advisory service experience among executive, advisory and research team
CCWP Continuing Education and Recertification Program
Enhancement Announcement

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More Third Party CE credits available,
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Today’s Webinar Attendance = 1 CCWP CEU Credit

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Our speakers today...

**Steve Silver**  
Sr. Director, Contingent Talent Management Program & IT, Recruitment Services  
Kaiser Permanente

**Jim Brozny**  
Senior Director of Customer Operations  
Fieldglass

**Stephen Clancy**  
Director, Contingent Workforce Strategies, Knowledge & Research, CCWP  
Staffing Industry Analysts
Evolving Workforce Composition

20th Century Workforce Composition

21st Century Workforce Composition

Key Drivers:

- Shrinking average employee tenure... workers have more real career choices today
- Rapid expansion of types of skills/positions being filled by non-employees... CW penetration rates rising
- Non-employees generating strategic intellectual property
- Rising costs of real estate, benefits (e.g. healthcare), employee equity share, etc...
- Sustainable Competitive Advantage thru structural flexibility and agility
Companies Use a Wide Variety of Non-Employee Workers

Q: Based on what you know, which of the following TYPES of 'workers' did work on behalf of your company/organization during 2014?
...But Most Organizations Have Minimal Knowledge of Their Non-Employee Workforce...

Q: On any given month to what extent do you believe that your company/organization has a good view of (i.e. has the ability to see and measure workforce activity)?
Further, Most Are Making Little Effort to Motivate/Engage Any Non-Employees

Q: How would you characterize your company’s/organizations efforts to proactively engage and/or motivate each of the following types of workers in order that they are fully absorbed by and enthusiastic about their work?
About Half of Companies See Having a Combined Workforce View as Important.

Q: From what you can tell how much importance does your company HR and executive leadership place on a combined understanding of employee and non-employee components of your workforce? (check all that apply)

- Important/Extremely Important = 54%
- Important = 42%
- Neither Important nor Unimportant = 27%
- Not very Important = 14%
- Entirely Unimportant = 5%
Companies Who Need To Improve Flexibility or Productivity Have More Interest in Obtaining a Combined Workforce View

By Top HR Challenge

Percent of Companies Who Say Obtaining a Combined Workforce View is Extremely Important or Important

- No idea on worker-related priority: 36%
- Challenge: Improving quality of worker outcome: 44%
- Challenge: Access to and retention of key skills: 53%
- All company respondents: 54%
- Challenge: Labor cost reduction: 55%
- Challenge: Access to global skills: 57%
- Challenge: Improving worker productivity: 60%
- Challenge: Flexibility/Agility: 68%

Q12 Level of importance in obtaining a combined workforce understanding/view and Q10 Key worker-related challenge
.... And there are a Variety of Barriers to Implementing a Total Talent View of a Companies Workforce

Percent of company respondents who believe the following are barriers to obtaining a combined workforce view

- Operational Inconsistency: 22%
- Systems / data functionality: 19%
- Conflicting inter-departmental priorities: 16%
- Lack of experience / know-how: 11%
- Inconsistent terminology: 9%
- Lack of senior stakeholder support: 7%
- Risk aversion: 7%
- Prevented by contractual arrangements: 4%

Among companies that felt a combined view of employees and non employees was important to have

Q13. Which of the following are barriers/constraints to your company/organization. Achieving a COMBINED understanding/view of the EMPLOYEE AND NON-EMPLOYEE components of your workforce? (Check all that apply)
Total Talent Management: 2015 – The Journey Continues

Talent Business Initiatives

- Leverage Vetted Talent Pools
- Enhance Employment Brand
- Enhance Sourcing Channels and TA Cost-Effectiveness
- Leverage “Silver” Medalists
- Enhance Workforce Visibility
Kaiser Permanente Workforce Overview

Workforce at-a-Glance
- 180,000 Employees
- 38,000 Reqs Filled Annually (2014)
- 800,000 Unique Applicants (2014)

Supplemental Workforce – Enterprise Wide
- 33,000 Supplemental Workers
- 13,500 Suppliers Paid Annually
- $2.5+ Billion Spend Annually

