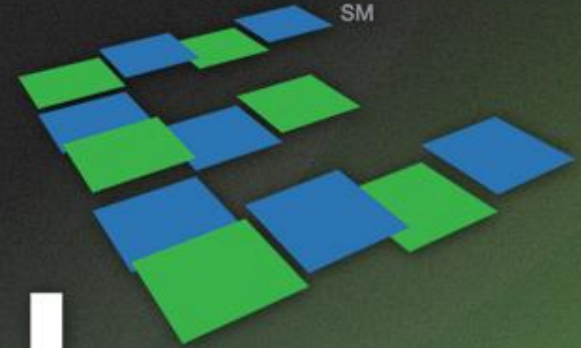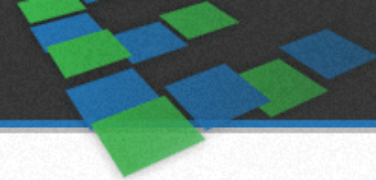# ESSINTIAL

ENTERPRISE SOLUTIONS

- What is **Managed WorkForce™?**

  - MWF is an analytical approach to maximize field coverage in the most cost effective way. It uses a variety of factors to find the proper balance between fixed and variable cost labor resources while ensuring high quality delivery by providing the infrastructure to support the entire field force.

EVOLUTION OF MWF

2007

- All W2 Technician Labor
- High labor rates & underutilized Techs
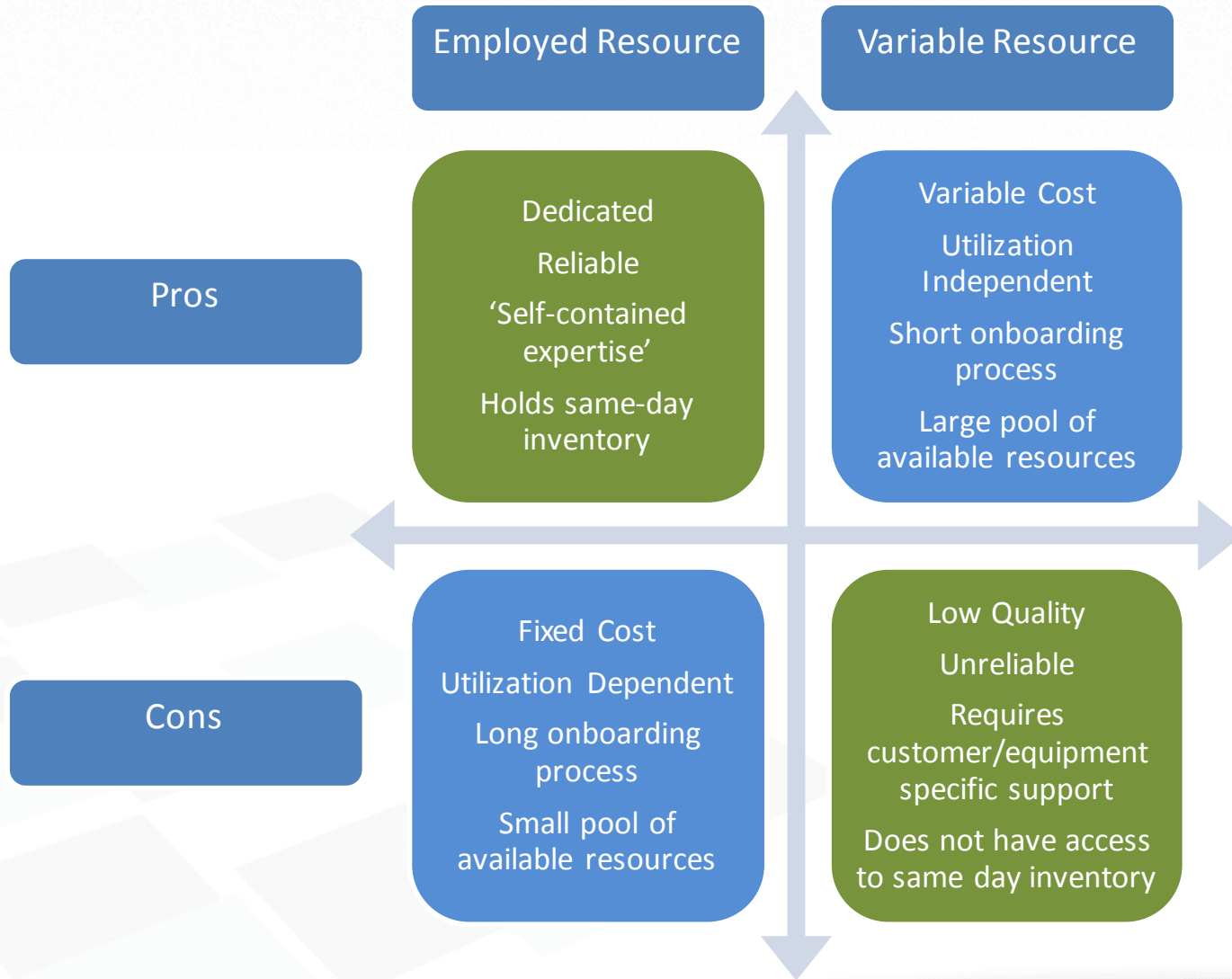- Started using labor portals to drive costs down

