

Case Study

A Multinational Media Organisation

In the summer of 2007 Reed agreed a c£200 million five year framework contract for the provision of contingent workforce and project based services with a multinational media organisation.

Challenge

- Large contingent workforce
- Low resource quality and continuity
- High resource management costs

Solution

- Contingent Recruitment Process Model
- Demand, Sourcing and Workforce Management
- Risk Transferral

Results

In ten months, 35 Work Packages have delivered savings in excess of £2.4 million:

- Reduced Supplier Margin (c£750,000)
- Changes in expenditure patterns (c£200,000)
- Transactional invoice processing changes (c£200,000)
- Work Packages (c£1.2 million)

Service Description

The solution offered by Reed is a Strategic Partnership in the true sense. It is a vendor neutral management framework, targeted to ensure the delivery of maximum value to the organisation via two core mantra's: direct cost reduction, and indirect cost and risk transfer to Reed. These core principles are focused on extracting the full value of Reed's resourcing capability and demand management expertise, then blending it with a variety of innovative commercial models to ensure the maximum value for each Pound of expenditure.

Service Components

The solution delivered by Reed covers four primary components:

Demand & Sourcing Management

Reed has implemented a single consolidated business interface that helps the organisation's business managers to carry out accurate demand planning. Furthermore, Reed's onsite team of six provide both advisory and activation capacity, providing advice and guidance on the most appropriate sourcing options and commercial structures for each business scenario.

Contingent Recruitment Process Management

Reed provides a fully managed off site service for the provision of contingent workers of the organisation. This is delivered via a managed

list of 52 preferred suppliers, in addition to Reed's own extensive branch network. The process is managed via a fully auditable technology platform ensuring that equality of provision is maintained at all times, whilst providing a single source of electronic billing.

Workforce Management

This service ensures that maximum flexibility is retained by the client whilst still achieving a level of direct cost savings. Reed provides and manages pools of contingent workers that can then be transferred out to project based Work Packages at appropriate points during their engagement, enabling the client to benefit from a blended solution of resource continuity and value maximisation via risk transferred Work Packages.

Risk Transferred Delivery Model

Work Packages provide the client with clarity of deliverables coupled with transparency of costing, which means that all parties can be sure of the value to be derived from working together to deliver business benefit. A Work Package will typically be tailored around a specific service delivery, such as testing, web development, software development or system delivery management. Reed works closely with the client to construct Work Packages in IT and other areas, providing measurable value for money. The risk of managing the delivery of this work transfers to Reed who commit to a fixed price cost for a fixed price deliverable.

Results

After ten months of live operation, Reed has delivered in excess of 35 Work Packages, as well as providing long term support packages for Business and Broadcast critical applications. These Work Packages, coupled with an active programme of business engagement and prudent supplier management, have enabled Reed to deliver savings (after costs) in excess of £2.4 million.

This has been achieved via a mix of:

- Reduced Supplier Margin (c£750,000)
- Changes in expenditure patterns (c£200,000)
- Transactional invoice processing changes (c£200,000)
- Work Packages (c £1.2 million)

Another innovative solution delivered in partnership through Reed's resource and business management capabilities: Reed Consulting & Reed Professional Services.

Reed Consulting

Reed Consulting transforms performance by designing and implementing strategies to acquire, evaluate and develop talent for organisations of all sizes, across multiple sectors.

Reed Professional Services

Reed Professional Services helps you compose, orchestrate and integrate your Technology and Business Information systems, making sure that your company realises the maximum value from its investments.

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