Managed Program – Contingent Talent Management Program (CTMP)
- 3,900 Workers
- 280 Suppliers
- $500 Million Spend
<table>
<thead>
<tr>
<th>Worker Type</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliates</td>
<td>Medical professionals providing medical services to KP members in non-KP medical facilities and hospitals that have KP HealthConnect access through a secure Web portal.</td>
</tr>
<tr>
<td>Chaplains</td>
<td>Serve in an established religious/spiritual capacity within KP hospitals.</td>
</tr>
<tr>
<td>Consultants</td>
<td>Provide KP with professional and/or expert advice/services. Services are typically engaged through a statement of work for a defined project and deliverables.</td>
</tr>
<tr>
<td>Contractors</td>
<td>Provide KP with supplies/services for a specific job role for a set period of time.</td>
</tr>
<tr>
<td>Interns</td>
<td>Serve as an apprentice and/or trainee in a role at KP for practical experience.</td>
</tr>
<tr>
<td>Locum Tenens</td>
<td>Non-employee serving as a temporary replacement/substitute for a KP physician.</td>
</tr>
<tr>
<td>Offshore</td>
<td>Provide KP with defined services or project deliverables from non-U.S. location.</td>
</tr>
<tr>
<td>Residents</td>
<td>Serve as a KP physician for specific term in order to gain advanced medical training.</td>
</tr>
<tr>
<td>Students</td>
<td>Serve in a closely supervised learner role at KP while formally enrolled in school.</td>
</tr>
</tbody>
</table>
Discovery, Innovation, and Change
Lead to a more effective blended workforce

- 65,000 Workers
- $2.5-3 Billion in Spend

11% Recorded

\[
100 \times 10,000 \times 30 = 300,000
\]

Daily Transactions
Suppliers
Days per month
Transactions/Month

Kaiser Permanente Careers Website 2015
New Applicants

Jan 191,723
Feb 189,011
Mar 217,111
Apr 212,730
KP Contingent Workforce Current Process(es)

The current processes and tools for CWM are disparate and complex, often varying by region and/or department.

Outcomes

- **Ineffective workforce planning**
  - Customers not educated on labor types risk and misclassification.
- **No single process for**
  - Requisitions, contracts, invoicing.
- **Provisioning not configured**
  - Accurately track/deny access.
- **Unable to link CW to supplier**
  - ACA requirements.
- **Management Inefficient**
  - High degree of risk of compliance with suppliers.
CTMP Value Drivers

- **Improve Visibility**
  - System driven view of provisioning, access, and payment
  - Sustainable and repeatable reporting process
  - FTE accounting

- **Increase Control**
  - Access protocol/management
  - Contract administration and adherence
  - Reduce unapproved procurement of CWs

- **Reduce Risk**
  - Pre-engagement validation
  - Data security and privacy
  - Improved regulatory and policy compliance (ACA)

- **Reduce Cost**
  - Reduce unapproved spend
  - CW rate management
  - Supplier rationalization

- **Operational Dependencies**
  - Cross functional alignment
  - IT / KPIM system revisions
  - Procurement contract admin
  - Invoice structure

- **OneLink reporting**
- **Legal agreement**
- **Compliance**
## Approved and Unapproved Channels

<table>
<thead>
<tr>
<th>Process</th>
<th>CTMP</th>
<th>Procurement</th>
<th>Unapproved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Data</td>
<td>3,900 Workers</td>
<td>10,000 Workers</td>
<td>20,000 Workers</td>
</tr>
<tr>
<td></td>
<td>247 Suppliers</td>
<td>2,000+ Suppliers</td>
<td>8,000 Suppliers</td>
</tr>
<tr>
<td></td>
<td>$500,000,000 Spend</td>
<td>$600,000,000 Spend</td>
<td>$1,500,000,000 Spend</td>
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<tr>
<td>Planning</td>
<td>✓ No current planning</td>
<td>My HR ✓ Procurement Portfolio Director</td>
<td>SOW Hiring manager decides he/she has a need</td>
</tr>
<tr>
<td></td>
<td>Limited data visibility</td>
<td>Business Owner / Hiring Manager</td>
<td></td>
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<tr>
<td></td>
<td>Talent advisor / Hiring Manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Request/Approval</td>
<td>✓ OneLink FDA approval</td>
<td>Fieldglass ✓ Letter of Agreement SOW</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Worker classification</td>
<td>OneLink FDA Approval</td>
<td></td>
</tr>
<tr>
<td>Fulfillment</td>
<td>✓ MS supply base</td>
<td>Fieldglass ✓ Contracted supplier</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Direct Src.</td>
<td>Limited ACA reporting</td>
<td></td>
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<tr>
<td></td>
<td>Rate Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Onboarding/provisioning</td>
<td>✓ Access &amp; Assets management</td>
<td>Fieldglass ✓ Limited access</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rehire eligibility</td>
<td>prehire controls</td>
<td></td>
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<td></td>
<td></td>
<td>Little audit capability</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>No rehire eligibility</td>
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<td></td>
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<td>Labor compliance</td>
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<td>Performance measurement</td>
<td>✓ Talent Advisor</td>
<td>Fieldglass ✓ Business managed</td>
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<tr>
<td></td>
<td>Hiring Manager</td>
<td>Deliverable documentation</td>
<td></td>
</tr>
<tr>
<td>Invoicing/Time</td>
<td>✓ FDA approval</td>
<td>Fieldglass ✓ Invoice as image</td>
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</tr>
<tr>
<td></td>
<td>ACA Compliance</td>
<td>OneLink No FTE reporting</td>
<td></td>
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<tr>
<td></td>
<td>Financial reporting</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>EDI Invoices</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Off boarding/Deprovision</td>
<td>✓ Talent Advisor Access</td>
<td>Fieldglass ✓ Supplier or hiring</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Access &amp; Assets management</td>
<td>manager driven</td>
<td></td>
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<td></td>
<td>Rehire Eligibility</td>
<td>Asset &amp; access</td>
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<td></td>
<td>Record Retention</td>
<td>deprovisioning</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>lags actual exit</td>
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**Approved and Unapproved Channels**