2010

- Increased use of labor portals for White Space and to supplement W2 coverage
- W2s = 2 calls/day
- Implemented dedicated TAC to control quality

2014/2015

- Precise Resource Balancing between W2 labor & Variable
- W2s = 3+ calls/day
- Portal Labor fully vetted via Essintial Preferred Network

PERCEPTIONS OF LABOR RESOURCES

	Employed Resource	Variable Resource
Pros	Dedicated Reliable 'Self-contained expertise' Holds same-day inventory	Variable Cost Utilization Independent Short onboarding process Large pool of available resources
Cons	Fixed Cost Utilization Dependent Long onboarding process Small pool of available resources	Low Quality Unreliable Requires customer/equipment specific support Does not have access to same day inventory

ADDRESSING THE PERCEPTIONS OF VARIABLE LABOR

- **Low Quality / Reliability**
  - Essintial employs an in-house Sourcing Department responsible for vetting, tracking, and measuring the performance of every variable technician.
  - Drive consistent, predictable volume to variable technicians to ensure loyalty
  - Treat variable resources the same as employed (team meetings, training, issue assets, reward for excellence)

- **Variable Resources require additional support**
  - In-house, 24x7x365 Technical Support operation and Call Management function to ensure every technician both employed and variable have the support they require
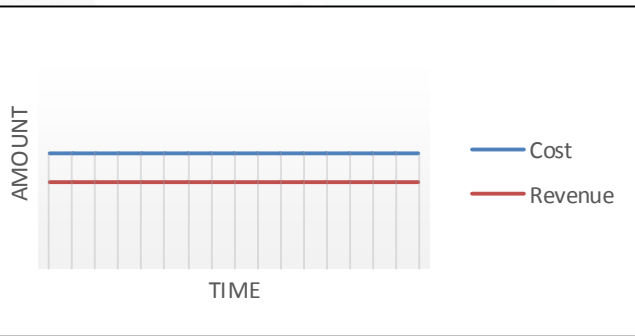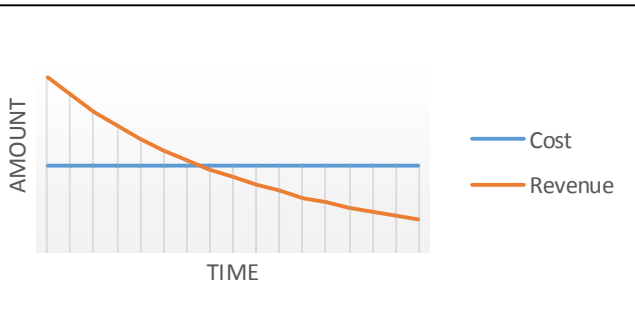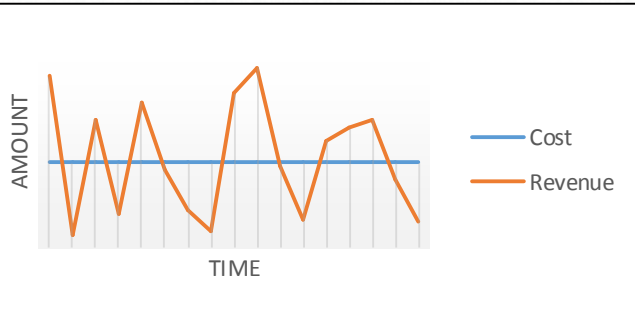
- **Inventory**
  - Access to 155+ Forward Stocking Locations that carry all same-day parts required to meet customer demand (NO TRUNK STOCK)
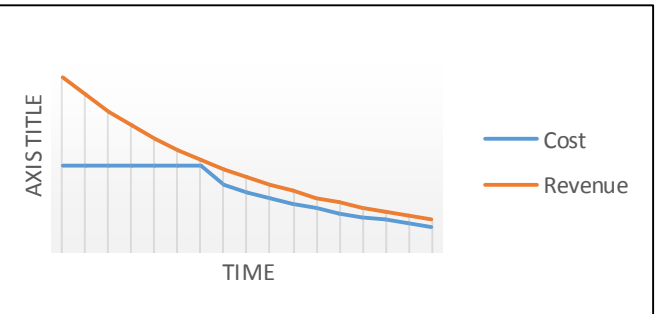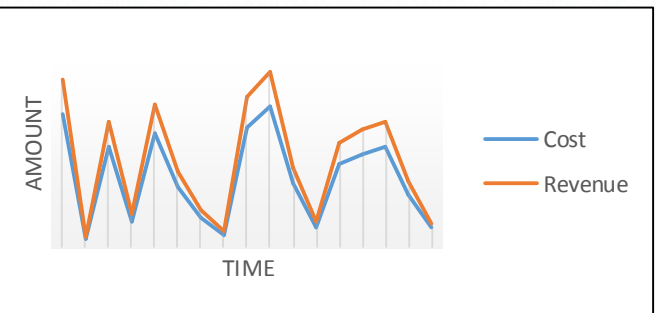
Low Quality

