



Cost recovery analytics
The three-minute guide





Why it matters now

There's a good chance you've paid too much.

Large capital projects—such as building a new university or expanding an oil pipeline—typically require substantial up-front capital, long lead times, and highly complex contracts that add up to millions in expenditures.

These contracts are often difficult to understand or vague, which could result in misinterpretation, inadequate monitoring, and significant overpayments.

It's important to know that everyone's on the same page—you, your supplier, and the people who approve the invoices. Otherwise, you could encounter risks such as:

- Contractor charges that do not match original quotes or agreements.
- Duplicate charges for materials, labour, or per diem payments.
- Excessive contractor time charges.

Why cost recovery analytics?

Recover yesterday's costs. Reduce tomorrow's risks.

Labour rates and other costs can fluctuate throughout the project lifespan. By the time escalating expenditures are discovered, it's often too late to do anything about it.

Cost recovery analytics works behind the scenes, allowing you to monitor expenditures, prescribe solutions early on, and predict potential budget overruns by automatically reviewing massive amounts of contractor data. Potential errors are identified based on details within your contracts and sample invoices, combined with well-tested analytic techniques that uncover payment discrepancies.

Analytics can identify potential overcharges from work that was performed in the past and provide insight into how you can improve your accounts payable processes to avoid overpaying in the future.

Bottom line? Analytics can help you uncover—and potentially recover—money that could have been lost.

The benefits

Recover costs

No one wants to pay more than they owe. Analytics can help you identify where you may have overpaid—and provide the data needed to effectively dispute project or operational costs.

Move from hindsight to foresight

Analytics can help you identify the source of past budget overages and project inefficiencies, allowing you to negotiate clearer, more effective contracts in the future.

Improve oversight

You'll gain insights that allow you to improve project management and contract governance by incorporating leading practices and process improvements that can prevent overpayments before they happen.

What to do now

Think ahead

Don't wait for your organization to experience a project derailment or substantial budget overages. Using cost analytics, even for a small project, can reveal gaps in your contract governance and payment processes that could help you avoid excess expenditures in the future and anticipate potential risks.

Focus on people and processes, too

While analytic technology can pinpoint and predict potential payment problems, you'll still need effective accounts payable processes and clear, precise contracts to reduce overall risk.

Kick the tires

Make sure the analytics technology you choose is well tested and sampled—and meets the levels of precision that are acceptable to your organization, your suppliers, and the courts.

Time's up



Reclaim what's yours

Cost recovery analytics can help you identify and predict projects and contracts where you're likely to experience cost overruns. The insights gained from even a small project could have a big impact on how you manage vendors, improve supply chain visibility, standardize invoicing, reduce regulatory risk, and more.

We can help determine where you are today, and how to get where you need to be. Here's where to get started.

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