From Chaos to Control

Building and Selling Your Case For Contract Management Software

Randy Bishop,

Co-Founder, President

ContractSafe

A Little About Me

Randy, Bishop, Co-Founder, ContractSafe

Bringing nearly two decades of experience in software and a decade of experience in contract management as the Co-Founder and President of ContractSafe

As the former CEO of Verengo Solar, oversaw growth from startup to over $100M in sales. Ran in-product Payroll business in QuickBooks at Intuit.

ContractSafe

ContractSafe: Contract Management Without The Chaos

ContractSafe <u>is the most recommended</u> CMS because we keep things refreshingly easy and affordable:

- **Effortless:** No unnecessary "bells and whistles" —just straightforward features that get the job done.

- **Affordable:** Essentials features at a budget-friendly price that will make your finance manager smile.

- **All-in-One:** Every phase of the contract journey simplified with everything you need —and not lots of unnecessary features/tools.

What We'll Be Covering

Challenges with Manual Contract Management
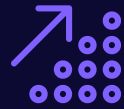
Benefits of Contract Management Software

Understanding the Landscape

Building Your Business Case

Getting Stakeholder Buy-In

Addressing Objections

Q&A

Resources

Manual Contract Management Challenges

1 **Lack of Centralization**

Locating and tracking contracts is a challenge for day to day and crippling for financing/transactions, etc..

2 **Lack of Visibility**

Missed deadlines, inability to report and unmonitored risks jeopardize business success

3 **Time-consuming**

Employees spend excessive hours just trying to find things, on repetitive contract drafting and review instead of strategic work.

4 **Risk of Human Error**

Manual re-entering of data and handling of contracts can lead to mistakes.

5 **Compliance Burdens**

Adhering to multiple regulations and policies creates additional complexity.

6 **Inefficient Workflow**

Slows down the contract lifecycle process

Cost of Contract Management Inefficiencies

15% of Revenue

Value Leakage

2 hours per contract

Time Wasted Finding Contracts

4.5 Weeks

Average Approval Time

70% of Contracts

Unmonitored; Risk Exposure

Poor contract management leads to significant revenue loss, time wasted, delayed approvals, and risk exposure - all of which can negatively impact the bottom line.

Sources: IACCM, Procurement Tactics, CLOC, KPMG

The Benefits of Contract Management Software

ContractSafe

Enhanced Visibility

Single source of truth enables better oversight and decision making

Increased Efficiency

Automated workflows and reminders save time and reduce the risk of human error

Improved Compliance

Adherence to policies, regulations mitigating legal and financial risk

Data-Driven Insights

Identify trends, analyze relationships, better decision-making

Ability To Sleep At Night

No more 3 AM panic jolts—CMS has your contracts covered. Sweet dreams!

Choosing the Right Contract Management Solution

Finding The Right Fit

Pricing

- $5K to $150K annually, plus implementation and time.
- Make sure you factor in how changes are made. Hidden cost sometimes!!
- Consider total ownership cost

Key Features

- Address your key needs
- Be clear on Need to Haves vs Nice to Haves
- Avoid feature overload—beware CLS Regret!
- Ease of use

Scalability

- Match your contract volume and org needs today.
- Choose one that you can grow with

Vendor Evaluation

- Research support and reputation
- Try before you buy

Fundamentals Every Org Should Have

Repository

Easily access and search all contracts and documents.

Date Management

Automate reminders for key deadlines and renewals.

Search & Filtering

Quickly search and filter contracts based on keywords, dates

Reporting

Gain insights to guide strategic contract decisions.

User Access

Ability to mange users and permission levels

Security

Protect sensitive contract data from unauthorized access and breaches

Building Your Business Case for CMS

Challenges of Building a Business Case for CMS

Quantifying Financial Benefits

Demonstrating cost savings, revenue improvements & return on investment from increased efficiency and reduced risk

Gaining Stakeholder Buy-in

Aligning key stakeholders with differing priorities and concerns

Addressing Barriers to Implementation

Identifying and overcoming resistance to change or lack of technological infrastructure

Steps to Creating a Strong Business Case

1

2

3

4

Identify Stakeholders

- Who are the main users? Who else will use?
- Finance: budget & ROI
- IT: security and integration specialists
- C-Suite: decision-makers
- Operations: process helpers

