The Winding Road Through Resource Utilization Strategies

GuideWell

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The Winding Road Through Resource Utilization Strategies
GuideWell - building the future of health

Helping people and communities achieve better health

- Serves over 16 million healthcare consumers in the United States in 29 states
- $16.1 billion in revenue and over 12,000 employees
- Forward-thinking companies:
  - Leading health insurance company in Florida
  - GuideWell Connect - Consumer engagement company
  - GuideWell Health - Health delivery company
  - GuideWell Source - Administrative services/claims processing company for state and federal health care programs
  - PopHealthCare – Leader in risk adjustment and care management
- What we believe in:
  - Innovation in health care to accelerate change for better outcomes
  - Transformation in the delivery of healthcare through new ways to access and experience care
  - Consumerism can empower people to take charge of their health and healthcare
WE DETERMINED THAT GOOD RESOURCES DON’T GROW ON TREE’S

It’s a candidate-driven market

Job seekers “Rule”

Staff Aug or SOW

Business Leaders Have So Many Choices
IT & SALES LEADERS EXPRESSED CONFUSION WHEN SELECTING THE RIGHT STAFFING PATH

- Direct Hire
- Temp Contract
- To Hire
- Contract/SOW
WHO WAS INCLUDED IN THE THINK TANK APPROACH TO IMPROVE THE RESOURCE UTILIZATION JOURNEY?

**Human Resource Group**
- Rules of Engagement
- HR Policies
- Future Process Plans

**Information Technology**
- Stakeholder Interviews
- Preferred Suppliers Selection
- Compared the Models

**Corporate Procurement**
- Spend Analysis
- Rate Comparisons
- Contracting

**Legal**
- Co-employment
- Immigration Laws
- Sub-Contractor Language
WE ASKED…….
WHEN RESOURCES ARE NEEDED; WHAT MATTERS MOST?

Preferred Candidates – 40% of the time the business knows “who” they want to do the work based on history or referrals

Speed – in most cases the need for a “preferred candidate” has a slower turn-around time

Skill set – It is critical that resources have the right skill-set to accomplish project work. General or specialized skills

Vendor Trustworthiness/Consistency – Is the staffing supplier trustworthy to send vetted resource?

Cost transparency – billable rates should be transparent and competitive

How do we hit our TARGET?
When business needs change...So should we!

I want to hire a resource for a Project Deliverable

Call Center
Sales
IT
Outsourcing

Requirements are not clear...

Can I manage the resources?

STAFF AUG

Project flexibility

Fixed Price

Which Path Is Right For You?

Road to Resource Utilization

I’d like to hire a resource
CHANGES IN PROFESSIONAL SERVICES

2015-2016
- Increase in Independent Contractor (IC) and Freelance Workers

2016-2017
- Increase Number of Noncore Suppliers

2017-2018
- Increased Project Outsourcing

2018
- Increase Complexity of Categories

- Hybrid Models on the Rise
- Need for Staff Aug/SOW Insourcing Combo

- Professional Service Future/Organic Growth
UNDERSTANDING OF PAIN POINTS FROM BUSINESS STAKEHOLDERS

Stakeholder Interviews
Met with IT Leaders to capture pain points of resource utilization

Tech Screening/ Vetting
There appears to be limited technology acumen among the Supplier staff.

Lack of “Niche” Bench Strength
Current Staffing Suppliers did not have bench strength needed to fill unplanned needs of specialized skills.

Performance
Long term assignments begin to make the contingent worker feel like a “FTE”

Immigration/ H -1B
The legislative changes are causing HR challenges. The business areas don’t truly understand the impacts

Speed to Deliver/Onboarding
REAL business needs have a shorter turn-around of 2 to 3 weeks

Billable Rate Transparency
Inconsistent rates depending on the channel
**IT Outsourcing**

- Transfer of **control to Supplier** for execution of outcome
- Project/skill-set or Niche
- Committed to the **OUTCOME**...the “How” is less relevant
- Deliverables
- Acceptance
- Remedies
- SLA’s
- Time-sensitive

**Staff Aug**

- **Just in time** concept
  - Temporary need for additional resources or niche skill set/knowledge
- The goal is to supplement the existing staff by headcount or special skill without hiring as a FTE
- Supplement the existing staff by headcount or special skill without hiring as a FTE
- **Just in time** concept
  - Set # of Suppliers in a program
  - Primary focus on providing **skill and capacity** vs. Commitment to outcomes

**Consulting**

- Traditional Management value-added Counsel
- Supplier Lead
- Deliverables
- Audit
- Planning or Strategy
- T & M
- SLA’s
- Time-bound
- **Can take the form of Staff Aug, Managed services and outsourcing**

**Full Time EE’s**

- Budgeted Resources
- Long Term
- Direct Management
WE AGREED TO A BUSINESS MODEL SHIFT

MSP and VMS

After months of negotiations we communicated a change in how we work with our MSP and VMS

Business Process Changes

Business Practices
Set sound Rules of Engagement

Communications
Frequently updates with Stakeholders

Savings
Over $1M in savings Use of Subscription service for the VMS

Developed Repeatable Processes
Built confidence in the methodology
THE EVOLUTION OF ENTERPRISE UNDERSTANDING OF STAFFING ENGAGEMENTS WILL TAKE TIME TO DEVELOP

What Can YOU do to Help?

- Involve Business Stakeholders
- Outline Options Current State
- Gather Data
- Create or Enforce Rules of Engagement
- Collaboration Sessions/ Governance
- Change the Model if needed
Now that Leaders know how to select the right sourcing strategy

A New Business Model Approach

MSP and VMS Split

Savings

Professional Services or Hybrid IT Outsourcing
IT & SALES LEADERS ARE CONFIDENT WHEN SELECTING THE RIGHT STAFFING PATH

- Direct Hire
- Temp Contract To Hire
- Staff Aug
Takeaway and Contact Information

Contact Information

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Thank You
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