

**Industry:** Lending

**Geographies:** U.S.

### Challenges:

- Inefficient Processes
- Compliance
- Budgeting Control

### Solutions:

- Contingent Workforce
- Procure-to-Pay
- Supplier Management

### Results:

- Improved Efficiency
- Improved Compliance
- 30% savings on Contingent Worker Spend

**NPL saved 30% on contingent worker spend in first few months of the COVID-19 crisis.**

## Loan Leader Saves 30%, Improves Efficiency and Compliance by Extending BSM Strategy to Contingent Workforce Management

A leader in acquiring and collecting nonperforming loans, the firm (“NPL”) uses a wide variety of contingent workers and consultants to get the talent and skills they need each year. Ensuring that the business’s needs for talent are met in a timely, cost-effective manner while complying with industry and labor regulations is critical to the firm’s ability to deliver on its mission and its bottom line. In 2019, NPL decided to extend the use of its Business Spend Management (BSM) platform to manage all contingent workers. From office admins and hard-to-find software engineers provided by staffing agencies to independent consultants advising on strategic or technical issues, all workers are now managed digitally to bring improved efficiency, compliance, and spend control. With this strategy, NPL **saved 30% in spend on contingent workers in the initial few months of the COVID-19 crisis** while improving compliance.

### Reviewing the Firm’s Strategy for Contingent Workforce Management

After years of managing contingent worker needs with a leading international staffing agency and a Vendor Management System (VMS) platform provided by that agency, the firm realized that it needed to reconsider. As part of the lending industry, the firm is subject to oversight by regulators such as the U.S. OCC, in addition to labor law pertaining to contingent-worker employment and public-company controls audit expectations. The company’s previous agency and indirect-license VMS arrangements led to several issues which needed to be addressed:

- **Budget Issues for Managers:** Because the firm used separate platforms for managing spend on contingent workers (the largest overall spend category) and other goods and services, managers didn’t have real-time visibility into overall budgets. They had to rely on FP&A to report on contingent labor spend and budget compliance after the end of each period—when it was already too late to take action.
- **Inefficiency and Risk with Manual Processes:** While the firm’s VMS system was used to engage and manage most workers, certain consultants were managed manually. This gap in digital, auditable processes meant inefficiency for the talent team and compliance risk. The issue was hard to resolve because some consultants resisted entering into a Managed Services Provider (MSP) relationship required by the firm’s agency for using the indirectly-licensed VMS system.
- **Metrics and Data Issues Hampering Optimization:** The VMS system made it difficult to understand and improve staffing agency performance. If the firm wanted to move to a new MSP, they wouldn’t own their data and VMS configurations, under the indirect license model.

## BSM Strategy for Savings, Efficiency, and Compliance in Contingent Workforce Management

The firm determined that they needed to re-think their platform strategy for managing contingent workers, moving from the indirect-license model to a direct software license fully owned by the firm. Adding Coupa's VMS offering to their previously-deployed BSM platform provided benefits:

- **Ease of Use that Drives Savings:** When the firm added contingent workers to their BSM platform, the change was easy because managers were already familiar with the request and approval process. The firm's talent team saw managers move requests to Coupa before user training even started! Everything now goes through the same purchase requests, budget checks, and approvals as spending on goods and other needs. "Blanket" POs used in the past were transitioned to POs for each distinct need. Worker time and project deliverables are managed consistently. These improvements have had a major impact on encouraging responsible spending, **saving the firm 30% in just a few months** at the beginning of the COVID-19 crisis.
- **Efficiency and Compliance in Managing ALL Workers:** Because the firm fully owns their VMS subscription with Coupa, they are free to manage all contingent workers consistently in the system. There's one simple process for all workers from admins provided by staffing agencies to industry-veteran independent consultants. A single process ensures that audit trails of approvals, background checks, etc. are captured digitally for all workers. If a worker is terminated, they can't simply move to another staffing firm and get rehired. If the firm wants to move to a different MSP in the future, they can do so smoothly while retaining all of their data and configurations.
- **Improved Service Levels to the Business:** The firm can now compare vendors on metrics such as bill rates to make sure they're competitive, as well as tracking operational KPIs like time-to-fill to improve performance over time. Coupa's integrated approach for supplier management means that everything from management of basic remit-to information and certifications to monitoring of supplier risk is extended to staffing providers.

### The Path Forward

The firm's talent team will continue to make operational improvements, getting all vendors on board, driving adoption by managers, and monitoring KPIs for opportunities to improve operational processes and vendor performance. In addition, the team will look at vendor and MSP strategies based on the consistent data they're collecting with Coupa.

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“Bringing Contingent Workforce management into our BSM strategy helped the firm to adapt quickly to this global pandemic, saving 30% while improving compliance and control.”

— Director,  
Talent Acquisition

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