

Discover a Higher Level of Savings with HireGenics AI-Powered SOW Classification Solution



A fast and complete approach to reducing cost by 15%-25%



Increased Transparency



Reduced Compliance Risk

The Challenge with SOW Services

Services SOWs can be effective when work is deliverable or milestone based and when the supplier bears the risk of results. But they are increasingly used to avoid program controls.

Trends

- Contingent staffing suppliers offering more SOW-based services, increasing grey areas of how workers are classified.
- SOWs used to avoid contingent labor controls such as approvals, tenure, competitive bidding, rates.
- Time & Materials SOWs containing named workers, job titles, fixed assignment lengths and hourly rates

Risks of Misclassification

- Higher rates/pricing through SOW channel (15-25% savings opportunities)
- Non-qualified independent contractor risk
- Overall Compliance Risk - No Vetting
- Avoidance of control and policy
- Channel leakage

Classification Criteria

HireGenics has established robust criteria and process to evaluate work types and mechanisms to determine the best fit for the job or project at hand.

Contingent Labor

- Clear job description
- Set timeframe
- Manager supervises/ directs work
- Manager determines # resources
- Work may be onsite
- Payment based on hours/ days worked
- Payment independent of SLAs/Deliverables/Metrics

SOW Services

- Project defined in a SOW with clear deliverables/ outcomes
- Payment driven off deliverables
- Fees at risk
- Supplier owns delivery approach, resourcing
- Work may be done offsite
- Supplier supervises work & direction

Independent Contractors

- Outcomes defined in an SOW
- Provides own materials, expertise and training
- Risk of financial loss
- Specialized or highly skilled
- Directs own work, hours and approach
- May be hourly or deliverable based payment

Until now, the process of assessing SOWs to determine misclassification, cost increase and risk was thorough but time-consuming.

Introducing HireGenics AI-Powered Classification System

Utilizing natural language AI + reporting tools to rapidly assess 100s or 1000s of Scopes of work. Immediately flagging SOWs which do not meet program standards or which are misclassified.

Assess past SOWs to establish potential savings and risks averted. Building a business case.

Monitor all current and future SOWs to avoid cost increase and risk. Identifying and eliminating sources of rogue spend.

Our Approach

Conduct SOW Assessment

Conduct SOW misclassification assessment on 25-50 high probability SOWs (T&M, CW suppliers) to assess risk

Socialize Business Case

Qualify risk and cost impacts of miscategorized work to gain support for SOW administration support

Pilot a Business Unit

Engage a willing stakeholder to drive change through technology-powered SOW management - consider stand-alone VMS to launch quickly and demonstrate impact

Expand by Business Units

Refresh case for change, gain buy-in and build roadmap for expansion



Give us 25 SOWs and we'll put them through our system to show the benefit/opportunity.