Unreliable

Requires customer/equipment specific support

Does not have access to same day inventory

WHY MANAGED WORKFORCE™?
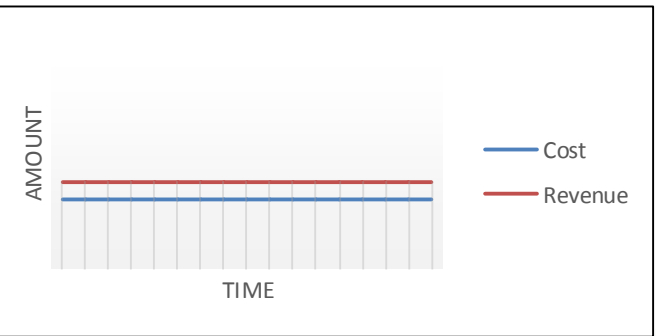
Before MWF

After MWF

Variable Revenue

Revenue Attrition

Price Competitiveness

RECURRING VS PROJECT WORK

- **Project – Any non-recurring activity with a start and end date (deployments, upgrades, IMACs)**
    - Scalability - Fast ramp up/down
    - Compressed schedule
    - Training, processes, tasks are often not reusable
    - Requires strict oversight and management throughout the term
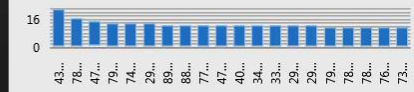   - Perfect fit for variable labor
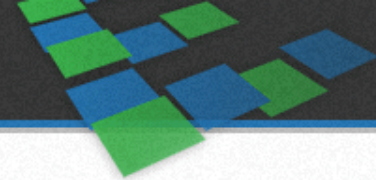
4/13/2015 **Retail Project**

1,046 sites, 6 techs per site (4,715 total),
53 work days

# of Assists (Sum) by Zip

Top 100 Locations by # of Assists (Sum)

16
0

43... 78... 47... 79... 74... 29... 89... 77... 47... 40... 34... 33... 29... 79... 78... 78... 76... 73...

