Hitting Your Contract Management Goal

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Biography

Howard Frear has been at the forefront of major trends in the software industry for close to 18 years. He joined EASY Software (https://www.easysoftware.com) in 2001 and during that time he has been instrumental in developing and overseeing a highly successful strategic partnership with SAP, a relationship that today accounts for more than 50% of EASY UK's software sales. Howard is also credited with many of EASY's largest customer wins including Serco Group, Cable & Wireless and Barclays Capital.

Howard is a very successful and experienced sales and marketing professional and is the driving force behind EASY Software UK's go-to-market and business development strategy. Day-to-day Howard is charged with managing the direct sales force, directing key marketing activities and overseeing strategic partner liaison.

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Abstract
Organizations are under an ever-increasing amount of pressure to reduce costs and improve company performance. In this article, the author discusses how brands can improve contract management to secure better business relationships.

Introduction

Managing business contracts should be straightforward in today's digital age, but many CFOs are still hobbled by cumbersome processes that can impact businesses.

Contracts are important business documents, yet the inefficiencies of many methods being used to create, share and store them means that companies do not have a full overview of their contents. Often contracts are created in a doc file and simply emailed around to relevant parties. With such a siloed and disjointed approach, contracts are open to error and data leakages, which is worrying given the importance of these agreements to business.

Often companies see contract management as an administrative cost centre, which is a warped way of looking at things because if they are not properly managed they can severely dent the bottom line. Contracts are definitely not a sector of the business that a company can afford to trip up on – but you would be surprised how many do.

Companies are starting to look at contract management solutions to increase visibility and reduce risk. Contract compliancy and transparency, for example, are

now essential to meet emerging regulations and standards. But, it is a slow process. According to the International Association for Contract & Commercial Management, only 20% of companies have a contract management solution. With no management support for these contracts, tracking their performance is virtually impossible.

Here we look at the key roles that technology can play in providing a unified approach to contract management.

Centralized view of contracts and contract data

A contract management solution can be used to manage the contract process from start to finish. A secure contract repository makes sure that contracts are not mislaid or lost in the processing system. Contracts can be located immediately when required and team collaboration can be made easier via secure access controls.
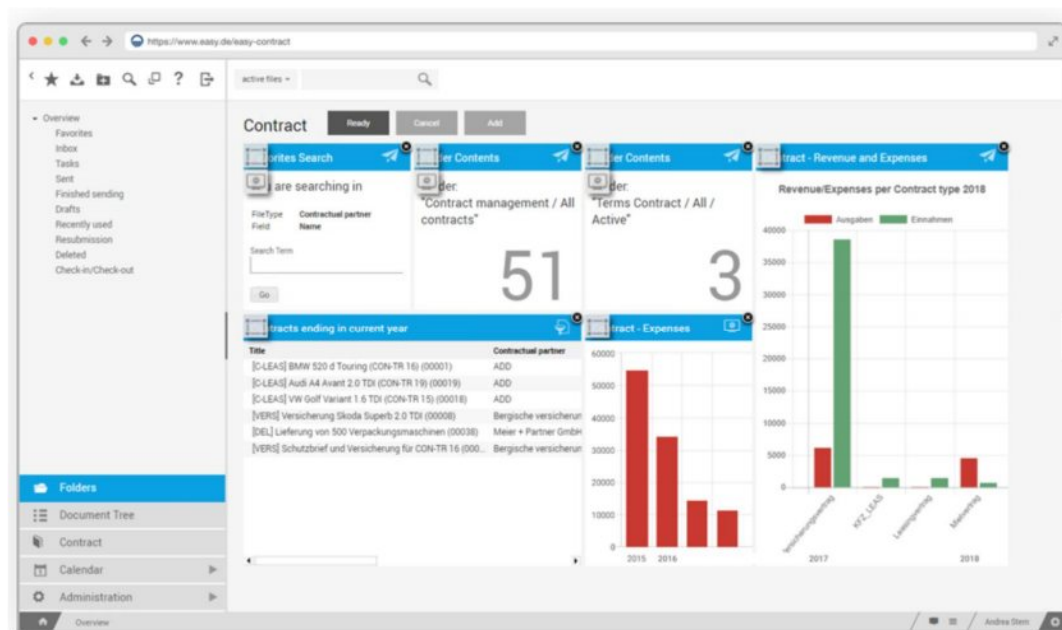
Keeping track of deadlines

Human error can result in deadlines being missed. Contract management systems can be programmed to throw out alerts when contracts need to be renewed or are expiring, for example, so that they can be dealt with promptly.

Workflow

Many organizations find workflow one of the most challenging aspects of contract management. This is often down to contract cycles that span various durations.

