

IACCM Innovation Awards 2015 Winners

Celebrating Excellence & Innovation in Contracting

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IACCM announced the 2015 Global Innovation Awards Winners during the annual Americas Forum in Nevada.

To win an Innovation Award, members must prove that they have driven innovation that markedly improves the contract and commercial function in either their organization or their customer's business.

National Grid in the UK took the win in the **Operational Improvement** category. Facing a rapidly changing energy landscape, the organization recognized contract management as the key capability to deliver contracting excellence and improved service to customers but the current 'siloed mentality' and independently operating teams would keep them from achieving the level of agility needed. An 18-month program has helped unlock existing skills and capabilities within the organization and achieved an incremental £83m to the bottom line in the last fiscal year.

Runners up in this category are Dell and Microsoft.

Dell & Axiom won the **Outstanding Service Provider** award with their joint entry on fully outsourcing Dell's global sales administration function to Axiom. Dell lacked a global CM system for all sales agreements and were using a home-grown, US-only database with limited capability and rudimentary reports. They identified in Axiom a 'full service' partner, allowing them to eliminate the in-house, 15-person team in NA and use that budget to acquire an end-to-end outsourced solution. Axiom now provides Dell with a globally consistent program for capturing all sales contracts and provides a self-service, text-searchable portal with dynamic global reporting capabilities for less cost.

Runners up in this category are Kaiser Permanente and Mainspring Consulting.

Samuel Tricoli is the winner of the **Personal Initiative** award by finding a solution to a complex problem – How to reduce **Boeing's** increasing closure backlog and how to get paid for incurred costs that were being held up as Questioned Costs. He collaborated with one of his primary customers to: 1) eliminate a 6-year delay in being paid for incurred costs that were being held up as 'Questioned Costs', 2) make good use of expiring contract funds before they actually expired, and 3) reduce the closure backlog for both the US Government and Boeing by demonstrating through facts and data that FPRA rate negotiations over the past 5 years were settled at 0.2%

from the original submitted rates and authorizing payment would not create a risk of potential overpayment.

Sharon Zachariah is the winner of the **Personal Initiative** Award with her entry on how she started the contract, risk and legal management department at the **Institution of Engineering and Technology (IET)**. The IET did not have formal contract management in place and staff teams were mostly unaware of suppliers' deliverables and termination deadlines. Sharon started by creating and then implementing a transferrable, scalable model. She created a CM database with help from colleagues in IT and BPM, and trained internal stakeholders. Adoption is considerable and now contracts are negotiated to avert value leakage. Most importantly, she designed a reproducible model that could allow others to start a CM department from scratch, which is flexible enough to suit an individual organization's needs, size and complexity and which can be used internationally by other organizations in the membership, charity and commercial sectors.

Runners up in this category are Fayola Yeboah from Enterprise and Melanie Moore from Lockheed Martin.

UK Cabinet Office & Crown Commercial Service (CCS) are winners of IACCM's **Program of Visionary Change Innovation** Award with their 'Commercial Reformation' to extract maximum value from any deal. UK Government decided to establish a strong commercial strategy for all stages of the contract lifecycle to reduce spending (With a total annual spend at £732 billion against £648 billion of income in 2014). CCS works across the public sector on pre- and post-contract activity to extract maximum value for the taxpayer by setting up CM standards, templates, processes and plugging skill gaps at different levels, setting up a central, shared contracts repository, and weaving commercial excellence into the cultural fabric. It's a massive undertaking and much work remains, but based on the approach taken and large scale of the effort, IACCM has awarded the UK Cabinet Office & CCS the newly established Program of Visionary Change Innovation Award.

NetApp is winner of the **Strategic Direction** Award with their entry on unleashing contract terms to create a competitive advantage. NetApp is rapidly growing into new geographical markets. Customers and partners felt it was difficult to do business with NetApp due to its inefficient quote-to-invoice process. Sales contracts were stored in multiple locations and processes lacked global consistency (and in part manual). The legal team went gathered all sales contracts (over 20,000) to develop a single metadata repository (MDR) tool to auto-populate terms for quotes. With an average time savings of 8.5 minutes per quote, the cost savings of the MDR tool alone is \$21 million since introduction in 2013. Customer and Partner satisfaction increased considerably as 98% of all orders received are booked the same week. The credit team has reported an 80% reduction in approval requests following the introduction of the MDR and Legal has leveraged the functionality to deliver an automated order acknowledgement (OA) to affirm NetApp's terms of sale on every order, resulting in an estimated annual savings of \$400K for Q2I and Legal.

Runners up in this category are Chevron and Land Information New Zealand.

To View the Winner Case Study Summaries:

<http://www.iaccm.com/iaccm-innovation-awards>