

# 5 ways to take back your contract management process with ECM

Contract management touches the entire organization, from sales and marketing to procurement and human resources. But, it can be costly when businesses underestimate its significance. The International Association for Contract & Commercial Management (IACCM) finds that ineffective contract management can negatively impact your bottom line by up to 9 percent of annual revenue.

Even with all the moving pieces, parts and players, legal departments and contract administrators can effectively take control of contract management processes with an enterprise content management (ECM) solution.

## 1 Establish a central repository

Information silos and disconnected data lead to mismanaged negotiations, reviews and approvals. Too often, contracts and supporting documents are stored in separate network folders, file cabinets and individual inboxes, blocking managers from a complete view across contracts and related content.

Instead of relying on paper, storing contract information in a central repository, like an ECM system, improves the transparency, security and searchability of your entire contract management process. The best solutions feature flexible security options to customize who can access contract information and the ability to create unique contract identifiers to support easy search and retrieval.

## 2 Create contract controls

Many companies' processes lack standardization and controls to effectively manage contract creation and negotiation and ensure that employees are leveraging the correct versions of contracts at all times. When processes aren't formalized, it puts organizations at risk.

Putting controls in place with an ECM solution ensures that employees create contracts consistently and accurately track and manage negotiations. You can easily create standard contract templates and term sheets, and restrict access to only members of certain departments. By storing extra terms and conditions alongside the contract record itself, supporting information is never lost. The ECM solution can even automatically kick off post-signing processes and send notifications to other departments.

Best-in-class companies are

75%

more likely to have a searchable contract repository containing more than

75%

of their contracts.\*

Best-in-class companies are more than

**2X**

more likely to automate every step of the contract lifecycle.\*

### 3 Automate. Automate. Automate.

Manual tasks, time spent waiting for signatures and changing approval rules frequently create contracting bottlenecks and extend cycle times. Automating key aspects of the contract management process helps to ensure that skilled legal employees spend time on value-added tasks rather than waste hours searching through information for unqualified requests.

A case management-based ECM solution automates standardized requests, approval processes, notifications and task assignments based on contract data. ECM supports collaboration and helps administrators and legal departments address and keep track of employee questions and conversations related to individual contracts.

### 4 Execute electronically

Waiting for contract approvals and signatures presents challenges for both cycle times and security. In many cases, legal departments spend hours comparing mailed, e-mailed or faxed copies to the original contracts word by word, with no easy way of validating the signatures.

With electronic signatures and cloud-based signature solutions, you'll improve the efficiency and security of contract execution. Parties can process and sign contracts securely and seamlessly, eliminating the need for manual reviews. And automatically routing them to the appropriate person once signed reduces bottlenecks.

### 5 Proactively track renewals and expirations

Many legal departments manually track expiration and renewal dates in inefficient spreadsheets, which may not reflect the most recent information and must be checked regularly for upcoming deadlines. Overall, limited visibility into contract requests, workloads and assigned tasks leads to missed deadlines and missed opportunities for renegotiation.

A successful ECM solution helps improve visibility and drives contract savings by automatically tracking renewal and expiration dates and prompting administrators with timely notifications. With actionable reporting, managers are always aware of what contracts are in the queue and where they are in the process.

Best-in-class companies renew

**56%**

of contracts and renegotiate

**49%**

of contracts annually - more than twice the amount of others.\*

Learn more at [OnBase.com/ContractManagement](http://OnBase.com/ContractManagement) »

\*Research content by Aberdeen Group