

# Consolidation

## Manpower & Global Pharmaceutical Company Managed Service Program

### Business Issue:

For more than six years, Manpower has provided a managed service solution to a global pharmaceutical firm headquartered in the Midwest with an average annual spend of \$145 million and more than 100 suppliers. When Manpower first implemented with this client, markup variances of 200% were common, and pay rates were similarly non-uniform. Overbuying of skill sets and lapse in tenure requirements indicated a tremendous problem; lack of a defined program and process was costing the client millions.

### Manpower Solution:

Manpower was able to consolidate this client's supplier base from 365 to their current base of 99, standardizing job descriptions and pay rates across the program. Today, a mix of on-site representatives and field offices support this program. As the managed service provider, Manpower provides "one-stop shopping" for all program needs, resulting in reduced client resources spent on order or staffing management activities. Currently, Manpower provides approximately 3,000 associates for our client, and fills an average of 2,000 orders per year.

### Benefits:

Our technology has saved the client three full-time equivalent employees (FTEs) by consolidating administrative tasks. Since the beginning of this program, Manpower has generated the following client-audited results:

Year	Total Savings	Savings as % of Total Spend
2002	\$10.7 MM	7%*
2003	\$20.2 MM	14%
2004	\$19.0 MM	13%
2005	\$14.3 MM	11%
2006	\$15.2 MM	11%
2007	\$16.8 MM	14%

\* Program not fully online in 2002



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