Gather Essential Data

- Operational pain points (Need to solve vs Nice to solve)
- Process Failures
- Time audit (estimates ok)
- Quantify exposure
- Calculate cost of inefficiencies

Estimate Investments & ROI

- Compare vendors (usually at least 3)
- Assess required investment (implementation, support, etc)
- Project savings, ROI, Payback period

Create Implementation Plan

- Create timeline
- Identify transition personnel
- Get clear answers on implementation timing from vendor
- Post-implementation training
- Change management process

Time Is Not Your Friend

- Drafting contracts

- Gathering feedback and approvals

- Sending for e-signatures

- Extracting and organizing data

- Tracking and monitoring dates

- Emailing reminders

AND GETTING APPROVAL FOR YOUR SYSTEM!!!

Calculating ROI

1 **Direct Savings**

Annual Reduced labor hours, improved deal times (faster revenue in the door), costs avoided (e.g. auto-renewals), cost savings (e.g. rebates that you qualify for) and admin costs

2 **Revenue Improvements**

Additional revenue from price adjustments, billing for milestones, reminders about renewals, etc.

3 **Costs**

Implementation cost, training costs (external and internal), annual costs, service costs, cost for changes

4 **Other**

Faster deal closures, audits, and improved compliance. Happier employees (eliminate low value repetitive work). Happier co-workers (faster turnaround and better visibility).

ROI Calculator

Contract Management ROI Calculator

Contract Management Software ROI Calculator

How many people in your organization manage contracts?

`2`

How many stakeholders need info from contracts?

`8`

How many active contracts do you have?

`2`

What is the average value of each of your contracts?

`$35,000`

How many key dates have you missed in the last 12 months?

`7`

How many hours do you spend on contract management per week?

`2`

Contract Management ROI:

25.8%

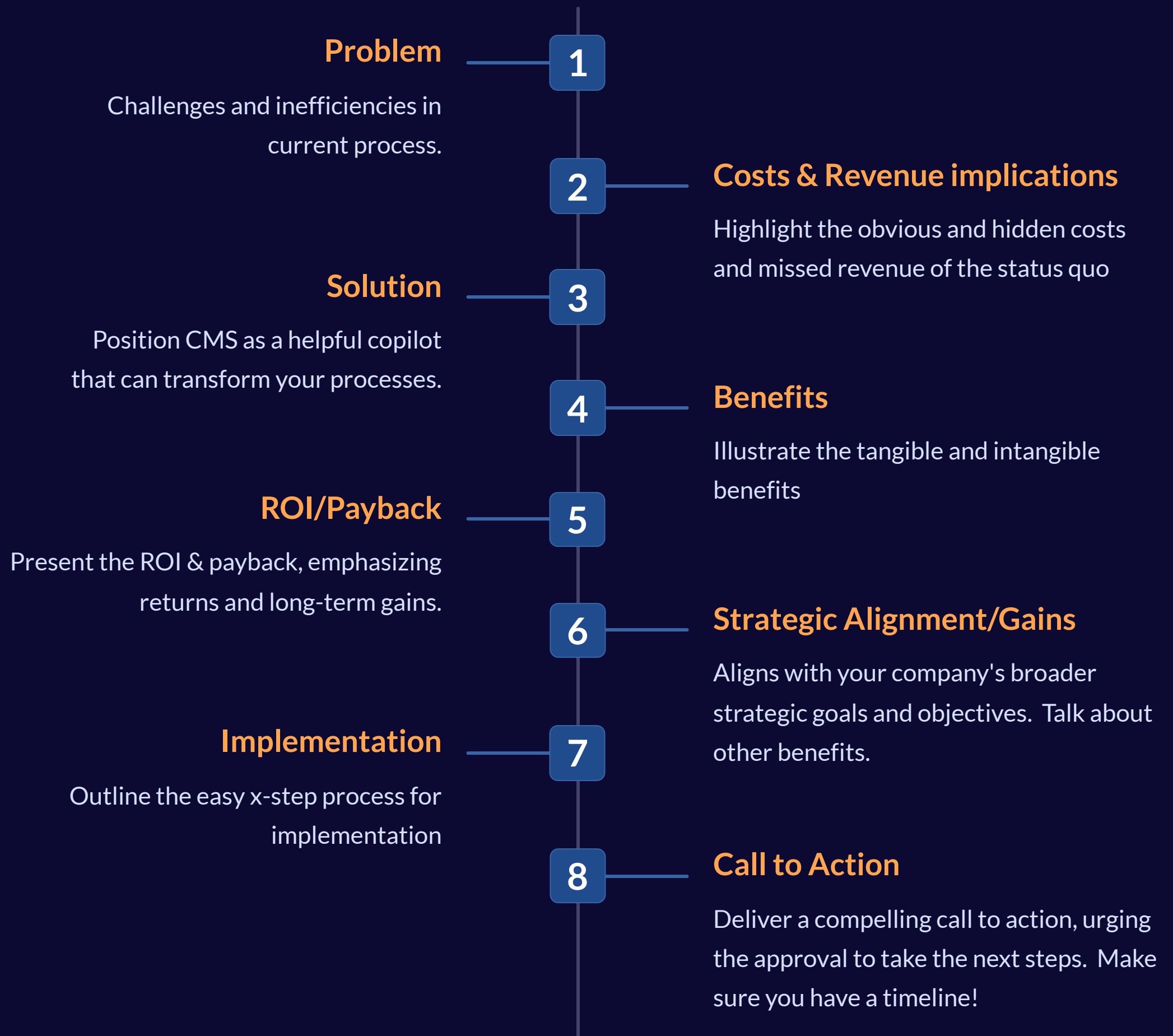Total Annual Savings:

$96,244.20

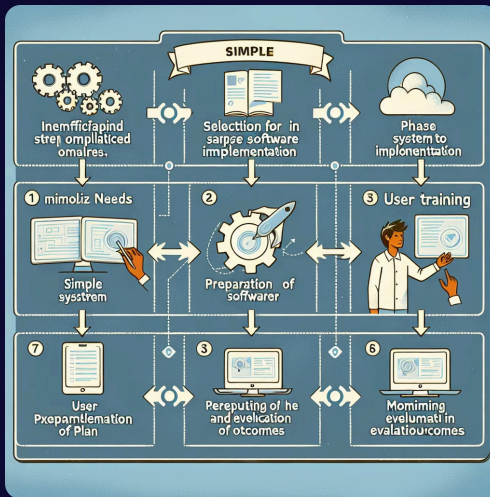Time Saved: **654.6%**

Payback Period: **14 Days**

Download Full Results

Common Objections & Response

Disruptive

- Outline phased implementation plan
- Show how the right software can align to current processes
- Emphasize long-term efficiency gains
- Find software that doesn't require a big implementation/org change

Learning Curve

- Find solutions with user-friendly interfaces
- Test out free trials to make sure they are really easy to use/manage.
- Outline training & support
- Sign up for free trial
- Highlight how automation simplifies complex tasks

Security

- Detail robust security features...get from vendor
- Make sure SOC2 Type 2, HIPAA, GDPR, etc compliant to make life easy.
- Explain how centralized storage is better/safer than dispersed files/own servers these days.
- Offer case studies

Common Objections & Response

Integration

- Collect integration desires from team; capabilities from vendors
- Discuss APIs and custom integrations
- Make sure you understand what people want integrations to do (Need/Nice?)

Resistance to Change

- Think about incremental change to start—can you just do a few prcoesses or departments?
- Highlight hidden costs of current approach
- Show how team can shift to higher-value tasks rather than admin drudgery
- Address how new system increases accuracy and compliance and saves money
- Smaller wins help set up bigger wins

Too Costly

- Show ROI and Payback
- Show a comparison of the costs of benefits
- Frame investment as a strategic enabler for revenue growth
- Align project to strategic priority

Your Action Plan

Engage Stakeholders

Collaborate with legal, finance, IT and C-suite to gather insights and support.

Identify Pain Points

Pinpoint contract workflow issues and collect team feedback on challenges.

Analyze Current Processes

Gather data on existing contract management to reveal inefficiencies.

Software Demonstration

Showcase the benefits and capabilities of the contract management solution.

Questions?

ROI Calculator: https://www.contractsafe.com/contract-management-software-roi-calculator

Thank You