AUTOCENE
A NEW ERA IN AUTOMATION

AUTOCENE

Autocene Use Case Series

Customer: Fortune 125 Technology &
Manufacturing Firm

Automation of Vendor Management

July 2020

Summary

Supporting $25+ Billion in revenue with 75,000 employees in 600 locations requires a huge amount of supplies provided by a large number of diverse vendors. In fact, it takes over 3,000 vendors!

As you can imagine, managing relationships with that many vendors requires a sizable department of dedicated professionals. Reducing the time required for effectively managing each relationship can provide big benefits for the department and the company.

Some of those 3,000 vendors are large strategic suppliers that require serious negotiations, but the vast majority are not. The biggest challenge for this vendor management team came each year when it was time to update the annual terms & conditions of those vendors' agreements. Before Autocene, this was a very manual process requiring much of the year to complete.

Implementing a solution built on the Autocene platform allowed the company to increase the department's efficiency by 47% by allowing portfolio managers to increase their vendor count. The department was also able to reduce the turnaround time on contract completion by 55%.

Process Prior to Implementing Autocene

Prior to Implementing Autocene the creation, approval, distribution, and execution of agreements were all done independently and manually through various avenues of communication.
- Multiple email strings
- Phone calls
- Paper copies through US Mail
- Fax copies

Most of those interactions were not tracked or documented, so reporting & audit capabilities were limited.

Each portfolio manager had 20-40 vendors to manage. Those portfolio managers were responsible for:
- Renewing agreements for each vendor during the company's the last quarter of each year.
- Collecting and reporting any changes in vendor contacts, management and ownership.
- Reporting any pertinent vendor financial information and concerns stemming from that information.
- Any other information deemed to be important.

Most of those thousands of agreements do not deviate from the standard, but the ones that do require further approval by upper management before being sent to the Vendor. Those escalations required review by some or all of these various management levels & departments:
- Department Director
- Department Vice President
- Legal Department
- Finance Department

A huge number of agreements have to be sent out to vendors in a very short period of time, and challenges included:
- Tracking agreements
- Tracking the contents & versions of those agreements
- Tracking vendor contacts and signers who were constantly changing
- Capturing & reporting on changing situations at each vendor
- Vendors returning paper copies that needed to be signed scanned and stored

All of this created a process that was difficult and disorganized! The lack of reporting made it challenging for management to make strategic decisions that impacted the company financially

Vendor Portfolio Management – The Autocene Solution

Using Autocene, the process is initiated automatically 90 days prior to the contract renewal date.

1. A notification is automatically sent to the contract portfolio manager.
2. The portfolio manager reviews the existing agreement terms and uses the Autocene application to make any edits required to this year's agreement template.
3. Most vendor contracts require no changes. The agreement is automatically generated and sent to the vendor from the Autocene application.
   a. All of the data and metadata (time stamps, etc.) is captured in the Autocene SQL database for reporting and audit purposes.
4. If portions of the agreement require changes:
   a. The portfolio manager makes the edits in the appropriate sections
   b. Those sections are highlighted by the application for easy review by the department's management.
   c. An approval process is automatically initiated, and depending on the issues, it includes an escalation path as necessary. That approval process may include:
      i. Director
      ii. Vice President
      iii. Legal Department
      iv. Finance Department
   d. At each level of the automated process the approver can:
      i. Approve the changes
         1. No additional review is required
         2. Contract is sent to vendor for electronic approval
      ii. Escalate the issue to the next level of approval
      iii. Request the portfolio manager to make changes and/or request additional information
5. In any of these scenarios, once the contract is approved, the system generates a notification that goes to the vendor with a link to the Autocene application portal where the vendor can electronically agree to the updated terms.
   a. While in the Autocene vendor portal, the vendor is asked to update their information and answer questions regarding any changes to their firm.

Implementing this process is estimated to have increased department efficiency by 47% by allowing portfolio managers to increase their vendor count. They were also able to reduce the turnaround time on contract completion by 75%!
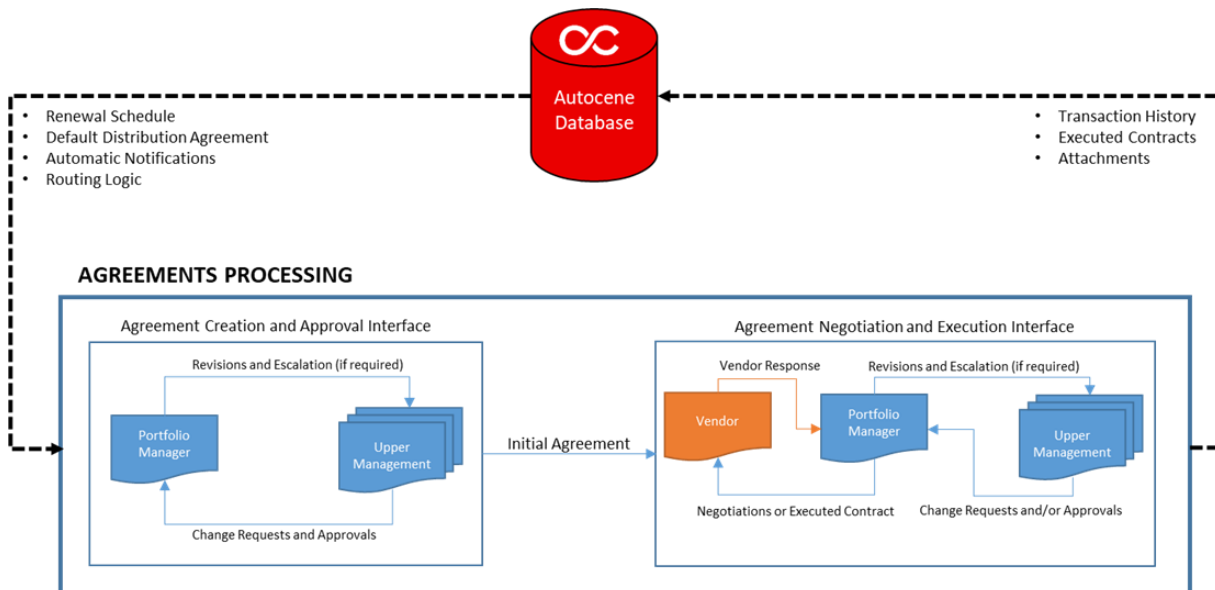
Benefits of the Platform

