



Over Three Decades of Industry-led
Collaborative Research

ANNUAL REPORT TO MEMBERS 2010

CAM-I (Consortium of Advanced Management, International) is an international consortium of industry, government, research organizations, and thought leaders who develop practical and effective management tools, techniques, and methods to advance the way organizations manage costs, processes, and performance.

Our **vision** is to be recognized as the premier collaborative forum for innovative, leading edge management solutions that create lasting value.



The CAM-I Board of Directors –

- Srikant Sastry – Partner, Grant Thornton LLP and CAM-I Board Chair
- Anthony Pember – CEO, Pilbara Group Inc.
- Lisa W. Hershman – CEO Hammer and Company
- George Millush – Chrysler – Retired
- Dave Anderson – Vice President – SVTC Technologies

A letter from the President

2010 was an exciting year for CAM-I in both growth and accomplishment. We continued to reach out internationally where we now have a presence in Australia, Canada, Germany, India, South Korea, Japan and the United Kingdom. In addition, Vangent, Inc., Unipart Group Limited, Hammer and Company, Fairchild Semiconductor, Scott Pickens, and the U. S. Department of Health and Human Services all joined CAM-I this year.

We expanded our presence in the business community through press releases, interviews, meetings, conferences, presentations, and sponsorships. Some examples include:

Meeting with Congressman Lloyd Doggett's office on Sustainment Proposal to create a Center of Excellence for Texas

Press Release on our Target Costing Interest Group deliverable study on involving Operations and Support (O&S) suppliers as partners in the product design process.

Federal radio interview to introduce our new Business Intelligence Metrics Maturity Framework, developed by the Business Intelligence Interest Group

Sponsorship at the 10th Annual Greater Austin Business Awards

CAM-I President appointed to the Board of The Greater Austin Chamber of Commerce

Presentation of our output from the Business Intelligence Project at the Association of Government Accounting Conference in Hawaii

Conference sponsored by ALTA Management in Tokyo and formal launch of CAM-I Japan

As in the past, we continued to publish articles and papers in major business magazines and periodicals. 2010 examples include a white paper on Agile Analytics, our new Performance Management Maturity Framework (PMMF), The Metrics Reference Model – A Jumpstart for Business Intelligence Initiatives and Synergy in Enterprise Change Models: Opportunities for Collaboration Between Value Engineering and Lean Six Sigma" with Dr. Jay Mandelbaum (principal author). We also completed and published a Process Improvement Benchmark Survey documenting Methodologies, Metrics and Best Practices for Process Improvement Initiatives.

We move forward in 2011 with a renewed sense of purpose and focus – to provide real solutions to real problems on a real time basis. The mission in 2011 remains thought

leadership but our intention is to focus that leadership on solving specific industry and government problems and business issues. Leveraging the CAM-I Body of Knowledge and following the leadership of key member firms, CAM-I will continue to identify new areas of research for the betterment of industry. We will focus on ways to apply our cost, process, and performance management tools to solve specific, industry-related issues. Our goal is to build our capability and relevance.

We will continue to remain active in the international community with events scheduled for 2011

Seminars in India (Mumbai and Delhi) – January 2011

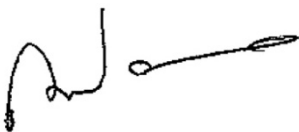
A conference on International Intellectual Property in Japan with Korea and United States (USPTO) – May 2011

A meeting in London for growing our European presence - Participants include Barclays International, Zurich Insurance, Chester Hospital, Southend University, CIMA and Imperial College of London and Unipart Consulting – February 2011

Through the leadership of member organizations, we will build on our core value of collaboration but our methods will be more rigorous. Our approach will shift to one of assessing industry-based issues, identifying specific areas for improvement, and then applying “lego-style” CAM-I tools and ‘building blocks’ to fashion highly tailored solutions to the issues at hand with adaptability and affordability.

“Make no mistake,” says Srikant Sastry, Principal at Grant Thornton LLP and CAM-I Board Chairman, “the CAM-I Body of Knowledge remains a valuable treasure trove at the heart of the organization and our members. However, the membership – and industry in general – need ‘real solutions for real problems’ in real time. In what ways can an organization apply cost, process, and performance management tools to solve specific, industry-related issues? This is where CAM-I has turned its attention.” In this way, says Dr. Bala Balachandran, CAM-I’s Academic Advisor from Kellogg School of Business, CAM-I can help companies deliver results and ensure the ‘Four A’s’ for the customer -- Adaptability, Affordability, Accessibility and Applicability.

We look forward to a prosperous, productive and results oriented 2011.