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  - $500,000,000 Spend

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  - Limited data visibility
  - Talent advisor / Hiring Manager

- **Request/Approval**
  - ✓ OneLink FDA approval
  - Worker classification

- **Fulfillment**
  - ✓ MS supply base
  - Direct Src.
  - Rate Management

- **Onboarding/provisioning**
  - ✓ Access & Assets management
  - Rehire eligibility

- **Performance measurement**
  - ✓ Talent Advisor
  - Hiring Manager

- **Invoicing/Time**
  - ✓ FDA approval
  - ACA Compliance
  - Financial reporting
  - EDI Invoices

- **Off boarding/Deprovision**
  - ✓ Talent Advisor Access
  - Access & Assets management
  - Rehire Eligibility
  - Record Retention

- **Procurement**
  - ✓ My HR
  - ✓ Procurement Portfolio Director
  - Business Owner / Hiring Manager

- **Unapproved**
  - Hiring manager decides he/she has a need

**Process CTMP**

- **Procurement**
  - ✓ My HR
  - ✓ Procurement Portfolio Director
  - Business Owner / Hiring Manager

**Unapproved**

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  - EDI Invoices

**Off boarding/Deprovision**

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  - Access & Assets management
  - Rehire Eligibility
  - Record Retention

**Procurement**

- ✓ My HR
  - ✓ Procurement Portfolio Director
  - Business Owner / Hiring Manager
Ideal Process

HM/FDA
- HM has a need: Procurement or CTMP
- FDA Approval of audited requisition
- Candidates reviewed & accepted in FG
- Assignment Ended

Taleo
- Taleo Requisition created
- Taleo transfers req to FG
- FG Distributes req to supply base
- Record is created & provisioning initiated, worker profile management
- NUID request initiated from FG
- Invoice received & payment issued

CTMP
- CTMP Audit

Fieldglass
- Taleo transfers req to FG
- FG Distributes req to supply base
- Record is created & provisioning initiated, worker profile management
- Supplier & TA support and manage CW
- Time Capture & Invoice generation
- Access Terminated

KPIM

Both process & technology changes are required:
1) Approved Procurement Channel must be used to acquire "workers" (Fieldglass or Procurement Contract)
2) NUIDs will Only be issued via the approved procurement channels (FG integration to KPIM, procurement approved access process must be defined)
Program Operations and Future State Strategy

**PROGRAM OPERATION DELIVERY – COE**
- Standard Ops-Procedure Definition
- Program Reporting
- Compliance
- Supplier Engagement
- Finance
- Diversity Spend
- Communication
- VMS Administration
- Service Delivery Architecture

**SERVICE LINES**
- INFORMATION TECHNOLOGY
- FINANCE AND ADMINISTRATION
- BUSINESS
- CLINICAL

**INTEGRATED SERVICE**
- Direct Fulfillment (50%, Vert MSP) Sub Supplier Fulfillment
- SOW
- Payroll (Named Resources)
- Independent Contractors
- Recruitment Process Outsource
- Direct Sourcing
- Functionally Specific Service

**FUTURE STATE DESIGN & CONSTRUCTION**
- Approved Procurement Channel Strategy
- Privacy & Security Alignment (KPIM)
- Governance Structure
- Technology Requirements
- Process Mapping
- Request & Funding Approval
KP Careers Temporary Opportunities

