Global Aircraft Manufacturer Improves Process Efficiencies, Reduces Costs, and Enhances Contracting Outcomes by Implementing Revitas Contract Manager

Key Benefits

Reduction in costs

Automated processes, milestone management, and other contracting activities alleviate the burden on staff

Errors are less likely to be made, reducing the risk for penalties and other fees

One singular system company-wide improves communications – saving time and resources

ERP integration eliminates redundant processes and reduces instance of error

More Effective Contracting

Reduced instances of error keep both the company and its customers happy

More efficient processes enable faster RFP responses and shorter deal cycles

Increasingly profitable deals are more easily developed with analytical tools

The Challenge

For makers of industrial and high tech products, managing contractual relationships and documents effectively is essential to success. According to IACCM, poor contract management actually costs high-tech manufacturers big on the bottom line - up to $15 million per year, on average. Improvements in contract management systems can have real and significant impact on business performance. Now is the time for leading companies to reevaluate their approach.

One such company, a manufacturer of globally renowned aircraft – including aviation equipment for the United States Department of Defense – operates across multiple affiliated entities and geographies, managing B2B relationships and contractual agreements in numerous languages and currencies. The company generally managed its complex sales and supply chain contracts and RFP responses on an ad-hoc basis, using tools like word documents and spreadsheets, and emailing them amongst the different business divisions and functions.

Without any central organization, contract managers faced numerous problems. During contract development, there was no system to track progress, push deals to closure, or manage communications, leading to issues with version control and approval delays. With documents scattered amongst departments, it was easy for things to become misplaced– which could not only affect employee productivity, but negatively impact negotiations or customer relationships as well. These problems were only further magnified under the microscope of the meticulous government RFP process, which required strict attention to minute detail.

Additionally, after signature, executives did not have an effective method to gauge performance of the deals. Lacking insight into historical contract performance, executives were challenged to develop effective new bids or determine the best terms for renewals.

The Solution

It was clear to all business functions involved that the manual contract management processes were not meeting their needs – and in fact, could be a liability, posing risks to overall company performance. In order to streamline contract operations, improve productivity, and enhance outcomes, the company launched a search for an enterprise-class system that could handle its large and complex contracting requirements.

To help in the evaluation, the company enlisted the services of a trusted business advisor. The advisor narrowed the choice to two vendors, and the manufacturer determined that Revitas was the best-suited to meet all of its contract management

Revitas Contract Manager was deployed throughout the organization across multiple business functions including the sales, operations, supply chain, and RFP teams. Revitas Contract Manager is a comprehensive, enterprise-class solution for the streamlined management of contract processes – from creation to execution through renewals and end-of-life. It enables the manufacturer to more efficiently manage and more accurately account for all contracts and RFP responses. The system is powered by the Flex platform which brings flexibility, agility, and security – making it ideal to implement within multiple business functions and global locations.

The Results

Revitas Contract Manager fully automates the contract process – which has enabled efficient authoring, review, approvals, amendments, and renewals and ensures proper version control and minimizes bottlenecks that were responsible for delayed or missed opportunities. Milestone management throughout the life of the contract protects against penalties that could cost the company on the bottom line and damage important relationships. E-signature functionality enables users to complete tasks on-the-go – further preventing any delays in contracting processes and deal cycles.

The system includes a central repository that provides organization, accessibility, and company-wide visibility to all contracts. This repository also houses templates for contract documents, ensuring that all parties are using the most current versions of company-approved language, terms, and conditions – all which are created within the system.

Revitas Contract Manager integrates with the manufacturer's ERP system. This integration allows a seamless exchange of data and information from one to the other, which helps to ensure that contract pricing terms and conditions are adhered to and executed accurately – ultimately, preventing errors that contribute to profit

"Suporting contract management with technology improves governance and obligation management, but also lays the groundwork for automated contact compliance."

**-Deborah Wilson,
Vice President, Gartner Research**

margin erosion and pose compliance risks. The manufacturer easily extracts more value out of the interoperable system than each system functioning in a silo.

Analytics are a key part of the solution. With the tools for analysis inherent in Revitas Contract Manager, the manufacturer is able to assess contract performance to gain insight which can be leveraged when developing future agreements and pricing structures. The integration with ERP enables immediate insight into performance, resulting in increased visibility that supports the creation of higher-impact incentives that motivate channel partners and improve revenues and margins. Furthermore, analytics enable the company to assess the effectiveness of contracting processes to more easily identify and correct bottlenecks and ensure critical processes are included and followed.

The Flex platform ensures that Revitas Contract Manager will easily scale with company growth and any change in organizational structure. It will accommodate the addition of new divisions or lines of business, growth within any division, or company-wide expansion.

The Future

The manufacturer will enroll team members into Revitas University for education and training. Revitas University is a continuing online training and education program that is comprised of shorter modules and sessions for initial training as well as reinforcement modules that assist users when actually applying what they've learned in the real world. Revitas University will alleviate the learning curve associated with new enterprise-class systems across the board and provide an invaluable resource as the company continues to learn to use the new solution and adopt it into their day-to-day routine.

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Revitas helps organizations accelerate revenue through diverse, multi-level sales channels by delivering enterprise-class solutions that tailor channel and contract management to the needs of the business.