

**Jump-Start Solution
for Procurement:**

Contract Management

Start today:

Find, store and manage all your supplier contracts

Procurement Professionals: The Big Picture & The Things You Can Address Today

The Spend Control environment you really want – one that maximises savings and minimises risk by achieving a high level of spend under management and process efficiency – requires the integration of two important sets of activities:

- **Source-to-Contract** functions that create value: supplier management, sourcing, contract management, and supplier content management
- **Purchase-to-Pay** controls that capture value: supplier and item selection, purchase authorisation, PO/invoice matching, electronic trading and expenses

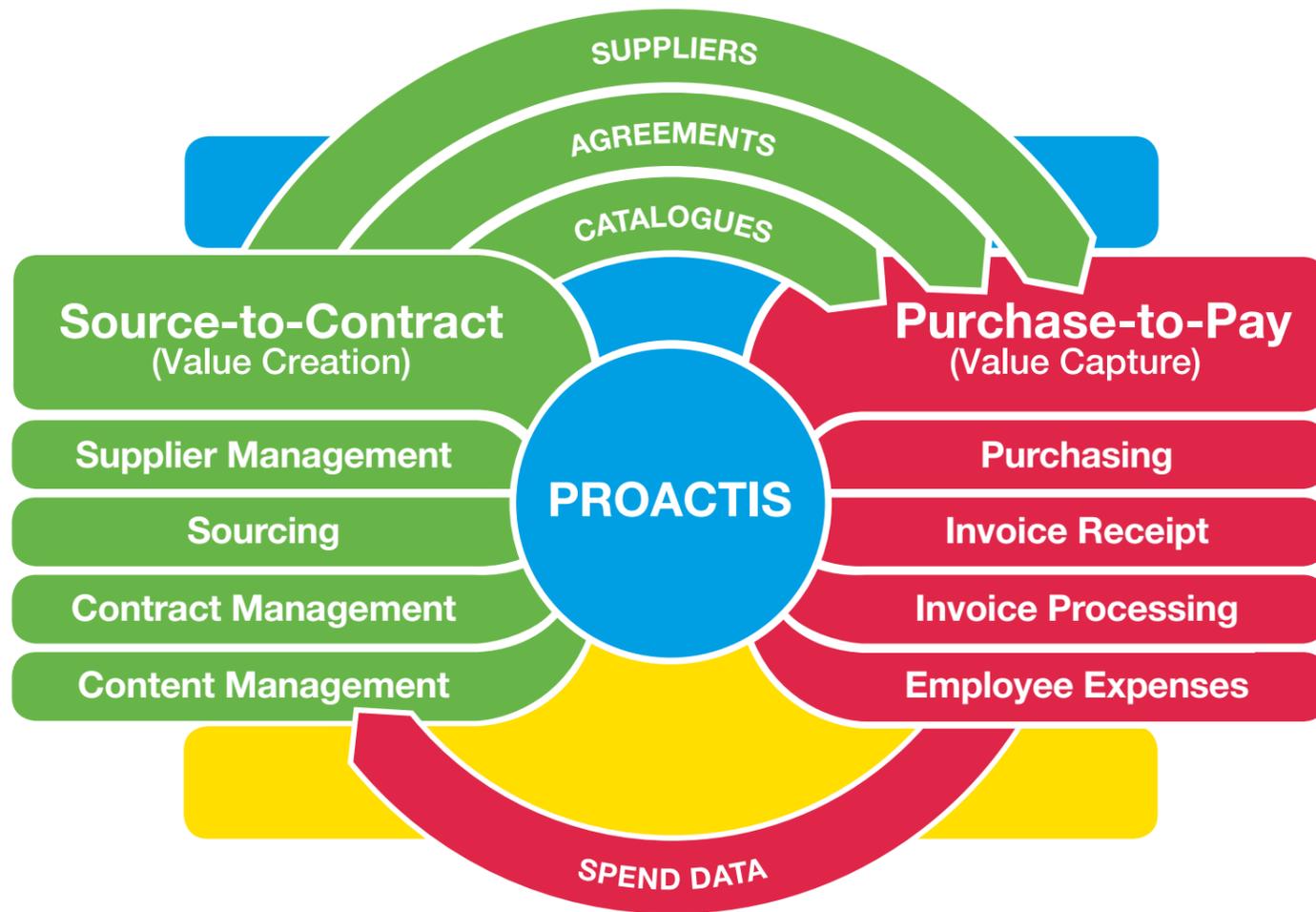
A 'closed loop' Spend Control environment delivers tremendous results. But it requires close collaboration between Procurement and Finance as well as buy-in from across the organisation. As the primary champion for Spend Control within your organisation, part of your job is to educate others on both the concepts and value of spend under management.

