Contract and commercial management benchmark report

Telecommunications sector

One in a series of ten sector-specific reports

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World Commerce & Contracting

Preface

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Abstract

Without contract and commercial management (CCM) capabilities the telecommunications sector wouldn't be where it is today, however, it's a time for reflection and re-baselining to enable further performance and growth.

About this report

In the period June – September 2021, World Commerce & Contracting gathered data from more than 800 organizations, providing in-depth visibility into their contracting and commercial capabilities. This report focuses on input from 41 companies in the telecommunications sector, providing sector-specific analysis and comparison with cross-sector performance and trends.

How to use the WorldCC benchmark reports

Benchmarking compares against four levels:

Level 1
Your own past performance

Level 2
Others in your sector

Level 3
World-class standards

Level 4
Goals or vision

This report should be used to make a direct comparison with the current state of others in your sector (Level 2). The *Benchmark Report 2021* (published September 2021) provides a cross-sector comparison, but more importantly offers insight to world-class performance, and can therefore be used to measure your current state against those world-class standards (Level 3).

Drawing from those standards of excellence, you may want to set a future goal or vision that represents an as yet unachieved aspiration and would set you apart from others (Level 4).

Executive summary

The societal and commercial importance of the telecommunications sector continues to grow. Its complexity in terms of technology and the relationships required to form the 'network of networks' place contracts and commercial competence at the very core of the sector's required capabilities.

This need is reflected in past levels of investment, yet today's market conditions demand a shift of focus and an ability to operate with far greater creativity and adaptability than in the past. It is a shift that some in this sector are successfully managing; for others, the challenge of uplifting contracts and commercial capabilities remains a work in progress.

In 1876, when Alexander Graham Bell secured the first US patent for what we know as the telephone, it was for connecting two people by voice. Some 146 years on, the telecommunications sector has become a fundamental enabler of modern life and commerce. As we move to an ever more widely distributed digital world, the nature of telecommunications services continues to evolve, with governments and regulators increasingly acknowledging the sector's role in critical national (and international) infrastructure.

The telecommunications sector of today and the future sits at the intersection of technology in the form of the networks and the devices that connect to them, and the services that they enable.

In its current digital form, it is still a relatively 'young' sector, grappling with the challenges of bringing a complex, collaborative and interconnected set of solutions to life. At the heart of this are complex, multi-party relationships and commercial agreements. This report indicates that existing CCM capabilities are often struggling to keep pace with the demands of a fast-changing environment – skills, tools and processes are all at the forefront as CCM teams seek to redefine purpose and deliver increased value.

The diverse nature of this sector, from the development and provision of complex, capital-intensive networks, to the services that run through the networks, means that CCM is often an organizational cross-brace linking together the various elements of the organization.

The sector was an early adopter and developer of CCM capabilities, not necessarily out of choice, but because they were critical to success. This drive looks set to continue and past competence must adjust and re-baseline in order to drive forward to the enhanced levels of CCM performance required by the sector.

Telecommunications' complexity in terms of technology and relationships to form the 'network of networks' place contracts at the core of the sector's required capabilities.

Telecommunications sector findings

Priorities for improving CCM

This sector has a stronger balance of sell-side deployment of CCM capability than many others. It has comparatively low levels of buy-side and sell-side integration. The telecommunications sector was relatively early in its development of CCM capabilities. Rapid growth in the scale and nature of competition, shifts in the regulatory environment, the opportunities and threats that came with globalization – these have been major factors driving investment in commercial and contracting competence and resources. The priorities for improvement show that the pace of change has not eased.

