



XSI's Collaborative Partnership with a Leading Defense Contractor: A Case Study

Helping Organizations Build Stronger Workforce Solutions

AT A GLANCE

XRM Solutions Inc. (XSI), with its XRM System, has been the strategic partner to this client, the world's leading defense contractor, since 2010. XRM System has helped the client's chosen MSP program team to onboard and manage numerous large, small, niche, specialty, and diverse suppliers of talent across dozens of client locations throughout the United States. The program is structured to develop and implement consistent best practices at all locations, manage program suppliers' performance to comply with clients' policies and applicable regulations while meeting SLAs for contracted KP/s, provide automated, consolidated invoicing and insightful reporting, and deliver innovation and cost savings throughout the contract term.



CHALLENGES

The client, a federal contractor deploying service personnel at government sites and using multiple staffing agencies, was experiencing numerous challenges with accounting for mandatory benefits payable to contract workers. These benefits, such as Minimum Wage, Health and Wellness, Pensions, etc., are specific to each client contract and vary by location and position. Before implementing the XRM System, they required each staffing agency to independently account for and invoice benefit costs in addition to cost for time. Review and audit of these amounts required extensive efforts and caused issues.



OBJECTIVES

To accurately record government-mandated benefits and minimum wages, including those required by the Service Contract Act (SCA) in each contract between the client and government agencies.
To share the benefits and wage requirements with staffing agencies during the sourcing process and ensure compliance.
To determine the total payments to staffing agencies based on the timesheets recorded by the contingent workers and the applicable benefits

Compliance with Government and Contract Mandates.

Innovative Solutions

To address the client's new challenges, XSI and the MSP thoroughly studied the client's requirements and government contracting mandates. Based on this information, XSI's professional services team designed the required configuration changes to the XRM System, including some custom changes that fit the client's needs. This solution is now active and saves the client significant effort in verifying supplier conformance to contractual mandates.



COLLABORATIVE APPROACH

XSI, MSP, and its client agreed that a proactive and collaborative implementation would help them meet the required compliance needs.

XSI followed the steps described below:

- XSI, along with the MSP's team, met with the client's compliance and audit teams to thoroughly understand their unique needs (both current and future).
- Based on the information gathered from the meetings mentioned above, XSI conducted a comprehensive design and development activity to come up with a solution that best fit the client's needs
- XSI and MSP presented the solution to the client and modified it based on the client's feedback
- XSI and MSP helped the client test the solution and obtained acceptance and approval to go ahead
- XSI implemented the solution in the production XRM System
- XSI and MSP trained the client supplier personnel in the use of the new feature
- XSI MSP's team evaluated the results of the actions continually and adjusted as needed.



COST CONTAINMENT

XSI's solution also provided soft cost savings to the client due to the significant reduction in manpower expended in internal auditing of contractor pay and supplier billings against contract-mandated minimum wages and benefits. The solution also helped suppliers reduce efforts by removing confusion and manual work.

KEY OUTCOMES

SUCCESSFUL COMPLIANCE

Based on the steps taken by XSI and MSP, as outlined above, the clients' MSP program was able to maintain compliance with the contract terms in its contracts with government agencies such as the Department of Defense and pass audits.



In recognition of XSI and MSP's provision of innovative solutions for the above-mentioned need as well as other unique requirements, the client awarded XSI and MSP the 'Outstanding VMS/MSP Program' plaque.

