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VOICE OF CUSTOMER

"Create an interface
for monitoring
contracting progress"

"Would like better
communication with the
program staff"

"Allow greater flexibility in the
original contract to reduce
onerous modifications"

"Small businesses want a
faster process so there is
less stress on tight margins"

"Provide samples of
required documents"

Contract Cost Modification Process

BACKGROUND

NYSERDA performs frequent contract cost modifications to revise existing contract documents. The process typically starts with program staff who request to increase the contract amount. The request is subject to various levels of review depending on the funding amount and type of contract. Multiple data requests from various programs and a lack of a standardized processes to fullfill those requests led to excessive paperwork. In addition, different processes in different program areas are required to complete various contract cost modification actions.

PROBLEM SUMMARY

48 DAYS to execute a contract cost modification

13 STEPS in the contract cost modification process

90 COST MODIFICATIONS requested per month

74 COST MODIFICATIONS completed per month

4.5 HOURS of total process time for each

Top Problem Areas
- Lack of contract and program staff workload prioritization adds to cycle time
- Redundant paperwork and data requests across multiple program areas
- Signatory authority creates blocks in the contract cost modification process
- Not all staff know how to accurately complete process documents
- Duplicative approvals of documents

Root Causes of Problems
- No set expectations about work load and prioritization for contract and program staff
- Allocation of staff resources is inadequate
- No standardized templates and staff training for contract cost documents
- Signatory authority does not match process steps for fastest execution

GOALS & OBJECTIVES

TARGET CYCLE TIME

30 DAYS to execute a contract cost modification

9 STEPS to review the project close out documents

90 COST MODIFICATIONS requested per month

90 COST MODIFICATIONS completed per month

3.2 HOURS of total process time

KAIZEN TAKEAWAYS

	HARD	Difficulty	EASY
HIGH	• Basic training in Adobe Acrobat Pro for all contracts staff • Research types and costs of using electronic signatures • Have scanners at or near contract staffs desks		• Identify ratio of contract staff to program staff for better allocation • Staff-led champions to train colleagues in contract cost modification process • Email out documents • Eliminate batching • Customer sign-off up front for open enrollment programs
LOW	• Review more standard contract cost modifications to determine what is program information versus contracts/legal • Cross train staff to keep the process moving • Review the contract cost modification process based on dollar amounts and adjust		• Check vendor information earlier in the process • Implement standard labeling of documents in the financial system • Perform qualitative analyses of implemented changes • Identify redundant reviews and approvals

Impact (vertical axis label)

Implementation

✓ Standardization of cost modification documents for customers
- Memo-to-file
- Statement of work
- Program manager approval

✓ Update the financial system elements
- Update labeling instructions for uploaded documents
- Update routing sequence for contract cost modification documents
- Update the automatic finalization email
- Update cost modification shell document to document library
- Update the requirements for uploaded documents (email approval from program manager)

✓ Create an Adobe Acrobat Pro training
- Approval and installation of the training
- Email documents in PDF format

Parking Lot

- Reverse the signatory process: NYSERDA signs first, then the customer
- Develop a statement of work writing & creation team
- Create a SharePoint work order system by types and priorities
- Update the financial system work list to identify type of action
- The financial system notifies select users when collaboration is finalized
- Implement an electronic signature process

RESULTS TO DATE

CURRENT CYCLE TIME

18 DAYS to produce an executed cost modification