It can take time to create the vision and put all the pieces in place. But there are key elements you can address today so the Source-to-Contract side of the Spend Control equation is in place as the rest of the pieces come together.

We have created a range of Jump-Start Solutions that enable you to focus on fast results for each of these specific areas:

1. **Suppliers:** A central directory of properly qualified suppliers with supplier management processes to keep it that way
2. **Sourcing:** The capacity to perform a high volume of strategic and spot-buy sourcing events
3. **Contracts:** A central repository of all supplier contracts with monitoring and alert processes that ensure visibility and control
4. **Content:** A smooth and efficient process for making supplier product catalogues and service offerings available to the organisation for source-compliant guided buying

This solution description for contract management describes how PROACTIS can help you find, store and manage all your supplier contracts.



PROACTIS Jump-Start Solutions for Procurement

- Focus on fast results in a specific area
- A structured approach with supporting technology and expert assistance
- Transformation of your current data into the complete, clean, non-duplicated, and up-to-date information you need
- Deployment of standardised, efficient processes that will keep the quality of your information where you need it while freeing up Procurement capacity for more value-adding activities

Each solution is designed to **help Procurement organisations with limited resources achieve fast, significant, sustainable results.**

Act now to take the steps you know are needed to enable true Spend Control for your organisation.

PROACTIS Contract Management

Find, store and manage all your supplier contracts

An important requirement for effective Spend Control is a central repository of supplier contracts. You work hard to identify the best suppliers and negotiate best value agreements. Contracts 'lock in' those terms for use by the organisation. But those advantages are lost when contracts are not closely monitored and managed.

Many organisations find themselves today with contracts stored in many different places – often in paper form, which carries all the costs and inefficiencies of storage, filing, copying, etc. Even scanned documents alone cannot support integration into purchasing systems or automated monitoring.

The cost impact is significant – often more significant than organisations realise:

- Savings opportunities are lost when negotiated contracts are not used
- De-centralised contract management leads to duplicate agreements and missed opportunities for volume-based savings
- Unnecessary costs are incurred when unwanted contracts are automatically renewed, the opportunity to re-negotiate is missed, or penalties are incurred due to unmet commitments
- There are excessive administrative costs everywhere contracts are held or used

The organisation is also at risk:

- There can be unexpected lapses in important services or supplies
- The potential for supplier non-performance and non-compliance is high when contract reviews and other events are not performed in a consistent, timely manner

But when you have hundreds or even thousands of contracts organisation-wide, there are many challenges:

- How do you maintain visibility of so many contracts and contract details?
- How do you keep track of so many contract dates and events?
- How do you maximise awareness and usage of contracts across the organisation?
- And... how do you do all of this without high administrative time and expense?

In order to move toward improved Spend Control, Procurement needs to take the lead when it comes to contract management. It's clear what needs to be done: collect and store all of the organisation's supplier contracts in a central electronic repository that provides 'paperless', organisation-wide visibility and enables automation of contract monitoring and management processes. All that is required is a proven, efficient approach.