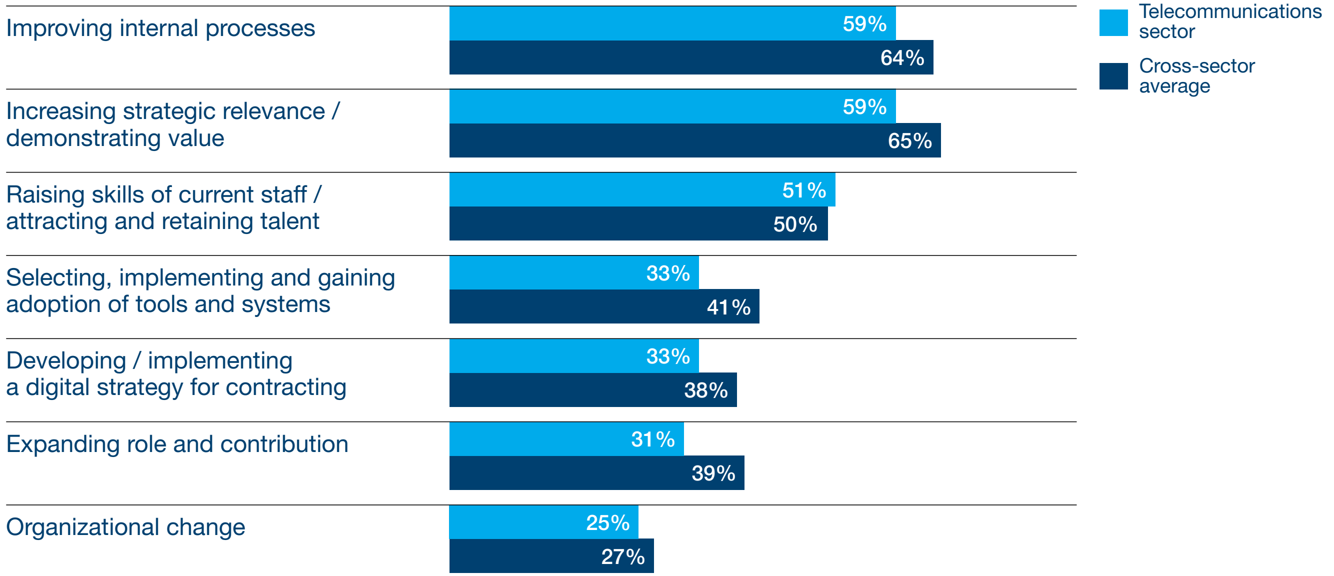
In their ranking, this sector's priorities match the cross-sector norms, although the extent of pressure is lower, except in the area of raising and retaining skills.

The top five priorities for improvement are: (with cross-sector ranking shown in brackets)

1. **Increasing strategic relevance / demonstrating value of CCM (1)**
2. **Improving internal processes (2)**
3. **Raising skills of current staff / attracting and retaining talent (3)**
4. **Selecting, implementing and gaining adoption of tools and systems (4)**
5. **Developing / implementing a digital strategy for contracting (5)**

Being a sector that made early investments in CCM capability has put it ahead of many others in terms of maturity, perhaps reducing the sense of urgency for further improvement. For example, while this sector pulled ahead of many others in its adoption of tools, investment in these and the development of a digital strategy for contracting are strategic priorities for only a third of organizations. Similarly, the significant problem that many face over skills and retention of staff is indicative of an aging workforce and recruitment of skilled CCM practitioners by other sectors, and there is no apparent plan to reverse this trend.

