

Peopleclick® Case Study: Nationwide Reins in Maverick Spend

Gains Leverage and Visibility into Supply Base While Saving Millions

Nationwide Insurance at a Glance

COMPANY: Nationwide Insurance and Financial Services

INDUSTRY: Insurance

HEADQUARTERS: Columbus, Ohio

GOAL: Find a better way to manage Nationwide's supplier base and make sure it gets maximum value for its dollars.

THE SOLUTION: Peopleclick Vendor Management System (VMS)

SOLUTION DESCRIPTION:

Peopleclick VMS™ is a web-based, enterprise-wide vendor management system that automates, tracks and reports on processes for engaging contractors and working with staffing firms. From leveraging preferred vendor relationships and negotiating lower rates to eliminating maverick spending and managing headcount to budget, VMS helps companies reduce the cost and increase the quality of contingent labor.

The Challenge

As one of the largest insurance and financial service companies in the world, Nationwide works diligently to meet the unique needs of their customers. With 80 years of experience, Nationwide is a trusted insurance provider, with customized solutions for corporations and individuals alike. Staffing for growth over the years produced the need to engage contingent workers to fill external consultant positions. These positions range from several different labor categories, so candidate quality qualifications and time-to-fill were crucial for the insurance company.

At one time, Nationwide used more than 100 staffing vendors to provide external consultants. "We realized that our supplier base was getting extremely difficult to manage due to its growing size," said Janis Glick, Manager, SMS External IT Resource Management for Nationwide. "At the same time, the process we had in place was out of control, and we clearly needed a system to manage our supply and purchasing space in a competitive sourcing, best-practice environment."

The insurance powerhouse began searching for a solution that would deliver pricing structures, was flexible, easy-to-use and would clearly display the attributes of potential contractors in their market. Specifically, they needed a system that would consolidate their suppliers into a unified system, distribute detailed analytics, support their business objectives and enable them to evaluate supplier performance.

The Solution

Nationwide's answer was the Peopleclick Vendor Management System (VMS), which they implemented in 2001. Once installed, the Peopleclick solution quickly resulted in a substantial financial savings for Nationwide, while improving the quality of contractors and suppliers.

Even though several other firms were evaluated for this project, Glick said that Peopleclick was chosen because it gave Nationwide the ability to improve multiple components of their contingent workforce strategy. "Before using Peopleclick VMS™, we had no leverage with our suppliers, and no visibility in what our suppliers were doing. Since using the Peopleclick VMS solution, we have that and much more."

The Results

Glick said that the Peopleclick VMS solution gave Nationwide the tools to focus on their contingent workforce planning blueprint. Because contingent labor is a large and often uncontrolled expenditure for any company, Nationwide was pleased to have a system that could not only produce higher quality candidates, but also increase supplier competitiveness and lower rates. The solution enabled them to configure which positions they wanted to outsource or keep internal.

Use of the VMS solution supported a 500 percent increase in the amount of spend under management in just over four years. Peopleclick VMS provided Nationwide with the necessary business analytics so as the company's spend increased, it leveraged significant discounts with their vendors resulting in substantial cost savings. Nationwide averaged \$3 million in savings when they first started using the VMS solution seven years ago. Last year, their savings soared to \$12 million.

As the cost savings for Nationwide dramatically increased, so did the quality of the candidates for their supplier base. Due to this increase in quality performance, Nationwide began an award incentive program for their vendors. Based on a supplier scorecard and performance results derived from data that Peopleclick VMS provides, Nationwide suppliers are recognized for providing strategic value such as supreme customer satisfaction and quality service delivery. "Our award incentive program is a fantastic way to recognize our suppliers throughout the year, making them realize the true value they add to our company," added Glick.

Today, Nationwide runs millions of dollars through the Peopleclick application, and Glick noted that Nationwide is extremely happy with their solution and the support she receives. "The relationship we have with Peopleclick is amazing, as they are extremely customer-focused. That coupled with their technology focus makes it no surprise they are leading the pack in the industry."

About Peopleclick

Peopleclick provides software and services that empower companies around the world to find, attract and hire quality people—in less time, with less risk. Peopleclick's technology, consulting expertise and support give companies the vision and flexibility to strategically manage all of their talent resources—whether they are salaried, hourly or contingent. Founded in 1997, the privately-held company currently serves 1,800 clients in 192 countries, including 54 of the Fortune 100. Peopleclick products support users in organizations ranging in size from large, multi-national corporations to small and medium-sized businesses.

For more information on Peopleclick and its market-leading talent acquisition technology, visit www.peopleclick.com.

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