Increase 
the proportion of spend
“under management”
and “on-contract”
by providing improved visibility
and control of contracts

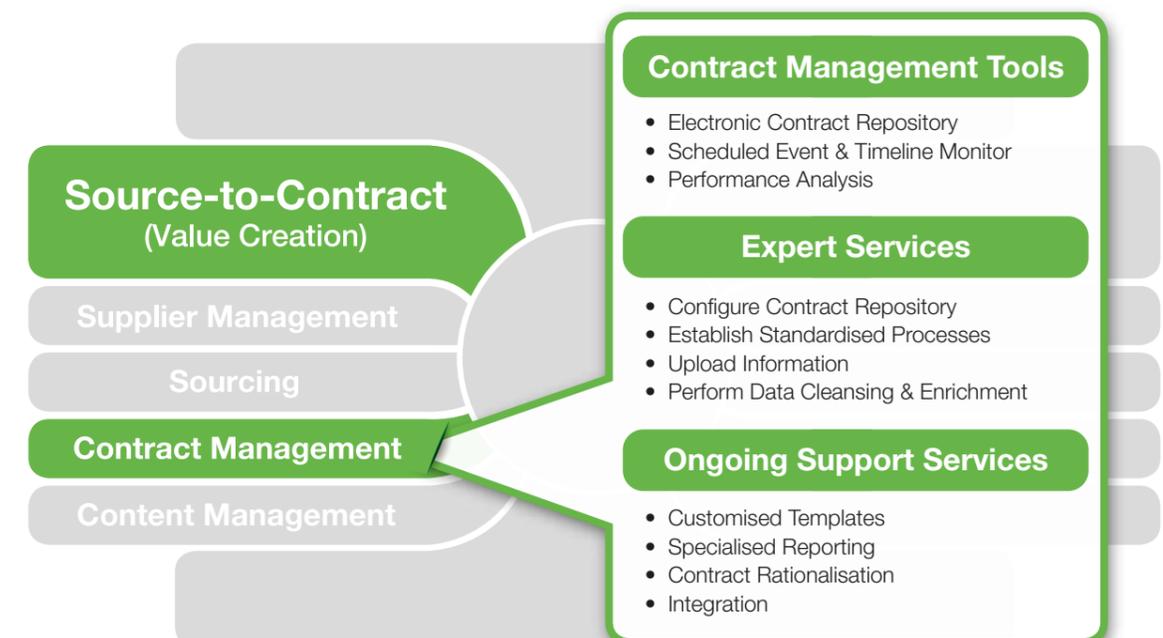
Jump-Start Solution for Contract Management

The PROACTIS Contract Management Jump-Start Solution has been developed to help organisations address this foundational element of Spend Control. Using this solution you will quickly and efficiently put in place:

- **A searchable contract repository** with comprehensive electronic information; document attachments; ownership; extensive reporting capabilities; and secure global access
- **Standardised processes** to monitor and manage all contracts
- **Integration with purchasing systems** to provide contract visibility at buying time, match invoices against contract terms, and collect actual activity (optional and based on capabilities of the purchasing system)

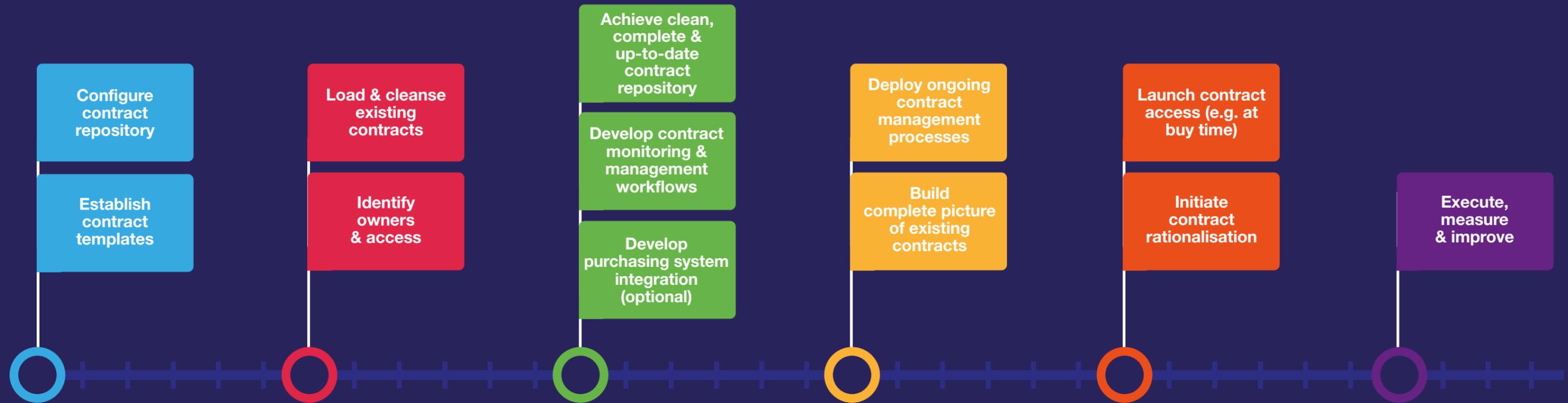
The PROACTIS Contract Management Jump-Start Solution provides a highly structured, efficient, and cost-effective process to:

- **Establish your central electronic contract repository**
 - Standardise content requirements and key milestones for all contract types
 - Load existing contracts
 - Cleanse and enrich data and milestone dates
 - Remove errors and duplicates
- **Build a centralised view of organisation-wide supplier contracts**
 - E.g. by spend category, renewal date, etc.
- **Identify contract ownership and visibility**
 - Alert recipients
 - Purchaser access privileges
- **Put in place ongoing contract management processes**
 - New contract registration
 - Milestone alerts
 - Contract review
 - Automated payment
 - Analysis and reporting (e.g. contract rationalisation)



Everything You Need to Act Now & Establish a Lasting Foundation

The PROACTIS Contract Management Jump-Start Solution includes comprehensive contract management tools, expert start-up assistance and optional ongoing services.



Comprehensive contract management tools

PROACTIS will put in place the functional capabilities you need to perform all of the start-up activities and implement effective, efficient ongoing contract management processes. Built around the central contract repository, PROACTIS Contract Management software has several advantages:

- Comprehensive, best-in-class capabilities
- Cloud or on-premise deployment
- Easily grow into additional areas if desired (e.g. sourcing, supplier management, catalogue management, electronic trading)

Expert start-up assistance

PROACTIS Spend Control professionals will work with you and your team to perform all of the activities needed to cleanse your existing supplier records, identify and address current risks, and build a complete view of the supplier base.

PROACTIS will:

- **Configure** your contract repository with standard contract templates
- **Upload** existing contract information from current electronic sources, if any
- **Perform** data cleansing and enrichment, including outreach to suppliers as needed

With guidance from PROACTIS, your team will:

- **Establish** the standardised information and milestones to be held per contract type, using PROACTIS templates as a starting point
- **Collect** existing paper or scanned contracts and register into repository (optionally have PROACTIS do this)
- **Identify** contract owners for automated alerts

Optional ongoing services

If you like, PROACTIS can even provide ongoing support services – either for an initial period or long term. PROACTIS can work as an extension of your Procurement team to:

- **Create** customised contract templates
- **Perform** specialised contract reporting and analysis
- **Assist** with contract rationalisation
- **Integrate** the contract repository with your existing purchasing system

