

# CONTRACT RESPONSIBILITIES SCAN

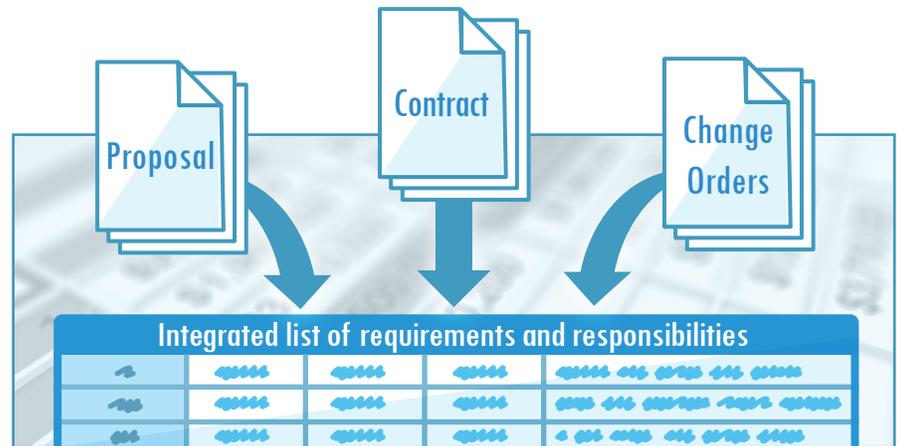
## Increased competition doesn't only challenge revenue and growth, it increasingly affects operations and profitability.

Growing contractual requirements, compounded by additional commitments made in winning proposals and extra-contractual demands, are increasing operating costs — often beyond what was priced in the original bid.

This is driven by two factors. First, bidders are increasingly aggressive on both pricing and making significant commitments beyond customer requirements to create competitive advantage. Second, customers are more brazenly managing and demanding more of contractors during the period of performance.

## Navigate these challenges with SMA's Contract Responsibilities Scan.

Our Contract Responsibilities Scan is a detailed analysis of all requirements to create a single integrated list of actual responsibilities. By simultaneously evaluating all the documents that govern contract performance—the contract, proposal, change orders, regulations, standards and manuals, etc.—our analysis compares contractual responsibilities and commitments to identify the most restrictive requirements for activities and topics across overlapping and sometimes conflicting sources. The output is a single integrated requirements list, cross indexed to connect all source documents by topic with corresponding assignment of requirements to your functional groups.



The analysis enables simple visualization of the:

- Actual responsibilities for each activity, identifying the most restrictive requirements or commitments across source documents;
- Responsibilities for each functional group, as well as responsibilities of the customer and other contractors; and
- Mismatches in contractor activities against real requirements, either exceeding or not meeting requirements.

The analysis informs critical decisions, including:

- **Operational optimization.** Lower cost and increase profitability with focus on adjusting activities that exceed requirements and customer expectations, particularly when those activities are not meaningfully valued by the customer or reflected in award fees.
- **Shared savings/change orders.** Identify high-cost / low-value activities and associated requirements to propose shared savings opportunities that streamline operations. Also, identify current activities that exceed requirements but are valued by the customer to propose change orders with incremental funding to continue those contractor tasks.
- **Shape future competitions.** Key advocacy points to change requirements with the goal of reducing operational inefficiencies and low-impact activities that drive operational cost.
- **Bid strategy for re-compete.** How to minimize low-value and high-effort commitments beyond contractual requirements.

**Ask us how Contract Responsibilities Scan can improve your contract execution and competitiveness.**

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### Recent project snapshot by the numbers:

- 1,902 pages analyzed from multiple governing sources
- 13,513 requirements identified
- 3,215 proposal commitments exceed contract requirements
- Analysis informs re-compete bid strategy