Autocene has drastically streamlined the creation, approval, distribution, and execution of agreements. The application has:

- Increased the number of contracts able to be managed by a portfolio manager, increasing department efficiency by 47%.
- Reduced turnaround time on contract completion by 55%.

Other benefits include:

- The process is automatically initiated by the Autocene application based on the contract renewal date, ensuring that no vendor/contract is missed and that there is sufficient time to resolve any issues prior to contract term expiration.

- The portfolio managers now have one place to manage the agreements of all their vendors.
  - Having the whole agreement process within Autocene helps keep the data and the communication in one place, making document management and reporting easier.

- Each agreement initiated and any attachments added in the subsequent stages of the process are automatically timestamped and tied together by a processing Id.

- Anyone who has authorization to view agreements can access them at any time.

- Data collected through Autocene can be used for reporting at all levels of the organization.
  - It allows portfolio managers to view the real-time status of the agreements and for executives to view the overall response rate of the vendors.

- Automatic notifications ensure the visibility of the agreement process both within the organization and with the vendor as well.
  - Before implementing Autocene, the time between an agreement being initiated and executed was often quite long. As a result, e-mails regarding agreements can get buried in inboxes of the process participant.
  - With Autocene, the organization only needs to set the frequency of the notifications once and the system will automatically remind process participants of pending agreements.
  - Portfolio managers don't need to worry about scheduling reminders to multiple vendors, giving them more time to concentrate on higher value activities.

Sample Screens

Distribution Agreement Report
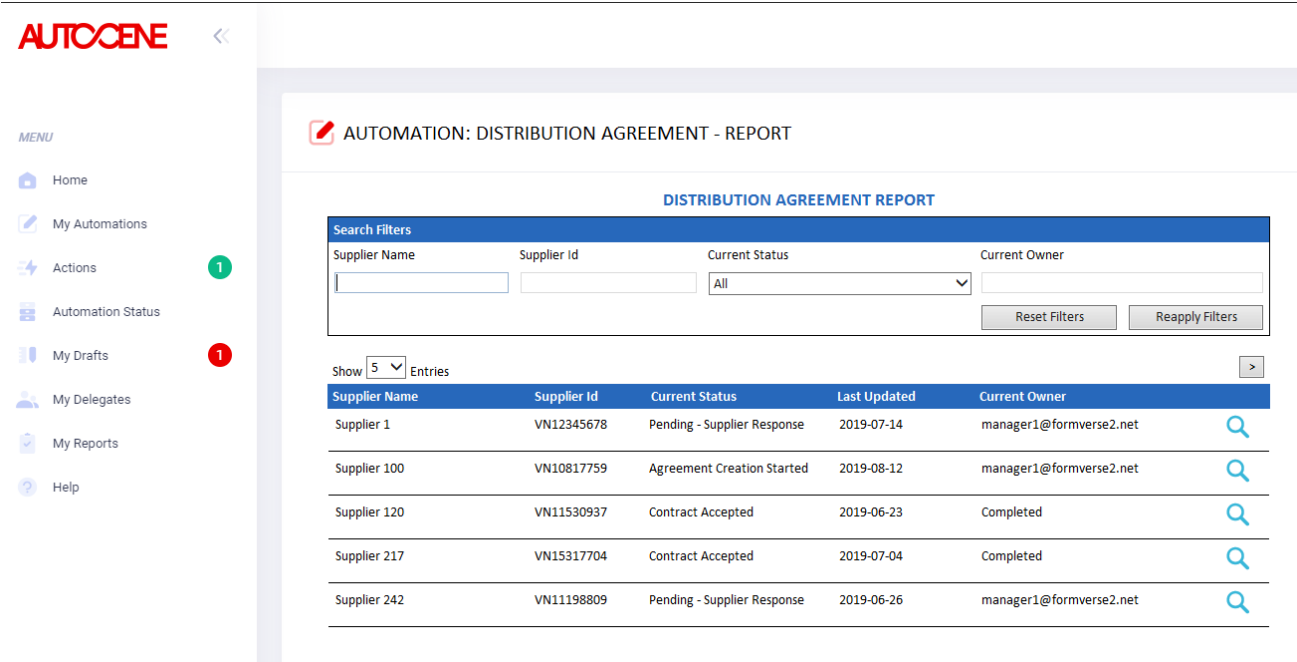
The image above shows an example of the interface for Portfolio Managers. Here they can see the real-time status of all of the Distribution Agreements already sent out. By using the filters, they can drill down to specific Suppliers as well as view Distribution Agreements by status or owner. When they click the magnifying glass icon for a specific distribution agreement, they see the history of the Agreement Process and a link to the actual submission.