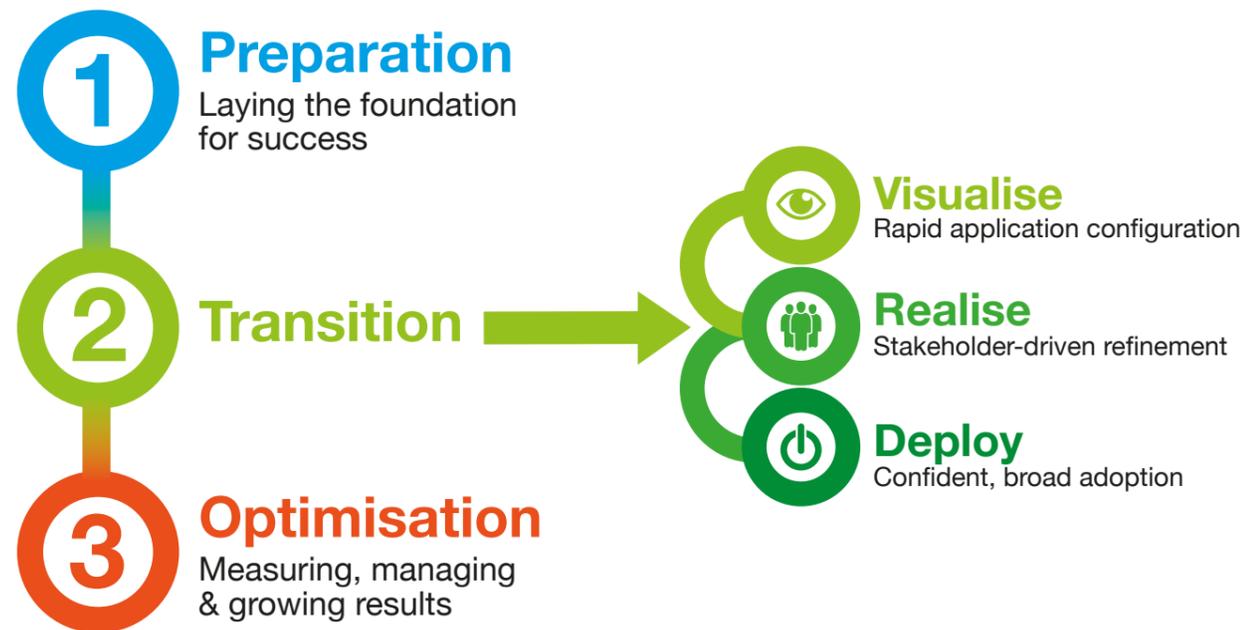
This combination of structure, technology, and professional resources delivers everything you need to get started now, realise rapid results and, most importantly, establish a lasting foundation for effective, efficient contract management.

How We Do It - The PROACTIS Smart Transition Approach

The PROACTIS Contract Management Jump-Start Solution is based on the PROACTIS Smart Transition approach designed from years of experience helping organisations deploy and use PROACTIS Spend Control solutions. Using this proven approach, you will:

- Fully realise the process improvements, savings, risk reduction and strategic benefits of a clean, accurate, and complete central contract directory combined with effective, efficient contract monitoring and management processes
- Speed time-to-benefit and maximise your ultimate ROI
- Establish a framework for continuous improvement supported by a practical set of process KPIs

The Smart Transition approach consists of three key stages:



Each stage is structured for rapid execution and efficient use of your team's time.

