

CONTRACT MANAGEMENT

PRGX Case Study:
Professional Services Supplier

AUDIT SCENARIO

- ◆ Major M&A Consulting Project
- ◆ Spend \$450M, 3 Year Scope
- ◆ 75 Varied SOWs

BREAKDOWNS IDENTIFIED

- ◆ Discrepancies between time billed vs. Paid
- ◆ Onshore/Offshore Mix
- ◆ Incorrect Rates – Price Change Timing
- ◆ Incorrect Labor Billing Class
- ◆ Billed Under Wrong SOW
- ◆ Foreign Currency Translation Errors
- ◆ Exceeded Spend Caps Unsubstantiated
- ◆ Employee Expense Incorrect Paid Time Off

OTHER KEY LEARNINGS

- ◆ Learning Leading to Altered Billing Methodology to Provide Needed Transparency

3 Year Future
Savings Corrective
Actions Identified

> \$8M

Historical Cash
Recoveries
Realized

\$2.8M