CCM priorities for teams or functions



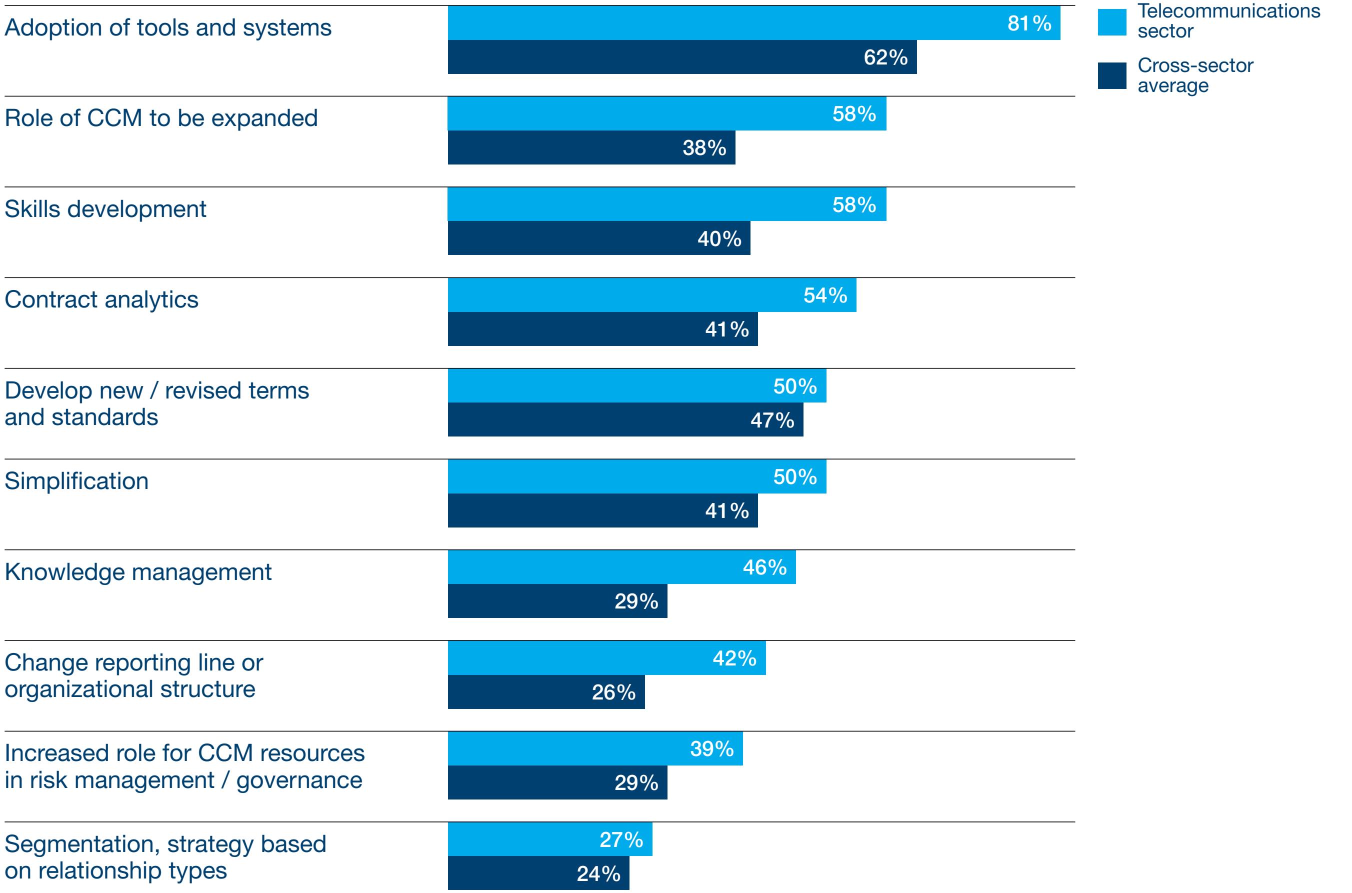
The nature and extent of executive focus

CCM is an activity that is considered important by executive management and only 4% of survey respondents in the telecommunications sector indicate that interest is declining. However, the 38% reporting increased interest is notably lower than the cross-sector average of 50%. Again, this may result from the relatively high level of maturity and existing focus and attention. Indeed, when looking at improvement initiatives, the sector shows signs of continued momentum, with higher levels of focus than cross-sector averages.

This sector has a tradition of regular change in the reporting line of CCM resources, with frequent shifts in organizational structure also not uncommon. With a little over 40% indicating likely changes, this is clearly a continuing trend and more than a third also highlight the introduction of new measurements, suggesting that executives want to see a shift in performance.

These changes, together with multiple other initiatives under consideration, are signs that this is a sector that is awakening to the need for accelerated improvement. Across a range of areas, telecommunications organizations are planning change and improvement. For example, while tools and technology are receiving less attention as current strategic priorities than in other sectors, they do feature strongly as improvement initiatives that are under consideration. Along with contract analytics and knowledge management systems, they are higher ranked in telecommunications than elsewhere. This is also true for CCM skills development and expanding the role of CCM.

Initiatives that are being considered (in the context of CCM)



The current state of CCM technology

Driven in part by the size and complexity of the contracts and the importance of CCM in delivery, the telecommunications sector, along with other sectors such as business services, has ‘led the pack’ in relation to the adoption of CCM-enabling technologies, although with mixed effect. Indeed, given the rapid advances in available technology, past investment can prove an impediment rather than an asset.

