

**SYNERGY 2009 Breakout Session**  
May 13, 2009

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***Benefits of Services Procurement Management (SPM)***

Contingent Labor  
Contingent Workforce

Specialization is coming from *needs*.  
Most of your spend is in:

1. Technology
2. Finance & Accounting
3. HR

VMS – Vendor Management Solution

**What is SPM?** Services Procurement Management

- ... Integrated Workforce Solutions
  - o Providing and extension of the procurement group
- ... Evolution of Managed Staffing Solutions
- ... Evolution of MSP Solutions
- ... The next evolution is.....?

Integrated Resource Fulfillment

- ... Insource/Outsource
- ... How do I use Technology?
- ... Full-time? Part-time?

Today

- ... Enterprise is contingent and contract labor
- ... Corporate Compliance – SOX, HIPPA
- ... Repeatable Management Process
  - o Cost of savings

Technology Solutions

- ... Time
- ... Spend
- ... Job Regulation
- ... Billing
- ... Manage/Skill Sets

Where are benefits coming from?

- ... Traditional MSP

- ... Cost Savings
  - ... Process Efficiencies
  - ... Quality Improvements
- Industry Perspective
- ... Contract labor spend is UP
  - ... 2008 – VMS usage rose to 51%

What is the future?

Trends are impacting the client

- ... Baby boomers are retiring
- ... Not enough workers coming in to the market to cover those leaving

In our economy as it is, customers are asking for rate reductions.

RPO – Recruiter Provided Outsourcing

We are seeing the Non-Preferred getting squeezed out.

20% growth is forecasted in 2009 for Services Procurement  
SPM is Growing AND Expanding.

### **FOCUS**

Full Visibility

Online Tracking

Cost Savings

Uniform validation

Supplier reporting

To be successful, HR & procurement will need to work more closely together.