Automating the creation and approvals process can dramatically increase efficiencies, especially where legally binding documents have several touch points across their lifespan.   I have seen cases where a contract management solution has cut contract creation time by as much as 50%.
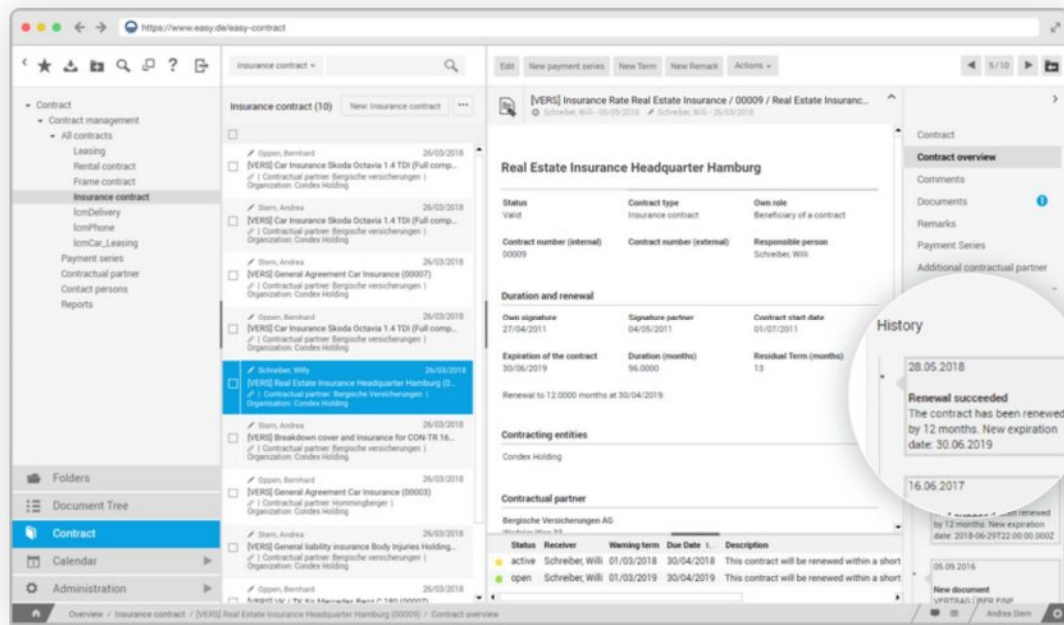
Automation provides a 360 degree view of what point the contract is at in the process, heightening visibility and productivity. The solution tracks the contract through its entire lifecycle, through each review and approval process.
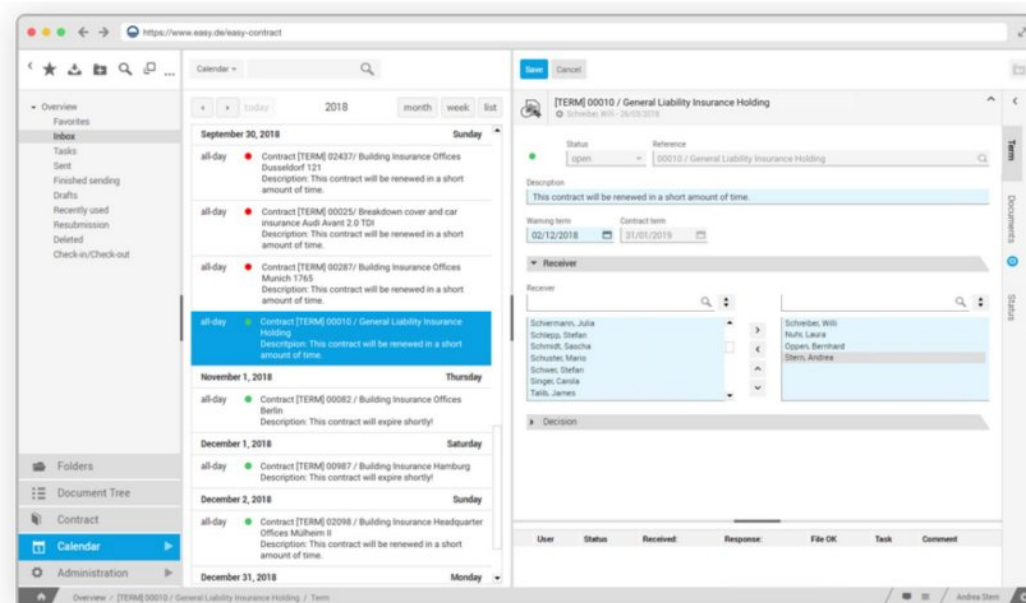
Reporting capabilities

A contract management reporting tool enables departments to understand what is happening with contracts and how they are performing. This insight can make major savings for an organization. A contract management tool provides self-generated or automated, standardized reports on any data contained on a document in real time. Reports can be generated on a host of metrics including risk management. Dashboards can provide an open and customizable way to suit business type.

Compliance

Contracts hold highly sensitive business data, so it is imperative they are stored securely. A contract management solution provides compliance and control and ensures the correct data can only be accessed by the right parties in the chain.

In conclusion

The key take away is that contract management should not be left at the bottom of the pile when examining processes. Contract management technology is crucial to managing business relationships. As well as running your business more effectively, it can also help you simplify processes, saving time and money.

Reference
For more details on digitalizing the Contract Management function see https://www.easysoftware.co.uk/solutions/easy-contract/