

# Navigating a CER

For Partners: Follow the link you receive in the email notifying you that a new CER has been added to your list.

For APs and equivalent roles: Follow the link you receive in the email notifying you that you've been designated a viewer/editor of a CER.

Fill out each tab completely, navigating by clicking on the links at the top.

Click "Save" when you need to pause your work and return to complete later. Click "Submit" once all tabs are complete.

The screenshot shows the 'CER Form' interface. At the top, there are tabs for 'My CERs' and 'CER Form'. Below the tabs, there are four sub-tabs: 'Engagement Details', 'Financials', 'Knowledge Management', and 'Risk Management'. The 'Engagement Details' tab is active. On the right side, there is a status indicator 'In Progress'. Below the sub-tabs, there are buttons for 'Submit', 'Save', 'Delete', 'Print', and 'Email'. The main form area is titled 'McKinsey Contact Details' and contains instructions: 'All ED, BD and DCS must be partners at the start of the engagement. Only the **primary** ED and DCS (Global Parent) **listed first** will appear on the WIP reports.' The form is divided into two columns. The left column has fields for 'Engagement Director\*' (with a dropdown menu showing 'Julia Green - HOU'), '+ Add Person', 'DCS (Local/Subsidiary)' (with an empty dropdown), '+ Add Person', 'Billing Director' (with a dropdown menu showing 'Lindsey Forsythe - TSC'), and '+ Add Person'. The right column has fields for 'DCS (Global Parent)\*' (with a dropdown menu showing 'Julia Green - HOU'), '+ Add Person', 'Other Viewers/Editors' (with a dropdown menu showing 'Julia Green - HOU' and '[Created]'), '+ Add Person', 'Billing Office' (with a dropdown menu showing 'Atlanta'), and '+ Add Person'. Annotations with blue boxes and lines point to the sub-tabs, the 'Submit' and 'Save' buttons, the 'Engagement Director' field, the 'DCS (Global Parent)' field, the 'Other Viewers/Editors' field, and the 'Billing Office' field.

My CERs CER Form

Engagement Details | Financials | Knowledge Management | Risk Management

**Bold** fields are required  
\* fields downloaded from Staffing (PeopleLink)

Submit Save Delete Print Email

In Progress

McKinsey Contact Details

All ED, BD and DCS must be partners at the start of the engagement. Only the **primary** ED and DCS (Global Parent) **listed first** will appear on the WIP reports.

Engagement Director\*

Julia Green - HOU

+ Add Person

DCS (Local/Subsidiary)

+ Add Person

Billing Director

Lindsey Forsythe - TSC

DCS (Global Parent)\*

Julia Green - HOU

+ Add Person

Other Viewers/Editors

Julia Green - HOU [Created]

+ Add Person

Billing Office

Atlanta

The CER online form consists of four tabs:

- Engagement Details
- Financials
- Knowledge Management
- Risk Management

# Completing client contact details in the Engagement tab

From the McKinsey contact details section, scroll down to enter client contact details.

Client Contact Details

Client Company Name\*

Parent Company Name

Study Name\*

Preferred Client Code ?

Preliminary Charge Code\*

Charge Code

Authorizing Executive

First Name

Last Name

Phone

Job Title

Accounting Contact

First Name

Last Name

Phone

Invoice Mailing Address

Street Address 1

Street Address 2

City

State/Province

Country

Select Country ▼

Postal Code

In which city is the day to day client contact based?

Which client country location is receiving the benefit of the project?

Select Country ▼

# Completing CER billing information in the Financials tab

Click on the Financials link to open the tab.

My CERs

CER Form

[Engagement Details](#) | **Financials** | [Knowledge Management](#) | [Risk Management](#)

**Bold** fields are required

Submit

Save

Delete

Print

Email

Financial Arrangements

Start Date

03 Jul 08

Calendar

Engagement Type\*

Billable Client

Billing Arrangement

Select Billing Arrangement

Are fees based on an established commercial agreement covering multiple studies or part of a Master Services Agreement (MSA)?

Click [here](#) for guidelines on expense charges for client arrangements and invoices.

Expense Charge Arrangement ?

