

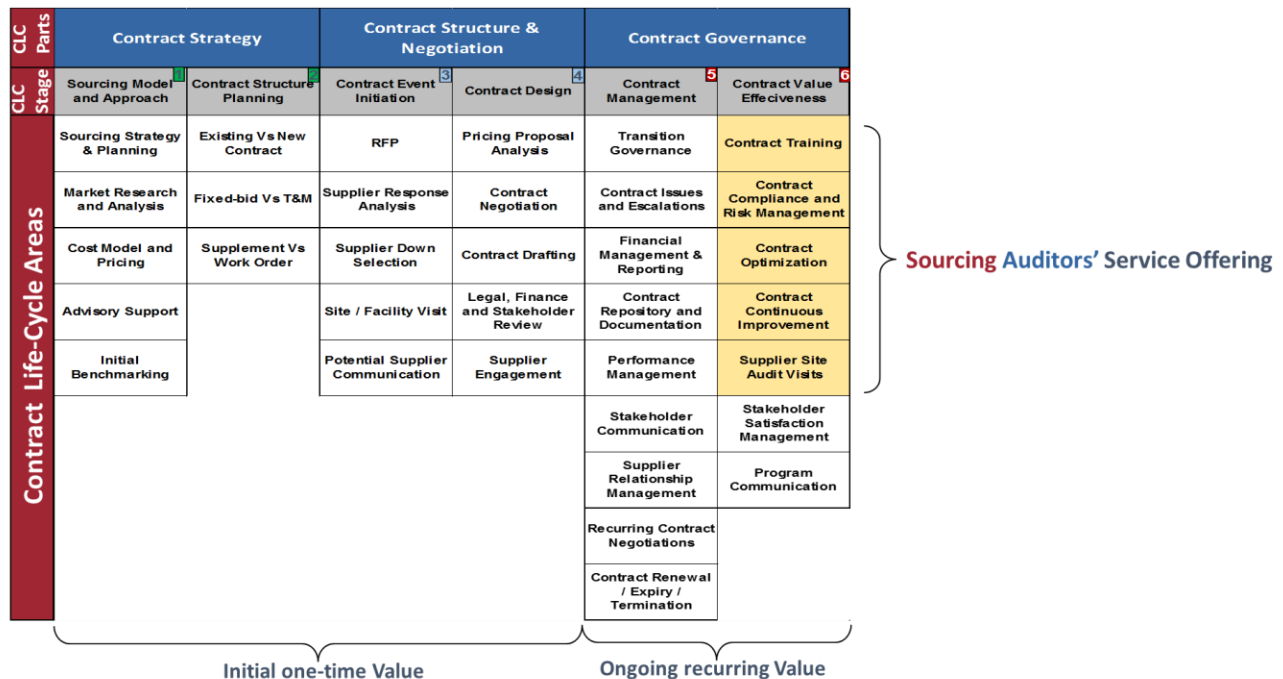
## Sourcing Value = One-time Sourcing value + Ongoing recurring sourcing value

As believed generally, contract audit is not a one-time process instead it needs to be done throughout the life-cycle of the contract. While it is important to adopt leak-proof methodologies, processes and strategies to ensure no value leakage during ‘Contract Strategy’ and ‘Contract Structure and Negotiation’ phase, it is equally if not more important to be avoid any leaks during ‘Contract Governance’ stages.

IT sourcing and BPO experience pretty high levels of value leakage during their ongoing or post-transition journey on the account of incorrect demand forecasting, inadequate pricing model, under -utilization of contracted resources, lack of continuous improvement, lack of any efforts to reduce administrative work, user immaturity and improper rates bench-marking.

Is a strong audit process for each of the Contract Life-Cycle™ stage on the priority radar of your IT Sourcing and Procurement organization? If not, it’s time to contact Sourcing Auditors.

### Contract Life-Cycle™



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Santosh Sharma is the Chief Sourcing Auditor at **Sourcing Auditors**. Sourcing Auditors focuses on effective Contract Governance© to help clients derive fullest value from the Contract, safeguard and protect their organization against any external threat or internal non-compliance and continuously strive to improve the stakeholder satisfaction levels from the Contract. Sourcing Auditors uses a uniquely designed, best practices-based and highly comprehensive Audit Framework© that uses about 1200+ sourcing parameters to ensure Contract Compliance©, Contract Optimization© and Contract Improvement©. For more information please contact [santosh.sharma@sourcingauditors.com](mailto:santosh.sharma@sourcingauditors.com)