

At a Glance

- 6 supplier contract documents and schedules
- One master negotiation log of all points
- 21 red flags - all resolved in negotiations

Client Challenge

Amdaris were deploying a new ERP solution and had selected a product from a well known global software firm to enable efficient growth since gaining private equity backing. They had decided to buy professional services directly from the ERP software provider for the deployment phase rather than use a third party SI. This has the benefits of a single supplier solution however Amdaris were looking for some further reassurances about the due diligence performed during the supplier selection phase.

Turnstone were asked to review and advise on all the software and services agreements from the supplier – six large and complex documents. Amdaris were looking to ensure the terms and schedules covered the topics required for a productive on-going relationship and to fairly balance risk exposures.

“Assistance much appreciated on getting a large vendor to provide further reassurances about their offering. The negotiation has resulted in clarity of the service promises made during selection presentations and a greater understanding of the deployment and escalation process.”

Jamie Gibson, CFO

Solution

Turnstone analysed the Service Subscription Agreement and schedules using the benchmarking methodology. A contract negotiation log was assembled, with red and amber flags agreed with Amdaris.

We worked closely with the Amdaris team to understand the requirements and how the supplier relationship was to be managed throughout the term.

Turnstone worked with the Finance department at Amdaris and a cross functional team from the supplier on the clarification calls to resolve the areas of concern.

Outcomes

Highlights of the contractual issues resolved:

- *Pricing reduced and fixed for an extended period*
- *Cost control concerns removed with greater clarity on the scope baselining process*
- *SOC2 security document provided evidence of security, availability and integrity*
- *Subcontracting concern removed after a broader description of the suppliers cross functional team*
- *Supplier to provide a single point of contact for all future communications*
- *Clear escalation path for support issues should the service desk support not meet requirements*