An image of the details page is seen on the next page.

Distribution Agreement Report – Details

Back to Dashboard

Distribution Agreement Details		
Supplier: Supplier 120	**Supplier Id:** VN11530937	
Current Status: Contract Accepted	**Last Updated Date:** 6/23/2019	
Access Status: Checked out successfully. Click links below before 14:26:47. After this time, access to links will expire. Click reload to check availability.		**Reload**

State Index	State Name	Sender	Recipient
1	Agreement Creation Started	manager@company.com	manager@company.com
	Link: https://aries.formverse2.net/FORMVERSESERVER/WebApp/HistoryStatePreview.aspx?stateInstance...		
2	Pending - Supplier Response	manager@company.com	jsmith@vendor.com
	Link: https://aries.formverse2.net/FORMVERSESERVER/WebApp/HistoryStatePreview.aspx?stateInstance...		
3	FW: Pending - Supplier Response	jsmith@vendor.com	ceo@vendor.com
	Link: https://aries.formverse2.net/FORMVERSESERVER/WebApp/HistoryStatePreview.aspx?stateInstance...		
4	Supplier Accepted	ceo@vendor.com	manager@company.com
	Link: https://aries.formverse2.net/FORMVERSESERVER/WebApp/HistoryStatePreview.aspx?stateInstance...		
5	Contract Accepted	manager@company.com	ceo@vendor.com
	Link: https://aries.formverse2.net/FORMVERSESERVER/WebApp/HistoryStatePreview.aspx?stateInstance...		

Distribution Agreement – updating clauses

The image above shows an example of how a Portfolio Manager can change a clause in the current year's Distribution Agreement template. When a Distribution Agreement deviates from the standard version, changes made by the Portfolio Manager are redlined to highlight them for management so they can be easily identified. There is also a space for the Portfolio Manager to add a comment about the changes that they made.

These changes are only visible to the organization. The vendor only sees the final version of the Distribution Agreement without the comments and highlights present in the Agreements creation process.

Distribution Agreement from the perspective of a Vendor

Company ABC Distribution Agreement - Test Company

(A) Autocene

[Click here to take action]

Workflow state: Distribution Agreement

You have just received a Company ABC Distribution Agreement.

To respond to this Distribution Agreement, please click the "**Click here to take action**" button found on the top of this e-mail. This will open a web page where you can review this Distribution Agreement again and choose an action as a response.

The image above shows what a Vendor would see when they receive the Distribution Agreement. The email they receive includes a direct link to respond to the Distribution Agreement. Brief instructions to help them navigate within the Autocene Web App, and the full Distribution Agreement. The image below shows what the vendor will see when they click the "Click here to take action" button.

Clicking the Action Button that corresponds to their response loads the appropriate user interface. For example, if they decide to decline the agreement, a Feedback Request form will load to collect details about their reason for declining the Agreement. The organization then has a record of the reason for the response and can further change the Distribution Agreement if needed. Autocene facilitates the back and forth between the Vendor and the organization.

Changes are automatically logged, and the routing is calculated based on the actions that the users choose. Automatic notifications in the negotiation process ensures the visibility of transactions improving the Vendor response rate.

Discover Autocene

Autocene Enterprise Automation Platform gives customers the flexibility of a Code-Free Application Development Platform, combined with the power of an Intelligent Process Automation solution. It gives enterprises the ability to rapidly deploy fully configurable **Autocene "Workcenes"** that are capable of automating even the most complicated business processes.

Autocene Workcenes improve productivity by automating both high value, mission critical processes and eliminating time consuming repetitive tasks. **Autocene** makes both Attended, Semi-Attended & Unattended automations easy, freeing end users and adding value to your organization's critical processes & bottom line. All with no developers needed!

Autocene Passport bidirectionally integrates data with any of your existing Enterprise applications & databases (On-Premise or Cloud Hosted). Data can seamlessly travel to and from multiple disparate systems and/or **Autocene Workcenes**, monitoring databases and automating integrations, centralizing data for end users & eliminating time-consuming manual data entry.

Autocene Atlas is our patented AI-based Natural Language processes solution. Atlas provides content processing, context matching & role assignment capabilities. **Autocene Atlas** takes unstructured text from emails, text messages, documents & voice messages, transforming it into structured data used to initiate your business processes. This eliminates time-consuming manual entry and reduces human error.