Key Points

- Creates desire to apply to KP
- Partner Profiles
- Contract worker FAQs
Engagement and Key Communication Programs

Direct Sourcing
kp.org/tempjobs

CTMP on My HR
CTMP Wiki
CTMP SharePoint

Decision Support Tool,
Risk Mitigation and
Best Practices Guide

Talent Advisor
Directory
CTMP Toolkit
SharePoint Forms

Digital Displays

KPIM & Fieldglass
Enhancements

My HR Articles Published

<table>
<thead>
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<th>Date</th>
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<tr>
<td>CTMP Teaser</td>
<td>July 2014</td>
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<td>CTMP launch</td>
<td>August 2014</td>
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<td>Talent Advisor Directory</td>
<td>November 2014</td>
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<tr>
<td>Program Overview</td>
<td>January 2015</td>
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<tr>
<td>NCAL &amp; SCAL Expansion</td>
<td>March 2015</td>
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<tr>
<td>Decision Support Tool and Risk Mitigation</td>
<td>March 2015</td>
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<tr>
<td>Best Practices Guide</td>
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<tr>
<td>Decision Support and Risk Mitigation Guide-Additional regions</td>
<td>June 2015</td>
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<tr>
<td>Hawaii Expansion, Decision Support Tool</td>
<td>July 2015</td>
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</tbody>
</table>

"Considering a contingent worker? Your path begins on My HR."

"Contingent Talent Management has updated its CTMP and CTMP launching August 2014. By implementing Contingent Talent Manager (CTM), you can streamline your hiring process and improve efficiency. Our tool helps you find the right candidates at the right time and align with your company’s goals to increase your overall success."
Direct Sourcing

Opportunity Indicators

- 800,000 Applicants – 2014
- 35,000 – Requisitions 2014
- 9,000 External Applicants HIRED
- 790,000 Assets ‘ReCapitalized’
- 25,000 CWs Provisioned at premium rate

Realization

- Contingent Worker reqs on www.kaiserpermanentejobs.org
- 32,000 Unique Applicants
- 3,400 Screened & Qualified
- 58 CWs Onboarded
- $200,000 Saved YTD
- Trending $1,000,000 in 2015
- 72 hr Direct Source ‘Hold Period’ implemented

Recapitalization of 700,000 applicant assets to drive quality, reduce cost, and extend KP brand in the market
Summary

- Tap into unaccounted applicants
- Low cost to implement to acquire high quality workers
- Savings and efficiency for contingent workforce program
Stephen Clancy
Director, Contingent Workforce Strategies, Knowledge & Research, CCWP
Staffing Industry Analysts
sclancy@staffingindustry.com
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### Upcoming webinars...

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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<tr>
<td>CW 1.0 Making Sense of the CW World</td>
<td>9/23/2015</td>
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<tr>
<td>Technology Trends</td>
<td>9/23/2015</td>
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<tr>
<td>HR and Procurement, who runs the show?</td>
<td>10/28/2015</td>
</tr>
<tr>
<td>Online Labor Marketplaces</td>
<td>10/28/2015</td>
</tr>
<tr>
<td>VMS MSP Landscape</td>
<td>11/19/2015</td>
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<tr>
<td>In House vs Outsource, which model is right for you?</td>
<td>12/17/2015</td>
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Get identified as the expert in contingent workforce program management with CCWP.

Sign up for certification or training.

Upcoming CCWP Certification & Training Classes:

<table>
<thead>
<tr>
<th>Date</th>
<th>Location</th>
<th>Notes</th>
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<tr>
<td>Oct 8th &amp; 9th</td>
<td>London, UK</td>
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<tr>
<td>Oct 21st &amp; 22nd</td>
<td>Dallas, TX</td>
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<tr>
<td>Dec 8th &amp; 9th</td>
<td>San Jose, CA @ Adobe HQ</td>
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CW Solutions Forum
Risk, Technology & Data Analytics tracks plus new Express Solution Sessions during which attendees will select the sponsors with whom they would like to meet.

CCWP Class
An accreditation program in contingent workforce program management, an essential credential for anyone involved in managing corporate contingent staffing.

For more information, visit www.cwssummit.com
• Copies of the slides and a link to the audio recording will be distributed to all attendees within 48 hours following the webinar

• A replay of the webinar will be available for CWS Council Members at www.staffingindustry.com

• Research Links: Total Talent Management