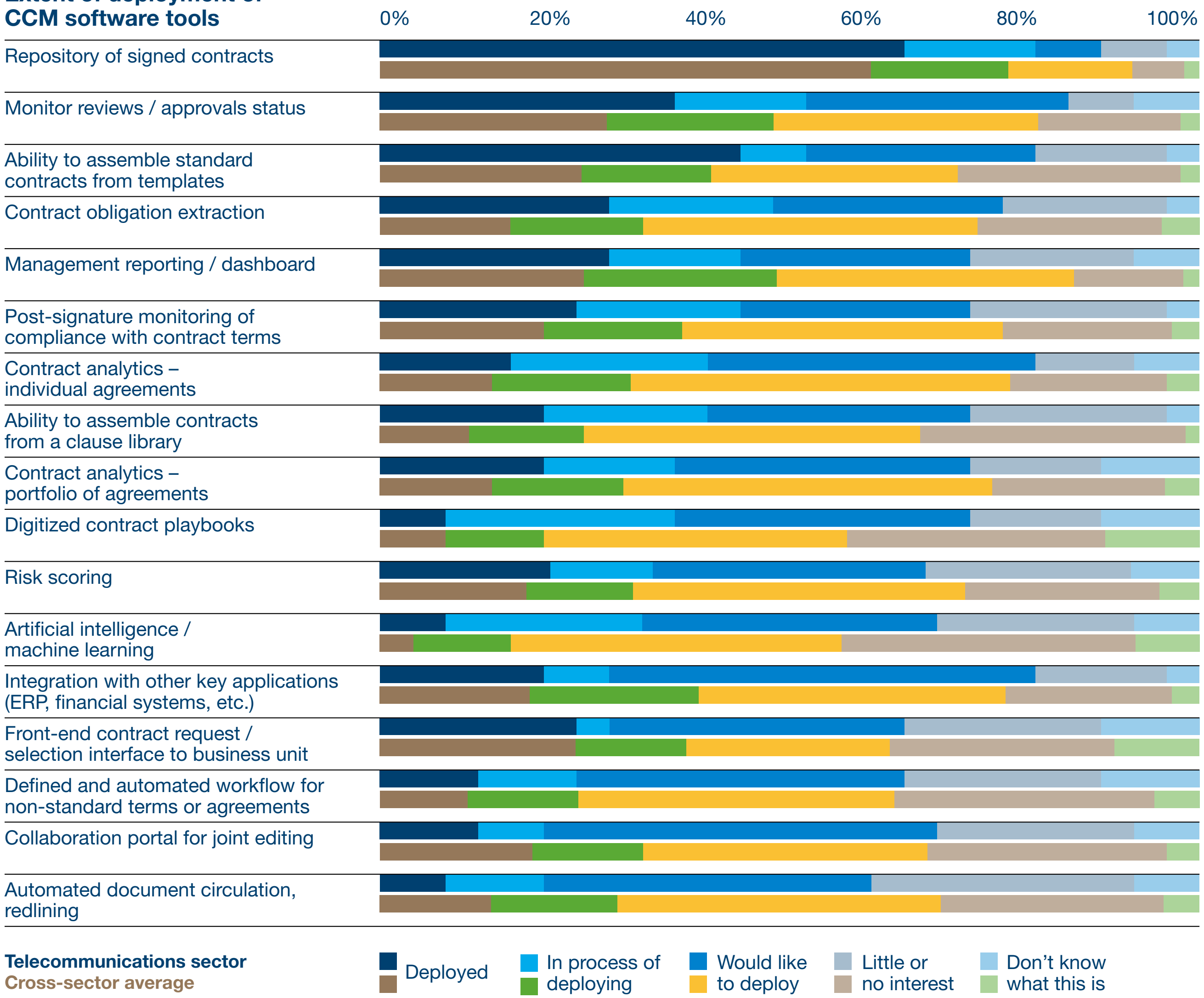
In addition to having a repository of signed contracts, technologies adopted are focused on supporting the interface between the pre- and post-award phases such as ‘contract assembly from templates’, the ability to monitor approvals, and then extract the obligations. This connectivity has created the ability to reduce and remove unnecessary friction and reduce contract value leakage.

As the table below demonstrates, the telecommunications sector has a greater number of technologies either reaching general adoption or growing / partial adoption. These include:

	Telecommunications	Cross-sector
General adoption	Repository of signed contracts	Repository of signed contracts
Growing adoption	Ability to assemble standard contracts from templates Monitor reviews / approvals status Contract obligation extraction	Management reporting / dashboard monitor reviews / approvals status

There are two further areas of functionality almost at the tipping point between limited adoption and growing adoption – ‘Management reporting and dashboards’ and ‘Post-signature monitoring of compliance with contract terms’. These potentially extend the reach of technology along the contracting lifecycle.