Include in fees (all-in)

Billing Currency

US dollar

Estimated End Date

03 Oct 08

Calendar

Study Duration

67 Days

Engagement Subtype

Select Engagement Subtype

Satisfaction Holdback Criteria ?

Select Satisfaction Holdback Criteria

Select Satisfaction Holdback Criteria

Qualitative only (satisfaction)

Quantitative only (contingent on impact)

Both qualitative & quantitative

Yes

No

Criteria for satisfaction studies:

Qualitative

Quantitative

Combination of both

Indicates engagement type:

Full Billing is standard

Client Investment (CI) and Satisfaction Holdback (SH) will reduce per diems by the percentage selected

Both require approval of Regional Pricing and Office Leadership

# Completing the CER billing worksheet in the Financials tab

Scroll down to enter more details.

Total Professional Fees

Total Expense Charges

Total Billing Agreed by Client ?

1,000,000

200,000

1,200,000

Enter fee and expense billing

Projected WIP

Billing Office: Atlanta Per Diem USD ☒ Update Conversion Rate ?

| Role                     | Name | Office Currency Per Diem | Billing Currency Per Diem | x | Days | = | Total                          |
|--------------------------|------|--------------------------|---------------------------|---|------|---|--------------------------------|
| Director                 |      | 14,700                   | 14,700                    | x | 8    | = | 117,600                        |
| Principal (4+)           |      | 12,150                   | 12,150                    | x | 16   | = | 194,400                        |
| Expert Principal (0 - 2) |      | 9,750                    | 9,750                     | x | 4    | = | 39,000                         |
| EM                       |      | 7,250                    | 7,250                     | x | 44   | = | 319,000                        |
| Sr BA (0 - 1)            |      | 2,850                    | 2,850                     | x | 44   | = | 125,400 <a href="#">Remove</a> |

[+ Add Skill Role](#)

Reason for Per Diem Override

Professional Fees (calculated)

PK Services Fees

Total Professional Fees (calculated)

Contingency (calculated) 0 % of Total Professional Fees

Subtotal

Support Services (calculated) 0 % of Subtotal

Total Fees (Subtotal + Support Fee) (calculated)

Expected Expense Charges (calculated) at ?

External Consultants

Transfers (from PE or CE)

=

+

=

+

=

+

=

+

+/-

795,400

150,000

945,400

0

945,400

0

945,400

200,000

0

25,000

Projected WIP Calculated from Worksheet

Total Billing Agreed by Client

Net Value Gain/Loss

=

=

=

1,170,400

1,200,000

29,600

Ensure billings > estimated incurred fees and expenses

Enter known team members and accurate per diems as possible. Enter roles and estimated per diems if necessary. Estimate incurred expenses at 20-25% or more of fees.

# Completing the Knowledge Management tab

Enter the industry, functional practice, form of ownership, and New Service Capability (New Delivery Model) information.

My CERs

CER Form

In Progress

[Engagement Details](#) | [Financials](#) | **Knowledge Management** | [Risk Management](#)

**Bold** fields are required

Submit

Save

Delete

Print

Email

Study Classifications

Responsible Industry Practice

Select Responsible Industry Practice

primary

+ Add Industry

Industry Classification

Select an Industry

Industry Classifications

Advertising, Market Research & Public Rel

Aerospace & Defense

Agriculture

Asset Management

Automotive

Banking

Business & Consumer Services

Chemicals

Computers & Electronics

+ Add

- Remove

List primary classification first

Responsible Functional Practice

Select Responsible Functional Practice

primary

+ Add Function

Functional Classification

Select a Function

Functional Classifications

Business Technology

Corporate Finance

Marketing & Sales

Operations

Organization

Risk

Strategy

Sustainability & Resource Productivity

+ Add

- Remove

List primary classification first

Primary form of ownership

Publicly Traded

Does this engagement use a New Delivery Model? (Select one or multiple models from the list.)

?

Yes

No

# Completing the Knowledge Management tab

Scroll down to enter the geographical focus, KIP, New Service Capabilities, engagement, and negotiation information.