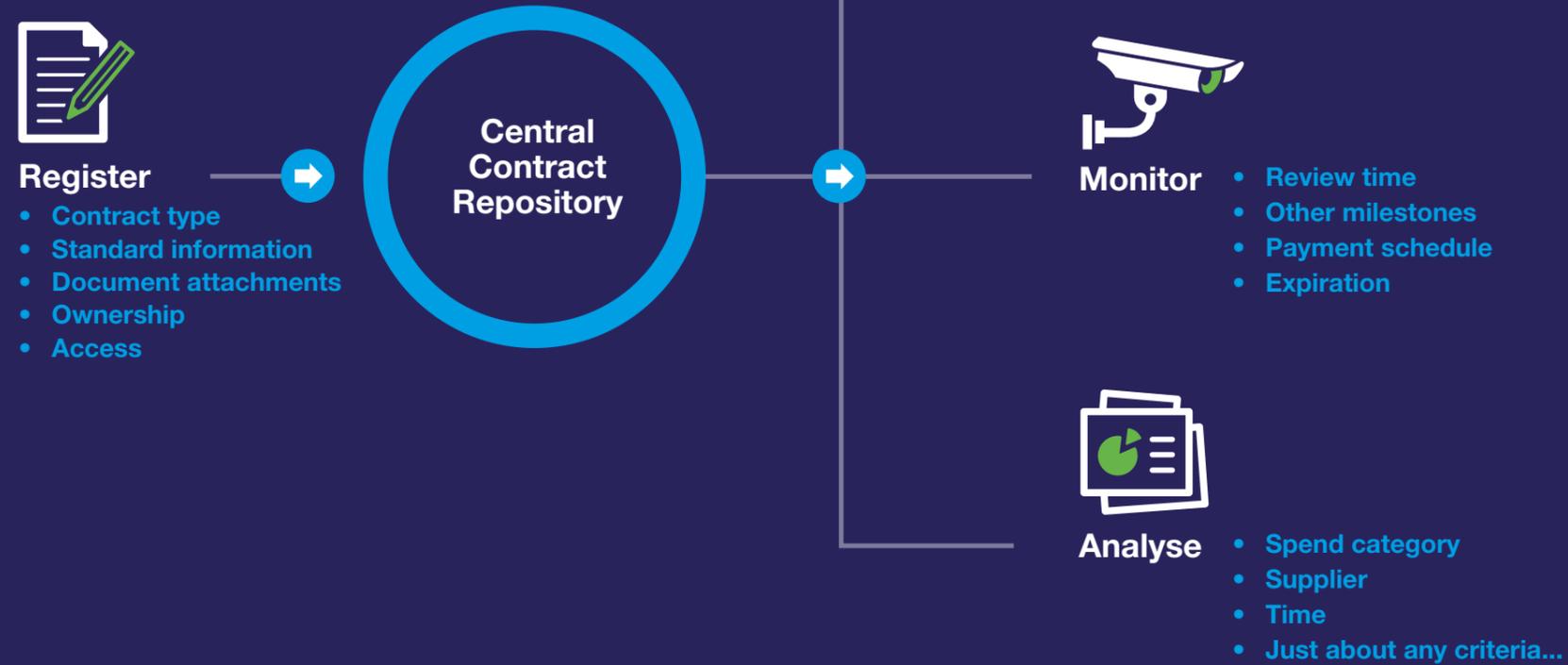
- 1 Preparation**
In the Preparation stage, we work with your organisation to lay the foundation for the success of your entire eProcurement deployment. The focus is on establishing a plan that connects the expectations of your executive team, based on the business case used to initiate your eProcurement deployment, with the time-phased activities that will be undertaken by the project team to achieve those objectives.
- 2 Transition**
The transition from the current environment to the new environment is performed in three well-defined phases within a set timeframe. The transition process is designed to help you quickly experience PROACTIS applications within the context of your company using best practice process flows, then effectively engage representative stakeholders (i.e. employees, managers, suppliers) to refine those process flows to your unique environment.
- 3 Optimisation**
In the Optimisation stage, you focus on continuously measuring, improving and expanding the results you have targeted. By measuring and managing to your established process KPIs, you focus on achieving the goals and benefits defined in your business case - e.g. policy compliance, savings, process time and cost reduction, risk reduction, etc.



KPIs we will help you put in place to measure, manage and grow results after your initial jump-start include:

- # contracts in electronic repository (note: % can be estimated)
- All contract categories identified (y/n)
- % contract categories with standard milestones defined
- % contracts with milestone dates established
- % contracts with overdue milestones (goal is fewer)
- % contracts auto-renewing without review (goal is fewer)

The Result – Visibility & Control of Contracts



The Benefits to Your Organisation Are Clear

The benefits of a comprehensive, accurate, and up-to-date contract repository combined with automated contract monitoring and management processes are significant:

- **Ongoing cost savings** from increased visibility and usage of negotiated contracts
- **Ongoing savings** from elimination of automatic renewals of unwanted contracts and missed opportunities for re-negotiation
- **Reduced supplier risk** due to elimination of missed contract reviews
- **Reduced administrative cost** of contract handling throughout the organisation
- **The information you need** to rationalise organisation-wide supplier contracts and gain maximum volume-based cost savings

The PROACTIS Contract Management Jump-Start Solution helps you get there quickly and confidently. It provides you with:

- A structured approach that you can count on
- A fast approach that speeds results
- Expert assistance that ensures success
- An expandable toolset that can grow as you expand your Spend Control efforts

Act Now

Jump-start your contract management:

Act now to take the steps needed to enable true Spend Control for your organisation.

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Jump-Start Solutions for Procurement:

1

Jump-Start Solution
for Procurement:

Supplier Management

Start today:

Quickly gain and keep a handle on your suppliers



2

Jump-Start Solution
for Procurement:

Sourcing

Start today:

Increase your capacity to perform fast,
consistent and successful sourcing events



3

Jump-Start Solution
for Procurement:

Contract Management

Start today:

Find, store and manage all your supplier contracts



4

Jump-Start Solution
for Procurement:

Supplier Content Management

Start today:

Make it easy for employees to find and buy
what they need from established sources





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