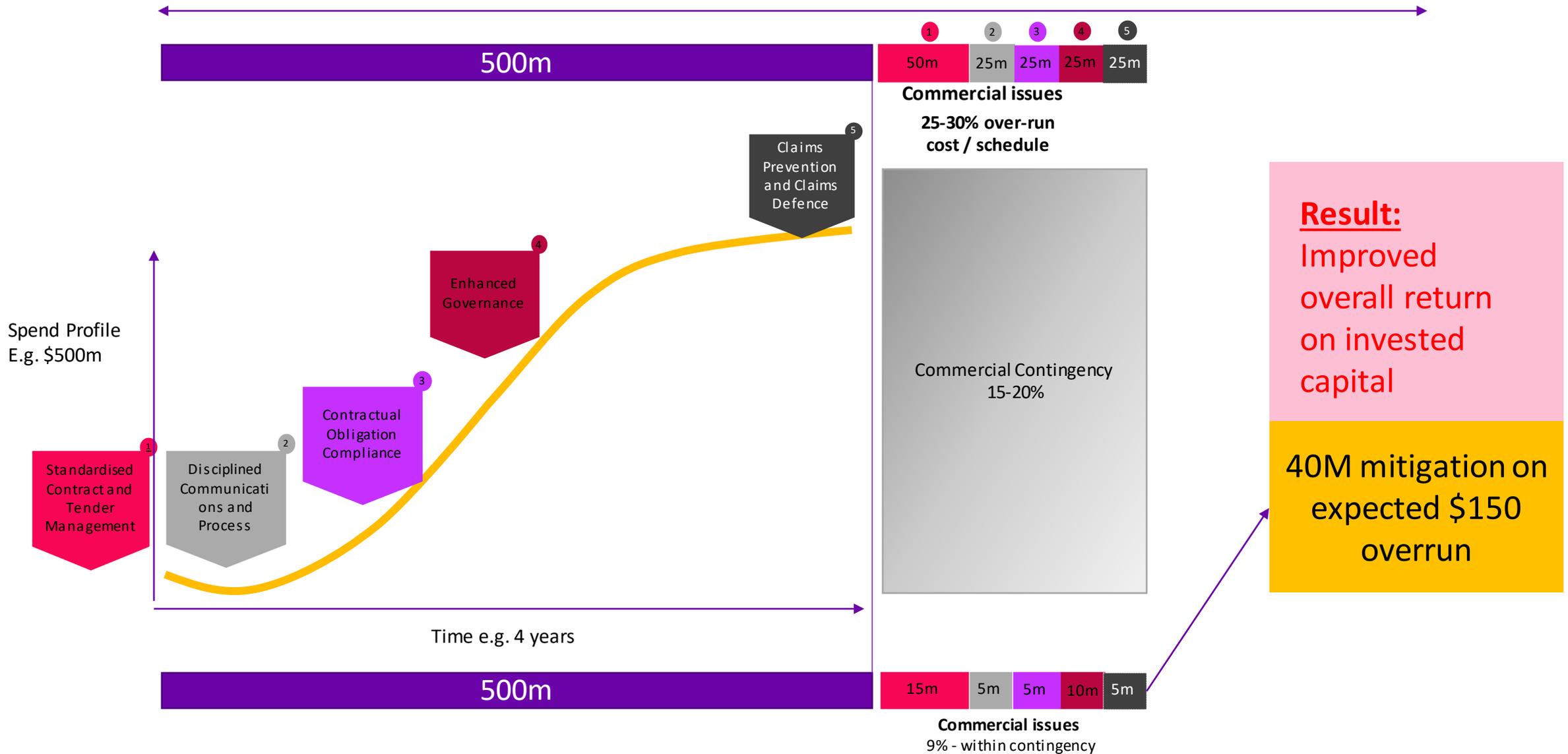

AVEVA Contract Risk Management

Presented by Melanie Fontenot, Sr. Technical Sales Consultant

September 10, 2020 | Version 1.0

According to a McKinsey study, 98% of CAPEX projects are delivered late, and 8 out of 10 are over budget.

Initial \$500m increases to \$750- \$800m, 50-60% over-run – 50% commercial issues (EY Spotlight paper)



Five Root Causes of Overruns



**Contract teams
disconnected**



**Obligation
Management**



**Financial
Control**



**Claims &
Disputes**



**Poor Control
over Change**

I need a single source of truth!



**Contract teams
disconnected**

All contractual communications, obligations, and responsibilities centrally located on a secure cloud solution connecting all decision makers to improve contract delivery.

How can I control change?



Disciplined Change Control

All change orders are initiated from within one solution using best practice communication templates, utilizing workflows and process chains while identifying the risk impact.

I need to keep my scope on schedule



Obligation Management

Time-and-event based alerts lower the risk of missing contractual obligations.

Complete visibility to deliverables and task owners promotes a transparent relationship.

How can I improve my financial visibility?



Financial Control

Potential and pending commitments will be recorded and tracked to avoid unplanned cost overruns.

Automatic invoice reconciliation of detailed line items prevents the risk of inaccurate payments and penalties for late approvals.