Extent of deployment of CCM software tools



The current state of CCM technology (continued)

For those planning investment in new or upgraded technology, the priorities are:

- Visibility into contracts and contract data
- Improving operational performance
- Reducing value erosion
- Being able to find and search contracts.

These priorities indicate the limitations of existing deployment. For example, while there are a high proportion with contract repositories, it is clear that many have either failed to populate the repository with existing agreements, or that it lacks comprehensive search functionality.

Investments in technologies that support CCM across the contracting lifecycle are starting to enable improved Commercial / Contract Data Management (CDM). This is key to greater efficiency and effectiveness in contract management, not only cutting operational costs and reducing value leakage, but also improving visibility into sources of risk.

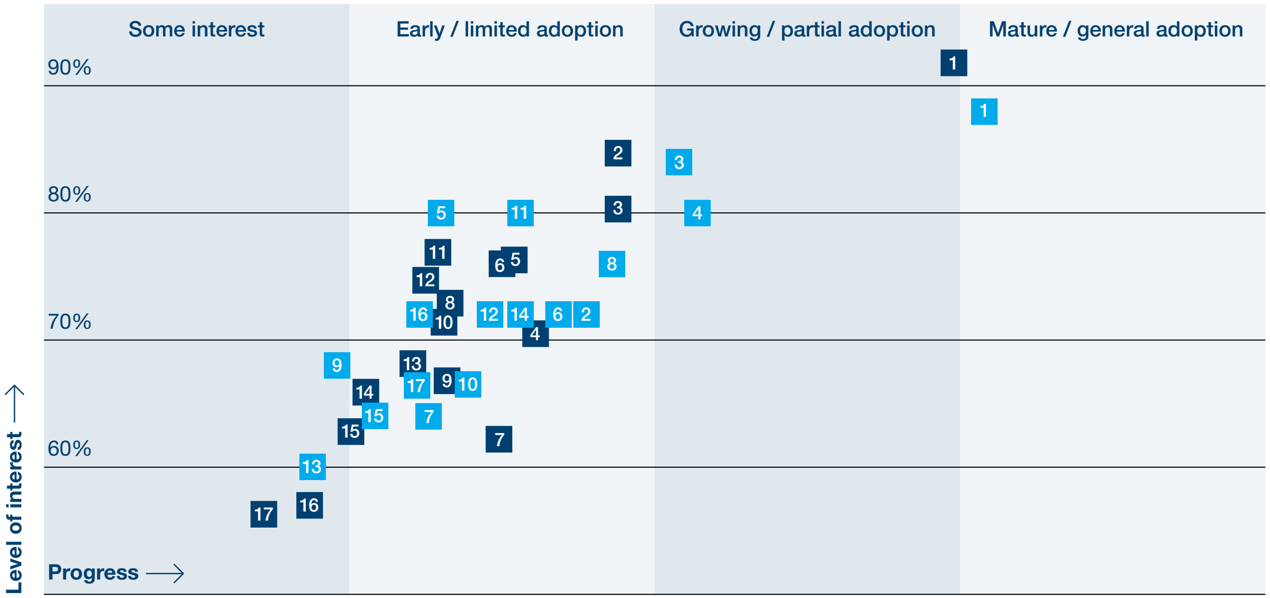
In addition to the transactional improvements being delivered through technology, knowledge sharing and reuse is higher in this sector, with 28% saying their approach is mature or widely deployed versus cross-sector 23%.

In terms of barriers that CCM groups face when trying to acquire and deploy technology, building consensus across stakeholders (68%) is highlighted as the greatest challenge, significantly more than the cross-sector average.

This is mostly attributable to the divisionalized structure of many telecommunications companies, with competing business unit views and interests preventing a shared approach.

Budget (62%) comes in next, along with achieving alignment with IT strategies (46%), identifying an executive sponsor (33%), and concerns over data security (36%) – each of which is similar to the cross-sector averages.