Ashok Vadgama
President
CAM-I



2010 Robert Bonsack award winner
James Hendricks, Senior Systems Engineer at The Boeing Company
was recognized by his peers for his distinguished contribution
in the advancement of cost management



Lisa Hershsman, CEO of Hammer and Company
signs copies of their latest publication
"Faster, Cheaper, Better"
at the CAM-I December 2011 meeting
held in New Orleans



Speaking at our September 2010 meeting
Joseph Staier – U S Coast Guard and
Shobhik Chaudhuri – Grant Thornton



CAM-I Industry Chair Bill Dummer – Whirlpool Corporation
and Ashok Vadgama – CAM-I President
introduce guest speaker Presca Weems of Future Proof LLC
at the December 2011 New Orleans meeting

Interest Group Accomplishments

In 2010 we focused on improving our core competency of collaboration and learning through the use of Interest Groups. We launched new Interest Groups for Agile Analytics, Environmental Sustainability, Health Care, and Transparency.

In the Health Care Interest Group, we reached out to industry experts in the form of an Advisory Council to gain insights from medical health professionals. The Health Care research group is looking at ways to leverage cost management, process improvement, strategic change and insights across the supply chain.

The Sustainment Team Interest Group has staked out growing issues and pending regulations in carbon-footprint and eco-diversity as the focus of its research. In this vein, they are applying the CAM-I Body of Knowledge in ways that will yield new, standard methods for 'carbon accounting' and other measurement and management of sustainment elements for industry.

The Transparency Interest Group convened an industry-based Advisory Council to shape its research agenda. Given the billions of dollars flowing from Washington, DC, and the need for transparency into the flow of funds from public to private sector – and corresponding results – transparency is new, unexplored territory for all. The CAM-I team is developing definitions, standards, and templates for understanding transparency and for evaluating whether organizations have enough of and the right kinds of transparency to promote greater stewardship of resources and accountability for results.

2011 Interest Groups include Process Based Management, Agile Analytics, Target Costing, Environmental Sustainability, Performance Management, Health Care, Transparency and Information Technology Performance. Goals and objectives for several of the Interest Groups are as follows:

The IT Performance Management Interest Group will explore traditional cost, process and performance management practices and techniques related to IT performance, including budgeting and planning, calculation of charge-backs, as well as related KPI's, outsourcing models, shared services, links to corporate functions and ties to HR and service level agreements

The Target Costing Interest Group will focus on Commodity Forecasting, expected to be a major issue in the year ahead

The Risk Management Interest Group will develop a model for an approach to integrating risk, cost, and performance management together with an implementation methodology for that approach, key success criteria, and pitfalls to avoid, and new elements of risk management to consider

Extraordinary Individual Efforts

Nothing could have been accomplished without the involvement, dedication and participation from individual CAM-I members. We have each of our members to thank for the progress we made in 2010. Special thanks and acknowledgment go to the following members:

Tony Adkins (SAS) and his team for their work on the operating committee, identifying topics, speakers, and marketing opportunities

William Dummer (Whirlpool) the Industry Chair for CAM-I

Bob Thames (SAS) and his team for their leadership role in taking a strategic view of the CAM-I Body of Knowledge, documenting and improving knowledge creation and utilization

Elaine Jones (Navistar) and her team who drive the entire project governance committee for initiation, implementation, and closure of our projects and initiatives

John Miller (Arkonas) for his work in improving the application and use of the CAM-I Body of Knowledge (member's portal)

Dave Robinson (Royal Australian Navy), Bob Thames (SAS), Bob Misch (Grant Thornton) and Kevin McKenzie (Pilbara Group) who undertook the role of integrating our 30+ years of knowledge, history, and experience

Academia representatives who played a key role in driving agenda items from their Futures Forum

Todd Scaletta, for representing CMA and CAM-I in a meeting with HRH Prince Charles on Sustainment

Robert Shea (Partner at Grant Thornton) for arranging and coordinating many of our press releases and radio interviews

Dr. Il-Woon Kim (University of Akron) for his help and leadership in launching CAM-I Japan and our media partnership with Korea Economic Daily, helping us grow in Korea

Jim Hendricks (Boeing) recipient of the Robert A. Bonsack Award for distinguished contribution in the advancement of cost management

Dr. Bala Balachandran, CAM-I's Academic Advisor from Kellogg School of Business and Great Lakes Institute of Management

CAM-I Member Organizations -

- Alliance Enterprises
- Alta Management Japan
- Arkonas
- CALIBRE Systems
- Certified Management Accountants -Canada
- Decimal
- Executive Management Associates
- Fairchild Semiconductor
- Grant Thornton LLP
- Hammer & Company
- Institute of Cost and Works Accountants of India
- Navistar
- Pilbara Group Inc.
- Scott Pickens
- Regence
- Royal Australian Navy
- SAP AG
- SAS Institute
- The Boeing Company
- Unipart Group Limited
- U. S. Air Force
- U. S. Coast Guard
- U. S. Dept. of Health & Human Services
- U. S. Marine Corps
- U. S. Patent and Trademark Office
- Wesley Quest
- Vangent, Inc.

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Global Leadership in Cost, Process and Performance Management