Geographical Focus

Select a Geography

Geographical Focus

+

Africa

Antarctica

+

Asia

+

Australia and New Zealand

+

Caribbean

+

Central America

Developed economies

Developing economies

+

Europe

+

+ Add

- Remove

List primary classification first

Was the knowledge from a KIP instrumental in winning this engagement?

?

Yes

No

Delivery Models, Tools & Frameworks

Select Delivery Model, Tools or Framework

If other(s), please list

+ Add Delivery Model, Tool or Framework

Note: If the study involves M&A, private equity due diligence, or merger management, please enter "Confidential" in the Objectives & Scope and Background fields below. Detailed descriptions for these fields will be requested as part of the M&A registration process.

Engagement Objectives and Scope

Engagement Background

Competitive Negotiation?

Yes

No

Unknown

Reasons for Winning Study

?

Client preferred our approach

Distinctive knowledge

Effort invested in proposal process

Firm reputation

Flexible fee arrangement

Other

Presentation execution

Proposal quality

References

Relationship

Team composition

Unknown

All M&A studies should list "Confidential" for Engagement Objective/Scope and Engagement Background

# Completing the Risk Management tab

Answer the questions in the Risk Management tab.

Remember to click “Submit” after you have completed each of the four tabs. Keep in mind that you will not be able to make any revisions once the CER is approved.

[Engagement Details](#) | [Financials](#) | [Knowledge Management](#) | **Risk Management**

**Bold** fields are required

### Risk Analysis

For more information on any of the topics below, go to the [Professional Standards website](#) or contact the [Legal Department](#).

1. Is this an engagement for a new client (in which case we should provide them with our standard contract), or do we otherwise anticipate entering into a contract for this engagement? ☐ Yes ☐ No
2. Do we expect that the client will want to disclose our work product or involvement to outside parties such as lenders or transaction counterparties? ☐ Yes ☐ No
3. Are there reasons our work might receive media or other public attention? ☐ Yes ☐ No
4. Does your study involve any of the following service lines or issues:
  - ☐ Services to a client relating to (i) its own or its clients' investments in securities (Investment Related Services), (ii) its purchase of public securities (debt or equity) of a company, including purchase of less than 100% of a company's securities in connection with a private equity due diligence or (iii) M&A or Investment Related Services to a hedge fund.
  - ☐ M&A, private equity due diligence, or merger management (excluding services described in (a) above but including services relating to client's acquisition of an entire company -- i.e., 100% of equity securities)? Ensure that "Confidential" is entered in the Background and Objective/Scope fields in the Knowledge Management section of the CER.
  - ☐ Operations work where health or product safety or quality might be impacted by our work?
  - ☐ Outsourcing or offshoring?
  - ☐ Purchasing and supply management or other interaction/negotiation with suppliers/vendors?
  - ☐ Sustainability and resource productivity?
  - ☐ Restructuring, i.e. (1) Support to a financially-distressed client and (i) risk of bankruptcy or U.S. Chapter 11 proceeding; (ii) expectation our work will be shared with third parties; (iii) request we assume operational roles; or (iv) exception from Firm policy will be sought (e.g., third party reliance) or (2) support to creditor(s) involving a debtor's prospects for restructuring?
  - ☐ Development of software or other technology for a client (with or without an outside vendor) or deployment of an existing Firm proprietary solution (e.g., a McKinsey solution, advanced analytics database, or other technology solution)?
  - ☐ Receipt of personally-identifiable information, also known as personal data (e.g., name, email address, physical address, phone number, social security number, medical or health information or financial information), relating to customers, employees, patients or any other identified or identifiable individuals? Select No if the information will be appropriately de-identified, aggregated or redacted by the client prior to our receipt to anonymize the data.
  - ☐ Public sector client?
  - ☐ Client service or contact with governments, political figures, civil servants, organizations or companies in, or travel to, countries that may be subject to US or international sanctions (for example, but not exhaustively, Cuba, Myanmar, Syria, Iran, Zimbabwe, Libya, Belarus, Sudan, North Korea, etc.)
  - ☐ Assisting a client with its assessment of, response to, or compliance with, an existing or proposed US federal, state, or local regulatory issue, rule making or other government proceeding or investigation?
  - ☐ None of the above apply

If you have **any** questions, reach out to the engagement office Accounting team.