Peopleclick® Case Study: Blue Cross Blue Shield Finds the Perfect Prescription and Saves More Than $1.5 Million

Peopleclick and TechCentral are the Best Medicine to Cure Contingent Workforce Issues

The Challenge
Health care insurer Blue Cross Blue Shield of South Carolina needed a prescription.

With more than 13,000 employees, multiple federal contracts and an award-winning IT infrastructure, Blue Cross Blue Shield of South Carolina relies on nearly 400 IT contractors to support its internal IT professionals. Contract workers make up about 25 percent of Blue Cross’ IT workforce.

Until a few years ago, Blue Cross worked with an onsite master vendor that identified contract or subcontract workers. This onsite system, called a vendor-on-premise (VOP) service, “wasn’t capturing every job and managers were setting up other ways to identify job candidates,” said Lonnie Emard, director of staff resource management at Blue Cross Blue Shield. In addition, with the company requiring IT contractors across so many job categories, the insurer was finding that the quality-of-hire and speed-to-hire were inadequate.

Blue Cross decided to make a change. The company, with the help of a consultant, looked to redesign its contingent labor management processes to use one process for contingent IT workers of all skill sets, manage its staff more efficiently and maximize the department’s financial performance.

The Solution
To streamline the process, Blue Cross chose the Peopleclick Vendor Management System™ and TechCentral*.

Here’s how it works: 140 IT managers use Peopleclick VMS software services to send requests for talent to TechCentral, which then uses Peopleclick VMS to evaluate electronic bids from multiple staffing firms.

*TechCentral is a managed services firm formed by MSX
This alone added up to nearly $39 million in contract help across 20 different job categories, including application development, desktop support, network management, telecommunications and web application development.

Emard said Peopleclick and TechCentral were selected for their industry-leading reputations and technologies, and because they presented themselves as “vendor neutral.”

“Peopleclick and TechCentral haven’t missed a beat since we hired them, and the two companies work together seamlessly,” said Emard. “I consider both Peopleclick and TechCentral to be trusted partners in our business.”

The Results
Under its new system, Blue Cross has reduced average costs in the targeted job classifications by six percent, resulting in savings of $750,000 in the first year and $850,000 in the second.

But perhaps more important, the new plan and process reduced the time required to fill a job position from an average of 39.3 days to an average of 22.3 days; and a customer review indicates a high level of satisfaction with the quality of service.

With shorter time-to-fill, projects begin on time and rarely stall, plus managers are able to manage projects more efficiently and plan their staffing needs in advance.

Certainly Blue Cross has been happy with its decision. Besides the cost savings and shorter time-to-fill, there is the added bonus of time and paperwork saved. Blue Cross might receive 20 resumes for each IT position, but by using Peopleclick VMS to rank resumes and bids, it quickly identifies the three to five best resumes, which are then sent on to the hiring manager.

Emard also points to lack of attrition and a reduction of churn as a huge benefit. “Because we are hiring the right people the first time, we have lower staff turnover and avoid the hassles of repeat orientations and training,” he said.

Tom Tisdale, senior vice president of strategic alliances at Peopleclick said, “When it comes to vendor management, Peopleclick’s goal is to reduce costs, increase control and improve quality, and we make this happen by customizing solutions to meet our clients’ needs.”

By partnering with Peopleclick and TechCentral, Blue Cross has saved money, greatly reduced its time-to-fill, boosted retention, cut down on paperwork, and most importantly – made managers happy. For Blue Cross, that was the prescription that cured its hiring ailments!