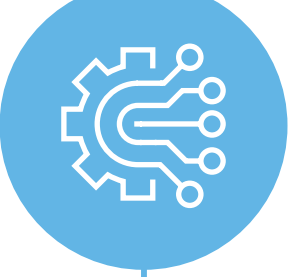
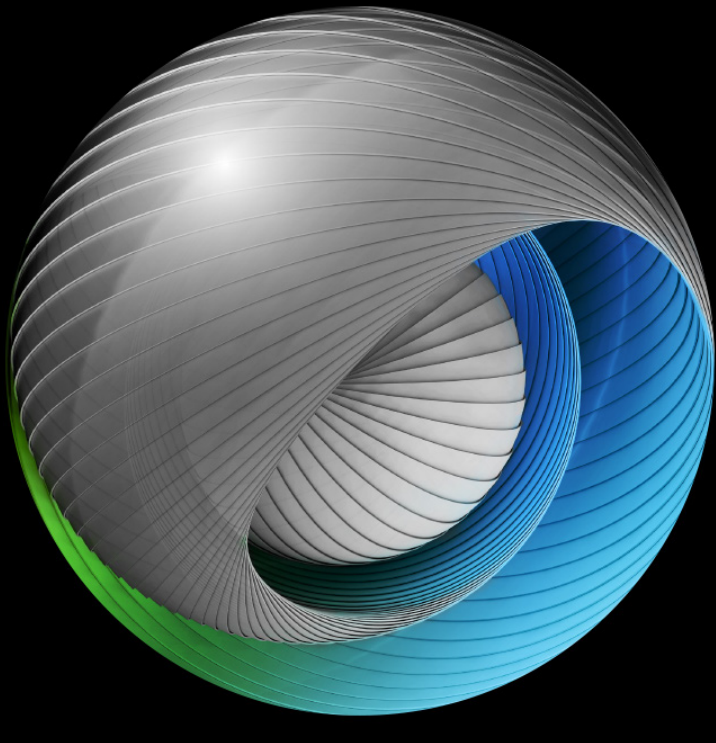


When technology meets humanity
The future of contract management

In 2020, incremental evolutionary change gave way to revolutionary transformation in contracting and contract life cycle management.

Deloitte teamed with World Commerce & Contracting to explore how the dramatic disruptions caused by COVID-19 are affecting companies' contracting and commercial management capabilities, processes, and teams.

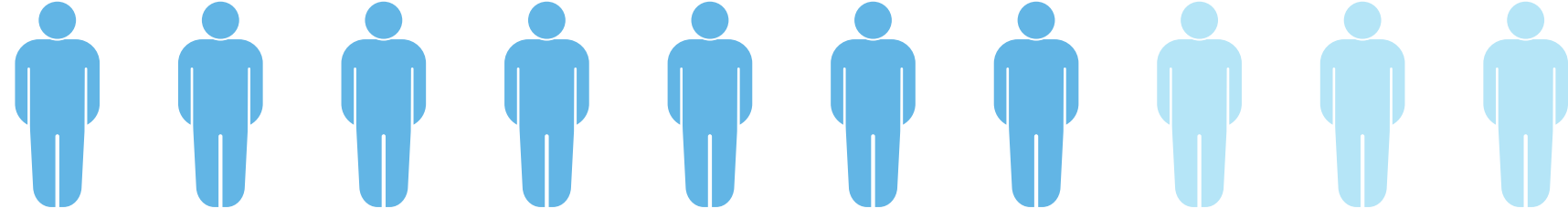
What did our analysis reveal about the evolving role of technology, people, and process in contract management?



Technology

Technology investment is on the rise

7 out of 10 respondents say automation and digitization are a growing priority.



Data is top of mind

The pandemic revealed key challenges with data and data flows.

"We must stop thinking about contract management and think about contract data management."
Head of digitization, global engineering company

What can help teams monitor and realize contractual performance? Linking contract data to data in:



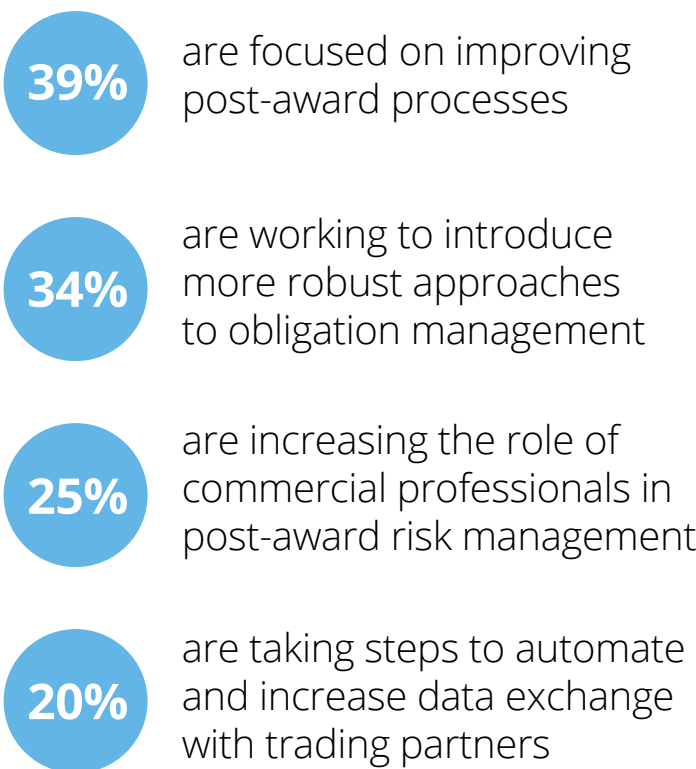
Technology adoption success factors

A series of coordinated actions, including:

- ☒ Better definition of an integrated process
- ☒ Increased clarity over organizational roles and responsibilities
- ☒ Simplification and standardization of contracts
- ☒ Integration of the human intelligence factor

Attention is shifting to post-award

Companies are making investments in improving the management of contracts after signature.



