Consortium for Advanced Management - International

Global leadership in Cost, Process, and Performance Management
What is CAM-I?
CAM-I (Consortium for Advanced Management-International) is an international consortium of industry, government and research organizations.

CAM-I Mission

To serve as a collaborative forum of thought leaders who develop practical and effective management tools, techniques and methods to advance the way organizations manage costs, processes and performance.

About CAM-I

• Founded with Department of Commerce support in 1972
• Non-Profit, 501c3, Collaborative Membership Organization
• CAM-I’s membership is diverse - Manufacturing, Service Companies, Government, Consulting Companies and Associations
Organizations who have and are working with CAM-I

- The Boeing Company
- Pace International
- Hitachi Capital (UK) PLC
- Barclays Bank PLC
- BCH Electric Limited
- Landmark Decisions Inc.
- Grant Thornton
- King County
- Ministry of Defense
- U. S. Army
- U. S. Department of Education
- U. S. Department of Navy
- U. S. Patent and Trademark Office
- Royal Australian Navy
- CPA Canada
- Pilbara Group, Inc.
- Navistar
- ERS Texas
- SAS Institute
- University of Alberta
- U. S. Department of Agriculture
- Decimal
- Bank of America
- Dresser Rand
- Whirlpool Corporation
- Avnet
- Rockwell Collins
- Regence
- SAP AG
- U. S. Marine Corp
- ON Semiconductor
- Shell Oil
- U. S. Coast Guard
- U. S. Health and Human Services
- U. S. Department of Treasury
- U. S. Air Force
- ViON
- City of Rockhill
- Raytheon
- Lockheed Martin
- Northrop Grumman
- Honeywell International
- Johnson Controls
- Emerson Electric
- Porsche
- Harley-Davidson
- Chrysler
- Honda of America
- Deere & Company
- Caterpillar
- TSA
- IBM
- DFW Airport
- Texas Instruments
- NASA
- Proctor & Gamble
- BAE Systems
University and Professional Affiliations

Technical and Knowledge Partners

Great Lakes Institute of Management – Chennai
Confederation of Indian Industries (CII)
IMS International
Institute for Defense Analyses

University and College Affiliations

Arizona State University
Babson College
Kellogg (Northwestern)
London School of Economics
The University of Akron
Weber State University
Current and Past Initiatives

Current Initiatives and Special Interest Groups
- Cost Management and Target Costing
- Integrated Risk & Value Management
- Demonstrating the Value in Business Support Functions
- Performance Management
- Environmental Sustainability

Defence Special Interest Group
- Forecasting in the Defence Environment

Other significant areas CAM-I has worked on
- Change Adaptation and Learning
- Process Based Management
- Business Intelligence
- Closed Loop Planning and Budgeting
- Operational Data and Cost Measurement
- Customer Profitability
- Capacity Management
- Resource Consumption Accounting

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The Target Costing implementation framework tailored by CAM-I provides the basis to attain desired “should cost”

Target Costing requires a sound knowledge of:

- Customer perception of value
- Design impact of components
- Accuracy in supplier cost estimates

This model has been adopted by several member companies including Boeing, Caterpillar, Chrysler, Dresser-Rand, Rockwell Collins, Texas Instruments, Whirlpool and Navistar
Target Costing and Cost Management

Target Value

Value itself is a function of performance (timeliness, accuracy, usefulness, quality) and cost to produce and/or provide a service.

Target Value is the level of performance that a product or service must achieve in order to meet customer expectations.

Achieving Target Value requires a sound knowledge of:

- Components of Value
- Activities that contribute to the components
- Level of resources consumed to hit target

Target Value is achieving the optimum balance of performance and cost.
Value Analysis is well suited for product and service industries where the customer determines value

- Enables organizations to channel their product/service development activities to areas which provide the greatest customer value
- Helps identify the relationship between spending and a product’s functional requirements, as defined by the customer
- Key to the successful deployment of target costing for products or services, a profit planning and cost management process organizations use to control costs during the design stage of new product/service development
Risk-Value Curve
The CAM-I PMF is a holistic methodology that identifies key enablers influencing business performance. The framework pinpoints gaps in enabler maturity and, depending on the assessed level of organizational readiness, recommends specific techniques to improve performance and appropriate measures to track the improvement.

The PMF 8 Step Implementation Process:

1. Conduct Readiness Assessment
2. Review and Rank Enablers
3. Determine Actual & Needed Enabler Maturity
4. Identify Enablers with Largest Maturity Gaps
5. Conduct Deep Dive Maturity Assessment
6. Use Readiness Maturity Matrix
7. Identify Most Appropriate Improvement Technique
8. Measure Performance Improvement
The Closed Loop Planning and Budgeting framework developed by CAM-I has been extensively implemented by member companies for **resource and output optimization**.
Upcoming CAM-I Meetings

- September 4th to 5th 2019, Alexandria, Virginia on one project only - Forecasting in the Defense Environment

- September 9th to 11th 2019, Albuquerque, New Mexico

- October 14th to 15th 2019, Staines, United Kingdom

- December 9th to 11th 2019, Tempe, Arizona

- February 10th to 11th 2020, United Kingdom

- March 9th to 11th 2020, Alexandria, Virginia

- June 8th to 10th, Seattle, Washington

- September Dates TBD, Alexandria, Virginia
CAM-I: Types of Deliverables

• Management Accounting Guidelines.
• White papers, position papers, Standards and Benchmarks.
• Methodology – Product of developing an organized system of principles, philosophies from group experiences and applications.
• Models - Models for analytics and various business functions.
• Tools - Support the management and measurement of business processes.
• Training – Based on application by organizations, techniques, best practices, tangible ROI’s and use of current technologies.
• Assessment of organizations.
Examples of Recent Accomplishments

• The Value Analysis Process, June 2019.

• Supplier Costing method – Cost Engineer (estimator) need to Accurately estimate the Brownsfield cost to manufacture a component at a known supplier by modeling their specific processes and cost structure, June 2019.


• CAM-I work on Integrated Risk and Value Management published in Public Risk Magazine, August 2018, and January 2019. Jennifer Hills from King County received Risk Manager of the year award.

• Building an Activity-Based Model for Environmental footprint – A proof of concept case – Cost Management Publication (November December 2018)

• Performance Management Assessment and Framework
Target Costing:
- Target Costing - The Next Frontier in Strategic Cost Management
- Hitting The Target – The CAM-I Target Costing Implementation Guide

Process Based Management:
- The Road to Excellence – Becoming a Process-Based Company
- Process Based Management – A Foundation for Business Excellence

Planning and Budgeting:
- The Closed Loop – Implementing Activity Based Planning and Budgeting

Capacity Measurement & Improvement:
- Guide to Evaluating & Optimizing Productivity
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