© 2015 HERE

RECURRING VS PROJECT WORK

- **Recurring – Ongoing activity with a defined scope (maintenance, break/fix, managed services)**
  - Longer startup/planning timeframes
  - Reusable training, tasks, management
  - "Shared" back office infrastructure
  - Perfect for blended employed and variable delivery models

FINDING THE RIGHT 'BALANCE'

- Understand the financial breakeven point

- The utilization of a technicians is exponentially proportional to the cost per call of a variable resource

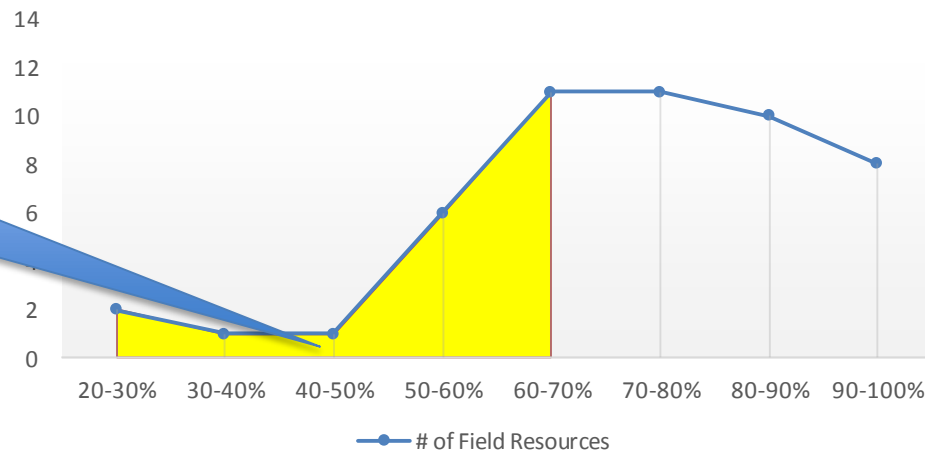- Varies by geography, skillset, density, customer requirement, etc.
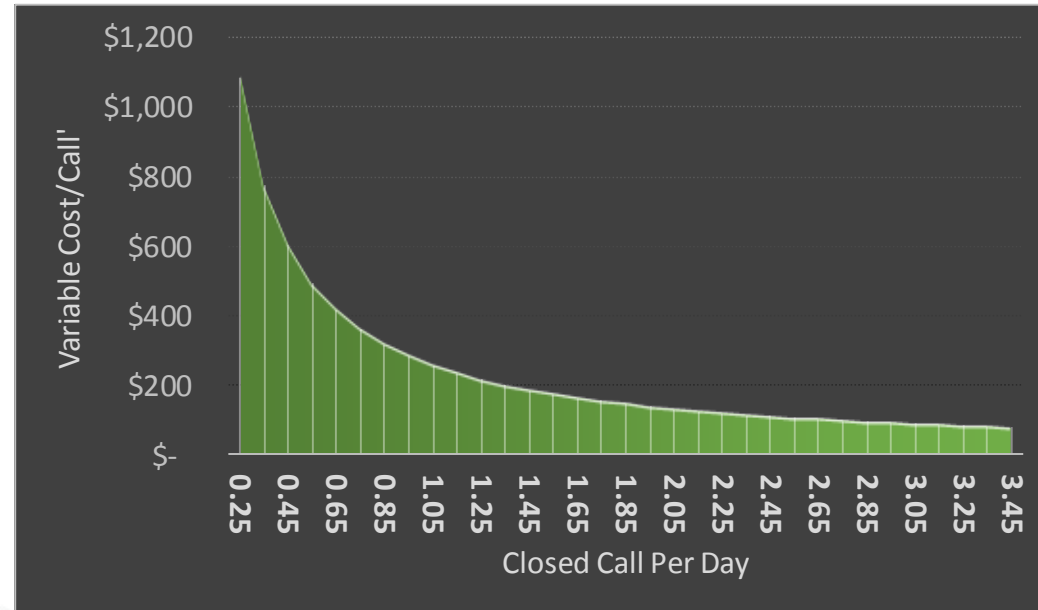
FINDING THE RIGHT 'BALANCE'

Dig Deeper into utilization

% Utilized	# of Field Resources
20-30%	2
30-40%	1
40-50%	1
50-60%	6
60-70%	11
70-80%	11
80-90%	10
90-100%	8
Total Field Resources	**50**
Average Utilization %	**70%**

WooHoo!

Oh....

