

# Contract Lifecycle Management

**Efficient processes, consistent transparency and sustainable risk mitigation**



**Always keeping an eye on all the contracts of an organisation – no easy task in times of increasing market complexity, international interdependencies and legal regulation. We can support you in developing a systematic and transparent contract management approach, allowing you to sustainably exploit the potential this holds.**

## The Challenge

Organisations often rely on “standard solutions” for contract management. However, this frequently entails a lack of processes to link active contract lifecycle management (CLM) with operational value creation. Those who want to fully exploit the commercial potential must develop and maintain an intelligent control system for all of a company’s contracts throughout their entire contract lifecycle.

Your organisation may need to act if, for example, these issues apply to you:

- **Efficiency?** We send our contracts by email. Unfortunately, when a high degree of coordination is required, you can often lose track.
- **Transparency?** We don’t know exactly where each contract is located.

- **Compliance?** New regulatory requirements require our organisation to analyse all relevant contracts and determine the impact on our balance sheet.
- **Control?** It would be good to know what optimisation opportunities are hidden in our organisation’s contracts.
- **Applicability?** Our systems are not really used throughout the organisation. Over time, everyone has created their own templates and saved them locally.

Particularly when it comes to transparency, compliance and control, enormous potential is often untapped – and thus capital is wasted.

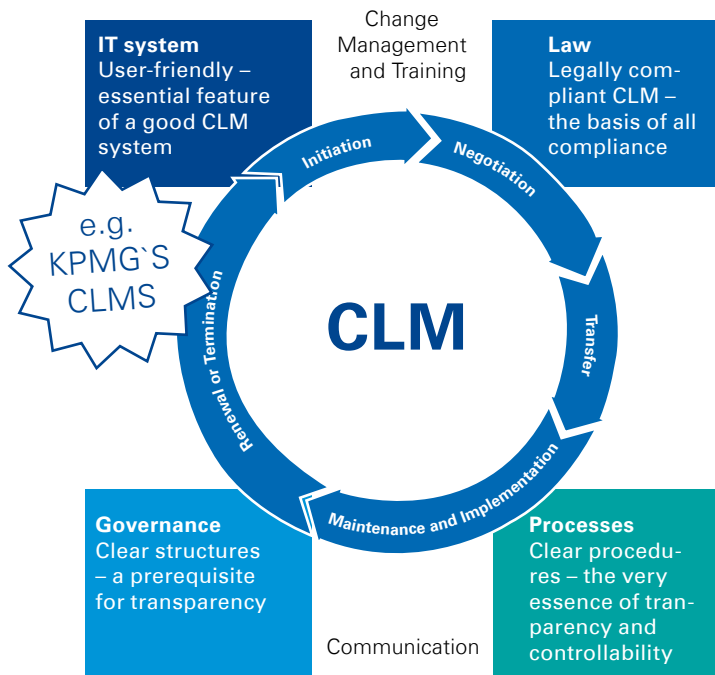
## Our Service

KPMG’s CLM approach helps to overcome such challenges systematically and comprehensively. After a far-reaching analysis of the current situation and requirements, we develop a harmonised core process, establish strategic governance and assign clear responsibilities to the respective experts in the different corporate divisions. You receive an efficient CLM with clearly defined responsibilities.

In addition, we identify and harmonise the varying IT requirements throughout the entire organisation. Based on your needs, we develop together with you a sustainable best practice solution. We assist with implementation and applied support with professional change management as well as targeted communication and training activities. This promotes acceptance of the system among end users and supports the integration of CLM into the daily work routine. You benefit from our services in three ways – risk mitigation, increased efficiency and room for manoeuvre: since you always have access to all contractual information, economic and legal risks (such as contractual penalties) are eliminated wherever possible.

Newly designed processes are more effective and enable a more efficient use of resources. And thanks to increased transparency for your contractual interrelationships, you can manage relations with your contractual partners with the greatest efficiency.

### Holistic Contract Lifecycle Management



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### Overview of our Service

We design your CLM from an operational and organisational point of view, so that it addresses the relevant steps, defines clear responsibilities and takes regulatory requirements into account. This eliminates internal sources of error, shortens the time until a contract is signed and facilitates communication with partners:

- Development of a core process throughout the entire contract life cycle
- Use of tried and tested processes to efficiently meet compliance, reporting and intelligence requirements
- Assignment of responsibilities, systematisation of interfaces and standardisation of process steps
- Definition and use of fixed reporting structures for effective (risk) monitoring and controlling

On the IT side, we ensure that your CLM meets the latest technological requirements. This allows you to carry out analyses and draw up contracts quickly, easily and reliably:

- Determination of IT requirements and inventory of existing components
- Integration of functionalities and system structures to provide reliable handling, controlling and monitoring of contract-related processes
- Development of a CLM system that can manage numerous contracts in a structured and transparent manner

1 Legal advice is provided by KPMG Law Rechtsanwaltsgesellschaft mbH

We consider legal<sup>1</sup> support as a key part of CLM projects, since contracts – notwithstanding the importance of how they are designed and executed – can never be viewed in isolation from their legal content:

- Identification and evaluation of legal risks within the existing contract portfolio
- Inventory and provision of standard clauses
- Identification of redundancies

### Perfectly Positioned for You

Our experienced management consultants, IT specialists and lawyers<sup>1</sup> collaborate focused on your needs. We can therefore provide you with competent support in every respect: with the organisational, technical and legal<sup>1</sup> options that are available for a commercially advantageous CLM. You can use our services for specific occasions or on a long-term basis. Please contact us.

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