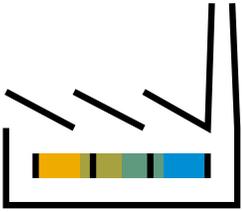**SAP Fieldglass**

SAP Fieldglass' VMS Helps Procure and Manage a Light Industrial Workforce

A Light Industrial Manufacturing Company Case Study

THE BEST RUN **SAP**

A technology and industrial manufacturing company, serving customers in more than 150 countries, managed its external workforce program with manual, time-consuming processes. With a large light industrial workforce, the organization was processing almost 30,000 external labor invoices in the United States every year. Yet more than 5 percent of the invoices were proven to have errors, often resulting in up to three hours of dedicated manpower to resolve. So the organization was wasting around 4,500 hours each year correcting erroneous invoices. The company realized that it needed a proven Vendor Management System (VMS) to help with its invoicing problems and to improve other critical areas of its external workforce management.

The challenges

Prior to adopting SAP Fieldglass VMS for its light industrial workforce, the company relied on a manual process, which often varied across all of its plants, for procuring and managing its flexible workforce. A consistent timekeeping process wasn't in place and invoicing differed by supplier with most done by hand. Job postings were handled via phone or email with the supplier and workers deployed to the facility by the supplier, often without approval from the company. The lack of a standardized process created frequent errors including unpaid suppliers, double payments, expired purchase orders (PO), PO reassignment delays (sometimes 2-4 weeks), a burdensome reconciliation process and incorrect bill rates.

Defining the program goals

The organization chose SAP Fieldglass as its VMS and together they identified several important goals including:

- Remaining supplier neutral within a self-managed program
- Improving invoice processing efficiency
- Decreasing PO issues, duplicate invoices and double approvals
- Improving the manager reporting process
- Improving supplier communication, including filling requests on time, onboarding status and invoicing details

Challenge

Manual, time consuming and disparate processes created errorrs for its contingent workforce program

Solution

SAP Fieldglass Vendor Management System

Results

The company now leverages one system and standardizes its processes across several plants. Its invoice error rate has decreased substantially and supplier communications has been significantly improved
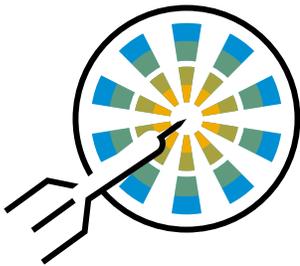
About SAP Fieldglass

SAP Fieldglass, a longstanding leader in external talent management and services procurement, is used by organizations around the world to find, engage and manage all types of flexible resources. Our cloud-based, open platform has been deployed in more than 180 countries and helps companies transform how work gets done, increase operational agility and accelerate business outcomes in the digital economy. Backed by the resources of SAP, our customers benefit from a roadmap driven by a continuous investment in innovation.
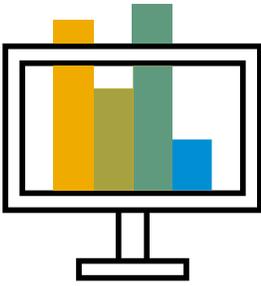
After deploying SAP Fieldglass, the organization was able to easily adapt to the new streamlined, secure and efficient processes for external workforce management. The company no longer relies on manual, time-consuming steps and everything is documented in one system. For example, once suppliers register workers in the VMS, they can be assigned at any time to one of the many work orders that are active with the company. Now the supplier is responsible for loading time into the system and the company's managers can easily approve the time. After the time is approved, a consolidated, approved invoice file is sent directly to Accounts Payable for processing and any invoice corrections can be corrected by the supplier online. The company now leverages detailed supplier and program performance reports available in the VMS.

Astounding Results

The organization is experiencing excellent results using SAP Fieldglass. It now leverages one system for the entire procurement and management process, ensuring consistency and timeliness. While the average invoicing error rate prior to implementation was more than 5 percent, it is now only .05 percent. The company once had to deal with more than 1,500 incorrect invoices and now that number has dramatically dropped to less than 20. Countless wasted hours were saved and are now spent doing more important tasks.

New jobs are posted quickly and easily and then assigning workers to task codes is seamless. Communication with suppliers has vastly improved and they are paid on time. Approvals go much smoother, even when a manager is away. The company relies on frequent VMS-generated alerts, including upcoming PO or contract expirations, to ensure that its systems and processes are operating smoothly without any payment delays.

The company will continue to roll out the system in several more locations in the United States and abroad.

Learn More

The world of work is changing, and SAP Fieldglass is leading the way with innovative solutions that harness the power of the external workforce in driving the digital economy. Explore additional resources on www.fieldglass.com/resources to learn more about the external workforce and the way work gets done.

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