Contract Routing
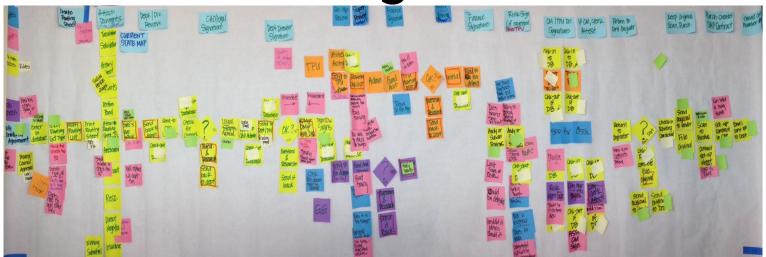

Problem

The contract routing processes lacked clarity, consistency, timeliness, and adaptability. It took an average of **18 days** to route a contract for signatures, taking **6 trips** through interoffice mail, as it completed the 24+ step process. Errors in the contract were discovered too late in the process sometimes, contracts ended up in elevator shafts.

"I am the first person in the history of Tacoma to sign a contract with a digital signature."

-Jack Kelanic, IT Director

Action

In April 2015, a team of staff from Purchasing and a selection departments who issue a lot of contracts gathered for a week to map out the hiring process. Executive sponsors were astonished when they saw how complicated the current state map was to just get six signatures on a document. After creating the current state map, the team reviewed legal requirements, and detailed the specifications for an electronic solution for digital contract creation and routing.

Results

The team made several recommendations that streamlined the contract routing process. They reduced the number of required signatures from six to the one legally required signature and allowed others the chance to review the contract rather than approving it. Implementation on this project took longer than expected, but also garnered greater results. This project grew into a complete overhaul of the City of Tacoma's entire Procure to Pay process. As of the end of 2016, the City has implemented 3 of the 4 modules of the new procurement software – SAP Ariba.

The first contract issued through the new electronic system took **one day to route**, down from the 18 days it used to take!

CONTINUOUS **IMPROVEMENT**