People

Will technology replace people?

Not replace, but change their roles.

Growing adoption of technology is creating new and more fulfilling roles.

In organizations where buy- and sell-side resources are integrated:



In these roles, humans will combine:

- their judgment
- and new skills
- with technology
- to deliver greater value.

We call it the power of With.

"I need people with the curiosity to understand how markets and the business work; the courage to speak up and challenge; the collaborative skills to engage with others and solve problems."
General counsel and leader of integrated commercial team



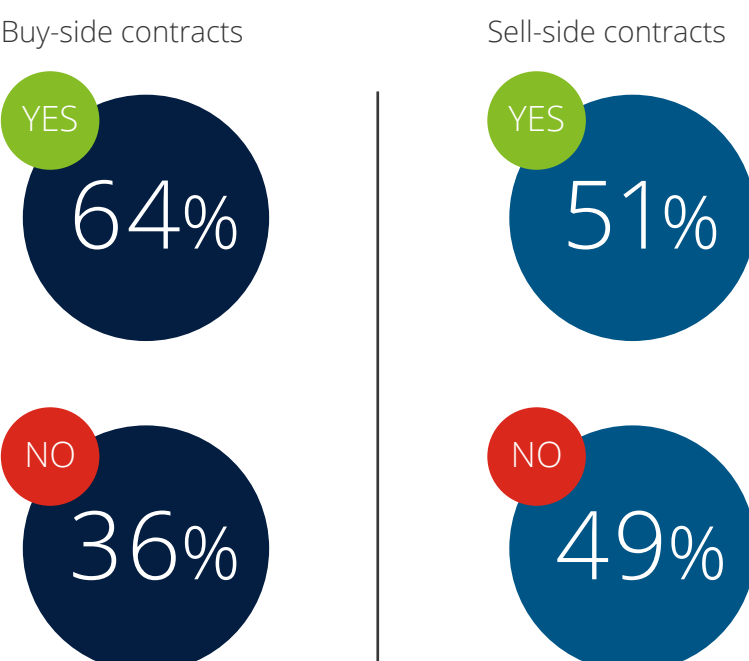
Process

Efficiency is a growing priority

And it's been accelerated by the pandemic.

Organizational

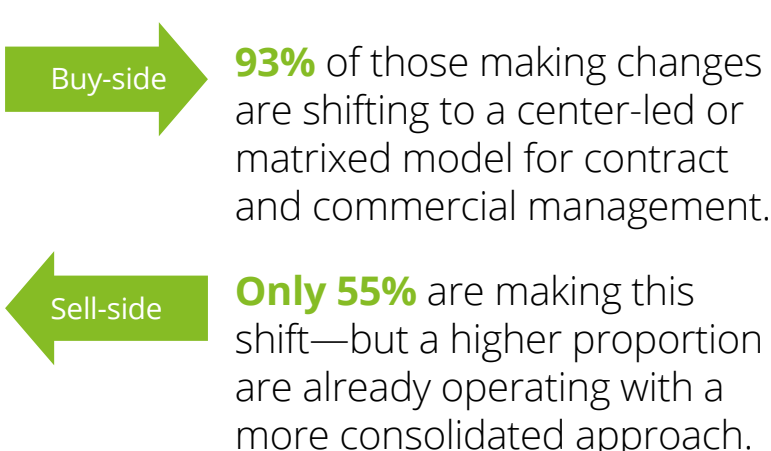
Is your organization reevaluating the way you are organized, or the headcount that is applied for some or all of your contracts and commercial management activities?



Process

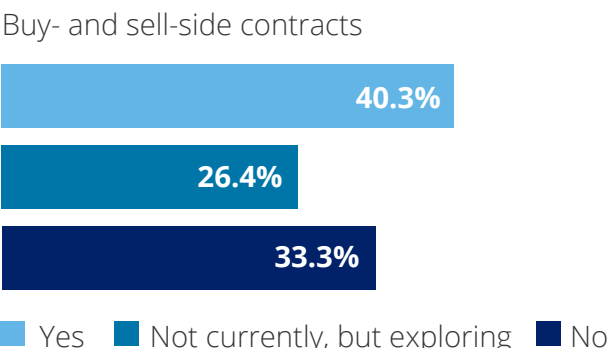


Structural



Measuring the investment value of contract and commercial management is challenging

Only 40% of survey respondents currently provide some measure of financial value or impact on the business.



What are the obstacles?

- Outdated systems
- Fragmented data
- Measures such as negotiated savings are largely discredited
- Risk avoidance is hard to prove

The bottom line

- ☒ Transforming the contracting function requires proper investment not just in technology, but also in people, process, and content.
- ☒ By streamlining the contracting process and the removal of bottlenecks, companies can improve speed to execution and free up in-house attorneys' time to work on more strategic issues.
- ☒ Equipping legal and commercial teams with data insights can foster innovation and create new value.
- ☒ The ultimate goal: Contracting becomes a critical operational tool and the framework for collaboration.

Visit our page to download the full report and learn more about Deloitte's Legal Business Services.