The International Association for Contract & Commercial Management (IACCM) states contract management improvement can lead to better risk management (69%) and reduced costs (89%).
Why are contracts so essential to running a business? They define our relationships with customers, partners, and vendors. Without proper contract management, all aspects of requirements, entitlements and parameters of new and existing contracts are left to chance. And as we all know, when you try your luck at winning games of chance (no matter how you play), the odds are stacked against you. Proactive contract management puts processes first, helping you efficiently manage with less risk.
Contracts are the foundation of all good business relationships but how do you actively manage those relationships if the contract is left sitting in a paper form in a file cabinet or in a PDF on a shared drive? With daily business decisions pushing and pulling employees, how does anyone find time to get back to the original agreement? When contracts are not reviewed, there is no way to ensure valued relationships stay in balance and remain an asset to the organization.

The effective method to manage the relationship proactively (thereby improving risk associated with failed contracts) is to implement the right process, followed by the right automated contract management solution.

Contracts take considerable effort to create (that’s why it’s such a relief when they are finished)! At Trident Contract Management, we help clients reduce their risk and improve success in contract management for creation and management. All contracts, regardless of the department it’s generated from, should be a living entity. They serve as the outline for the requirements and entitlements (the broad parameters) of relationships with customers, partners, and vendors. Unfortunately, idle contracts cause considerable pain for organizations and risk. For over the last decade, our organization has helped hundreds of organizations address two consistent pain points with respect to contracts: contract creation and managing the obligations and entitlements of the contracts after they are signed.

At Trident, help organizations proactively manage their contracts by first identifying pain points and challenges. From there, we review requirements in NEED TO HAVE vs. NICE TO HAVE categories. We have provided an example to illustrate what is essential for business based on our expertise with clients. The reason we do this exercise is we know companies who focus on the most critical areas of contract management first, thereby significantly increase their opportunity for success.

Changing your contract management process gives you a faster method to recognize revenue while reducing risk.

**Central Repository**

“Our documents are all over the place – in email as attachments, as PDFs on desktops and shared drives, paper format in desk drawers and file cabinets. We need a central contracts repository.”

**Automated Notifications**

“Even if we centralize the documents, we need to know when to revisit the contract. Contracts are expiring without anyone knowing. We need automated notifications.”

**On-Demand Access**

“We need the ability to relate documents to each other by vendor, customer, master agreement, or project/opportunity. We need to be able to see the full extent of our relationship with the other party and how it has changed over time.”

**Custom Dashboard & Workflow Usability**

“We send a new contract for legal review but have no visibility into where the contract stands. Legal is receiving contracts for review in multiple formats and cannot provide updates to all requestors as they do not have the correct contact information captured. They do not have the time to send individual updates to all requestors via email or phone. We need dashboard and workflow visibility into contract review status, automatic and time stamped confirmation that a contract has been submitted for review.”

**Scheduled Reports for Management**

“Top management does not want to be users in the system, but they need to see reports on a scheduled basis.”

**It would be nice if...**

… some of our users had full search capability down to the word or phrase in each document.

…we could route documents for approval via the application.

…the application integrated with MS Word and Outlook so that we can seamlessly manage changes to the contract as we make them.

… we could send contracts for electronic signature via the application.
Creation, review and approval of contracts are often the last steps in a long process of vetting vendors and partners. Further, it represents the lifeblood of your company with respect to your customer agreements. Delays are painful for everyone in the process. Missed deadlines are even worse.

The need has been identified, the other party has been vetted, and now your team is waiting for the contract to be signed so they can move forward. Organizations are typically looking for a contract management solution that provides many of or all the following benefits:

• A process for documenting the nature and date of a request for a new contract or review of a contract presented to your company for approval

• A way of communicating that the review process has started and the documents have been received by the correct people

• A means of quickly determining the status of a particular contract review

• A method of identifying any backlog of contracts coupled with reprioritizing and negotiating/determining the deadlines for review

• A process to effectively use of your legal, procurement, and project talent to review your most important contracts for compliance

• The ability to create new contracts with approved contractual clauses or terms for standard engagements or common engagements without delay

• Improving contract creation is often a matter of visibility and consistency. Identifying and monitoring contract requests and ensuring that the information provided to create the contracts is received in a consistent format.
MANAGING ACTIVE CONTRACTS: IMPROVE INFLOWS AND REDUCE OUTFLOWS

Managing the obligations and entitlements of contracts is an ominous task for many organizations. Frequently, there is a push by the team to get contracts through the formal vetting process and a sense of relief when the contracts are signed and the project moves forward. Once signed the contract (document) is filed in a file cabinet, a desk drawer, or as a PDF on a shared drive or desktop. At this point, you have other responsibilities at work and that document falls into the background, only to be revisited when there is a problem, a new opportunity, a contract is coming up on expiration, or after the contract has expired or automatically renewed!

The create-it and forget-it behavior can be addressed with contract management software. The tool enables organizations to easily extract obligations and entitlements from the documents in a useful format. Since contracts impact all departments in your business, everyone benefits, including customer service, vendors, procurement, legal compliance, accounting and finance.

With so many potential stakeholders of these agreements, there must be a process to capture in plain English the contractual elements that each stakeholder must do and when they must do it. Contract management software simplifies and streamlines the process by putting all this information at your fingertips, automatically supplying reminders and reports when action needs to be taken.

- Active contracts require proactive management. Contract management software can keep you ahead of the game
- Notifications and process when changes are made to these contracts or new documents are added to further define the nature of the relationship
- Ability to quickly identify, review, and address concerns with a particular contractual term or clause across all customers, vendors, or partners
- Reporting and dashboards to manage the nurturing of existing relationships
- Centralization of the final contact as well as the source and supplementary documents and working papers/notes that define your intended outcome, the clauses addressed, and the changes made

Notifications and reminders to the stakeholders based on obligations, entitlements, and ultimately the decision whether to renew the relationship based on the documented experience with the other party

Notifications and reminders via reports and email that ensure you remain compliant with the contractual terms, including reminders at certain gates prior to an event, escalations if dates are drawing near, or if dates have passed
Contract management software affords you the confidence that all contracts are being properly maintained and allows key contractual data to be easily accessible by all stakeholders. However, it’s wise to start simple. Focus on solving contract management challenges. The software, and their team of expert implementers, should solve a defined number of problems and provide benefits to a defined number of processes at the beginning.

Your organization can always add functionality to the software solution after the strategic challenges and initiatives are met. As the journey to success continues, you will see a reduction in time to review your new contracts, visibility in the review process, centralization of contractual information, and confidence you are meeting your contractual obligations and receiving the benefits you are entitled.

CONCLUSION: REDUCE RISK AND IMPROVE ODDS OF SUCCESS WITH PROACTIVE CONTRACT MANAGEMENT
Trident's end-to-end contract management offering delivers tangible value to businesses across the entire US. Our integrated best-of-breed technology partners (Salesforce.com, NetDocuments, and SpringCM) and process-driven services allow our clients to design solutions that meet their entire organization's contract management challenges. Using à la carte, cloud-based licensing and our flexible design approach, we help businesses move rapidly from spreadsheets, file cabinets, and aging databases to comprehensive solutions that provide real and measurable benefits.

We make getting in touch with us easy.

Email Us
Get to the right person right away.

Sales | General Info | Support | Careers

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It’s Time for Clarity