I need a proactive claims defense



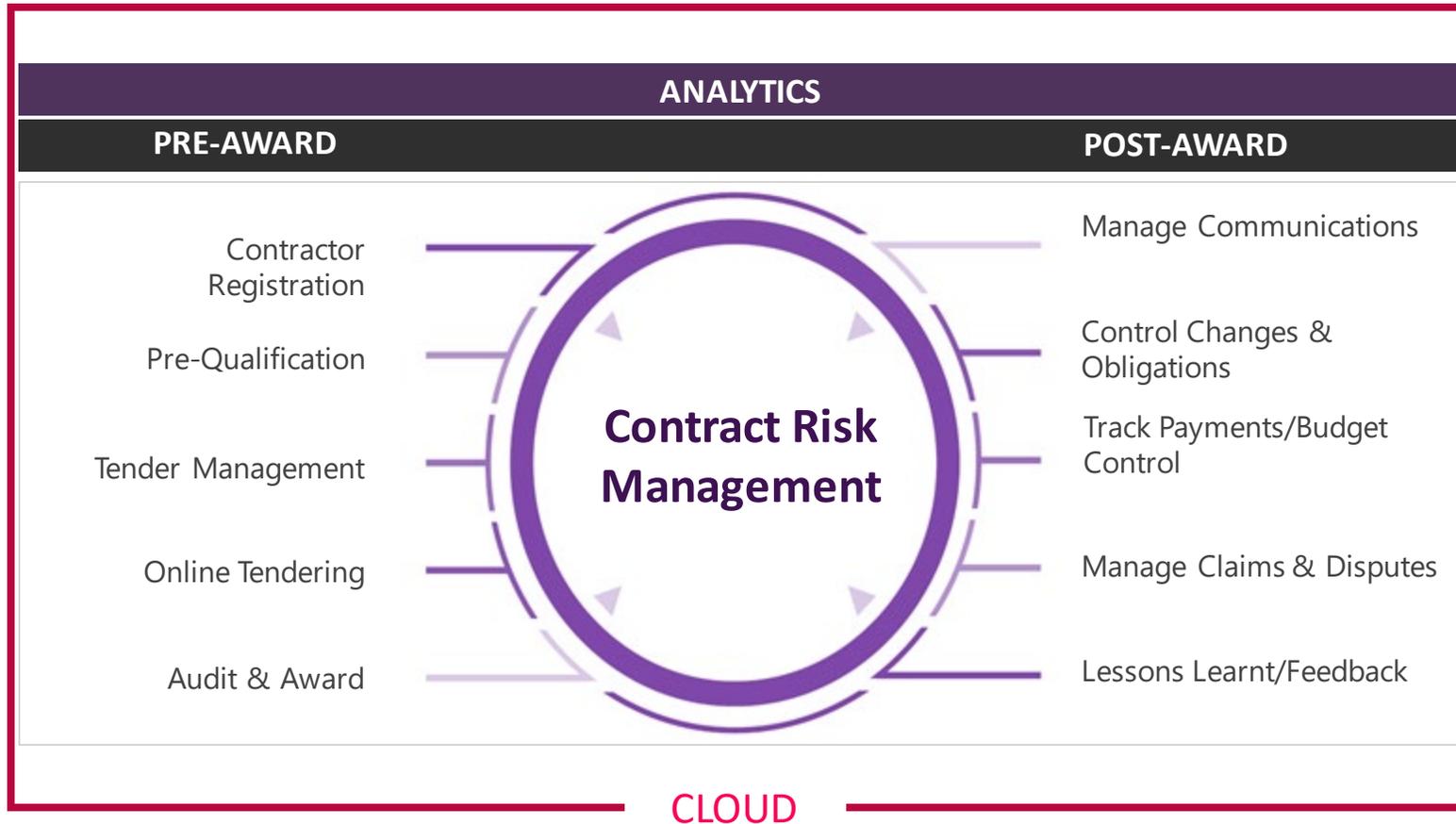
Claims & Disputes

Should a claim arise, my solution must provide a concise account of all details including dates, stakeholder approvals, communications, and comments.

All data must be instantly available!

Solution Suite

What does Contract Risk Management Include?



A part in Transactional Management but is NOT an ERP system



Stores active Contractual Documents but is NOT an EDMS



Captures financial exposure but is NOT a Cost Controls system



IS a Advanced Communication & Contractual Risk Management System

Leveraging Predictive Analytics

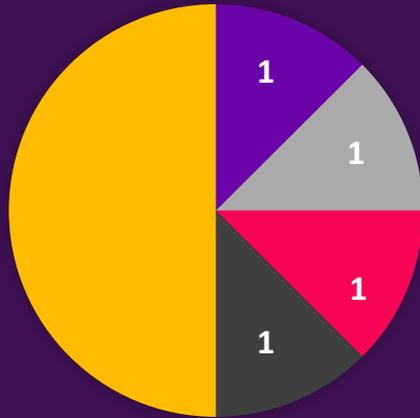
What do I need to know about my project?

- Financial Health & Forecasting
- Obligation Bottlenecks
- Communication Response Time
- Performance Measurements
- Contract Progress

Efficiency Savings

A contract team could be 150% more efficient using AVEVA Contract Risk Management

8 Hour Work Day



Without a system a user would spend within a day:

- Searching upcoming and due obligation and schedule dates
- Sorting through email and distributing to the correct teams
- Filing documents spread throughout multiple systems
- Ensuring contracts are per procedures for auditing

Efficiency lies within the configured best practices, automatic workflows, and live analytics

Q&A

Melanie is also available the week of September 14-18 for further questions