Field Nation

Visibility, Accountability, & Control

Why The Chief Procurement Officer Needs To Care About The Freelance Boom

Visibility, Accountability & Control

There is no mistake about it, there are more freelancers, independent contractors and solopreneurs than ever before. Studies project that freelancers will make up north of 40% of the U.S. workforce by the year 2020.[1]

Historically the Chief Procurement Officer (CPO), purchasing departments and finance teams have had limited exposure to the contingent workforce. Decisions to tap into the freelance space have been pushed down into departmental operational budgets or treated as ad hoc and tactical extra help.

CPO teams and departments will easily acknowledge the economic advantages of the freelance workforce when presented with the data. During the last 15 years or so five shifts spanning economics, demographics, technology advancement and the growth of the passion culture have spurred the growth in the freelance and contingent workforce.[2]

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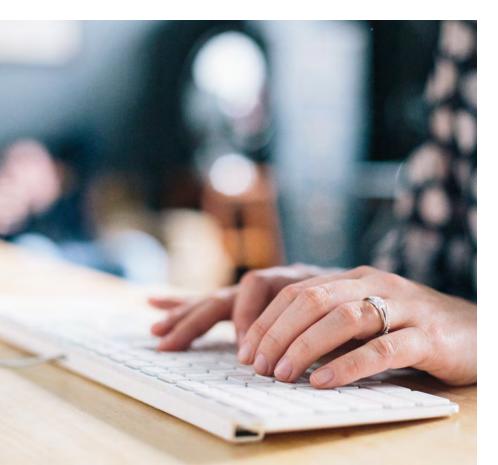
Disruption

The legacy managed service provider or staffing firm whose only value-add was a large Rolodex and the ability to supply a warm body has been thoroughly disrupted by the new labor supply chain. Cloud-based platforms like Field Nation now easily provide access to skilled expertise at or near the work site while delivering visibility and control to project scope and spend. Similarly, individual experts are readily identifiable, available and able to indicate their willingness to engage without needing to pass through a staffing or organizational intermediary.

At the same time, enterprises demonstrate increasing interest and desire to externalize secondary, tertiary and other business functions that are necessary but not part of their core focus. In short, while businesses want to hone their focus on their unique product or service differentiators, a rising tide of skilled independent workers is available to meet the demand for short-term, project-based and long-term contract work that supports business functions.

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Marketplaces

In the classic supply and demand equation, the growing appetite among businesses to externalize non-core business functions is identified as demand. The rapid increase in the freelance movement is supply. In a growing ecosystem of demand and supply, marketplaces emerge. Combined with the massive technological advances of the last two decades, these marketplaces are online, deeply sophisticated and ready-made to manage the entire project–labor–execution supply chain. Early labor marketplaces were little more than online

> " Early freelance marketplaces lacked the visibility, accountability and control organizations require to strategically engage the contingent workforce. "

versions of print news classified ads. Analytics and algorithm advances allowed matching features to evolve into these marketplaces. But even here, marketplace technologies were little more than online dating services for business. The business processes governing work management; consummation of the work, payment and reporting, all took place off-platform in the legacy world of spreadsheets and email.

The major downfall of these marketplace technologies is that they historically lacked the visibility, accountability and control organizations require to confidently engage the contingent workforce at a strategic level. Consequently, organizations pushed contingent workforce initiatives down to departmental levels. Team managers could risk engaging the freelance community themselves; but often only when the need was immediate or all other options were exhausted.

MSPs,
CPOs
& VMSs

Strategically, the enterprise and CPOs externalized labor only as far as the Managed Service Provider (MSP). Traditional MSPs gave the enterprise the ability to externalize non-core functions and realize some cost, focus and efficiency savings while still providing the measure of visibility, accountability and control demanded by the CPO.

For a time, vendor management systems (VMSs) provided a partial solution. CPO teams were typically interested in VMSs for the blanket agreements, pre-negotiated pricing and SLAs. However, these technologies lacked the executional insights that drive business process optimization, workforce optimization and pricing/procurement optimization. Such insight requires data and patterns gathered from the deployment and delivery of the actual boots-on-the-ground work.

This is exactly what the new Field Nation brings to the table in a way that no one else does.

> " Traditional MSPs and legacy VMS technology don't provide the insight executives need to optimize business processes and drive growth. "

The New Field Nation

Not only does the Field Nation platform technology deliver Business Intelligence (BI) insights into contingent workforce optimization, it delivers local pricing and service level agreement (SLA) insight that can be reflected back into the labor marketplace. This can yield huge savings for the enterprise and, often, a real wage increase for the freelancer. This is because MSPs who relied solely on that fat Rolodex are being bypassed entirely – with the savings going both up to the enterprise and available for the marketplace and freelancer bank accounts.

Meanwhile the MSPs who offer real and unique value to their constituents in the form of architecture, program, process and industry insight are enjoying a heyday of growth as they combine their unique insights and skills with

Field Nation Executive Dashboard

the in-place skills of local experts. These experts, those who make up the contingent workforce, are the ones who can service their clients more quickly and with a higher degree of quality than ever before. This has the effect of extending reach, boosting quality and shrinking SLAs (oftentimes). When engaged on the Field Nation platform, the purchasing and procurement team has complete visibility, accountability and control into this entire labor supply chain.

Field Nation has accelerated its platform strategy to not just bring work orders to a marketplace of skilled labor, but also to bring project and program proposals to a marketplace of top notch MSPs who are adept at tapping into the non-employee workforce (or even blending it with the traditional W2 / full-time employee workforce for a hybrid model).

Purchasing and procurement teams must start pulling the contingent workforce budget line items out of departmental lump sums and start making it part of the strategic discussion because now, for the first time, it can be part of that discussion.

The Saas – PaaS Ecosystem

The Field Nation platform serves as a complete, cloud-based SaaS - PaaS ecosystem for purchasing and procurement managers who assist in finding skilled labor for their organizations. It combines powerful expertise location with MSP and vendor management. The platform handles project and program definition, dispatch, management, payment, tax and business process reporting.

Highly skilled freelancers, MSPs and teams can be quickly identified and selected to complete a project in close proximity to the actual work site.

The Field Nation WorkSmart™ Workflow system enables the project team to use a single web-based solution to enter work orders, manage tasks, watch status and progress updates as they happen, and track any shipments associated with the work order. Payment, tax reporting and deep BI dashboards streamline and optimize the enterprise's engagement with the non-employee workforce.

It's a SaaS / FMS PaaS field service work management system that speeds the process from start to finish. Enterprises who have been cautious about engaging the contingent workforce now have the confidence that Field Nation's platform delivers the visibility, accountability and control they require.

The enterprise project and program management team stay in complete control of the entire process and the contractor is only paid when the job is completed to specification.

This is the evolution of FMS and VMS. Field Nation is the first fully integrated and complete SaaS/PaaS solution for the contingent workforce.

> " Field Nation is the evolution of FMS & VMS. Enterprises who have been cautious to strategically engage the contingent workforce now have the visibility, accountability & control they require with Field Nation. "

[1]Kaufman, Micha. Feb 2014, "Five Reasons Half of You will be Freelancers in 2020", Forbes. http://www.forbes.com/sites/michakaufman/2014/02/28/five-reasons-half-of-you-will-be-freelancers-in-2020/

[2]Field Nation, Fall, 2014, "The New Face of the American Workforce", http://info.fieldnation.com/l/24592/2014-11-10/fz22p

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