— # of Field Resources

FINDING THE RIGHT 'BALANCE'

- **Monitor variable spend to determine when to hire**

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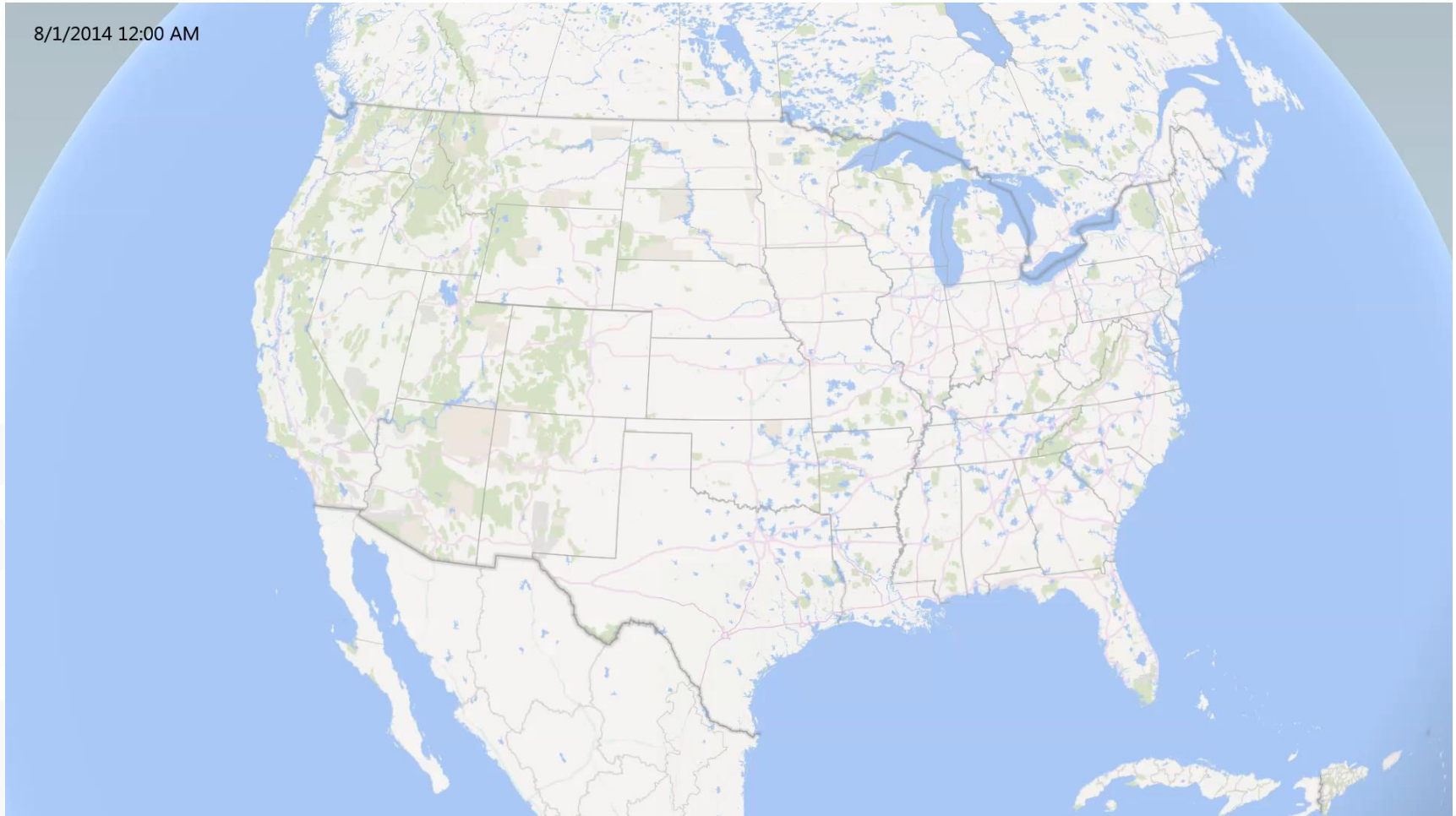
TECHNICAL ASSISTANCE CENTER

EEG powered by BCILAB | SIFT

- **Project Solutions**

- **Sourcing**

- **Entitlement**

- **Call Management**

- **Dedicated TAC functions (banking, retail, Verizon)**

- **Technical Support**

- **Logistics Support**