Levels of interest in and adoption of CCM technology



1. Repository of signed contracts
2. Management reporting / dashboard
3. Monitor reviews / approvals status
4. Ability to assemble standard contracts from templates
5. Integration with other key applications (ERP, financial systems, etc.)
6. Post-signature monitoring of compliance with contract terms
7. Front-end contract request / selection interface to business unit
8. Contract obligation extraction
9. Collaboration portal for joint editing
10. Risk scoring
11. Contract analytics – individual agreements
12. Contract analytics – portfolio of agreements
13. Automated document circulation, redlining
14. Ability to assemble contracts from a clause library
15. Defined and automated workflow for non-standard terms or agreements
16. Digitized contract playbooks
17. Artificial intelligence / machine learning

Telecommunications sector
Cross-sector average

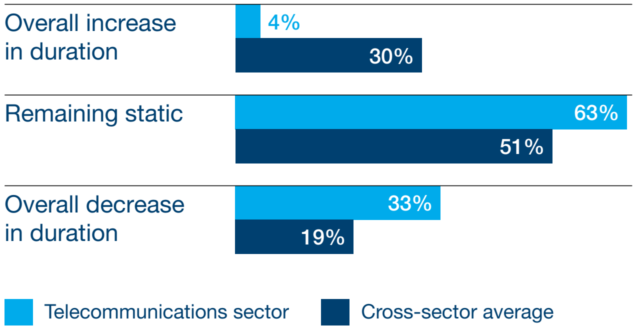
Contracts and the contracting process

In the telecommunications sector, a greater proportion of revenue and spend depends on medium- and high-complexity contracts. 41% (buy-side) and 43% (sell-side) falls into the high-complexity category and 38% and 36% medium-complexity. This is about 5% higher than the cross-sector averages and means that low-complexity only makes up about 20% of the portfolio on both buy and sell-side.

Contract duration in the telecommunications sector is reported as being slightly shorter than the cross-sector averages, with medium-complexity contracts at 3.0 years (versus 3.2 years) and high-complexity contracts at 4.4 years (versus 5.8 years). A higher-than-average proportion of respondents (63%) are experiencing no change in the contract duration (versus 51%), but significantly only 4% are seeing it increasing (versus 30%) and 33% (versus 19%) are seeing it decreasing. While many of the high-complexity contracts are potentially longer-term and strategic in nature, such as outsourcing transactions, it is likely that the levels of technological innovation and volatility are resulting in shorter commitments to manage change and flexibility. While the ability to renegotiate or switch suppliers is clearly one way to achieve this, contracts that incorporate 'best in class' change provisions and incentives for continuous improvement may offer an alternative that is less disruptive and costly.

Contract duration

Trend pattern in contract duration



In looking at how terms and conditions are deployed, this sector is again in a relatively advanced position, with 34% using a standard terms database and 15% including pre-approved fallback term options. This compares favorably with 20% and 8% respectively across all sectors. It is an example of where the sector is trying to combine knowledge, skills, and technology to reduce friction and drive performance in terms of cycle times, though the section on Measurements indicates that progress at this time remains limited.

Interestingly, while the use of fixed templates is broadly in line with the cross-sector averages, this sector is the only one where every organization has standard terms, versus 8% on a cross-sector basis that have no standard.

While the data in this sector has a stronger sell-side presence, it shows a higher-than-average rate of success in organizations using their own terms rather than the counter-parties (61% versus 34%). There are potentially a number of reasons for this, relating to both the complex nature of the opportunities and also the nature of the participants, with over 50% being large organizations with annual revenue in excess of $10bn. In many situations, this combination allows them greater control over the contracting process and the contract. This said, 70% of agreements signed involve amendments and this aligns with the very high importance of negotiation when evaluating the role and responsibilities of CCM practitioners in this sector (see later section on Responsibilities and time allocation).

There are signs that the delays and costs associated with extensive negotiation are being addressed through investments in simplification. This is true for both buy- and sell-side contracts equally, where 33% of organizations have implemented some form of simplification versus the cross-sector average of 26%. When combined with the significantly higher levels of simplification activities that are planned or in process, there should be benefits in further reducing contracting friction.

In terms of the types of contracts in use, this sector is largely in line with others, although it is behind in usage of outcome-based contracts (21% versus 25%) and significantly ahead in use of both relational / collaborative and performance-based contracts (20% versus 12%, and 40% versus 30% respectively).

Contracts and the contracting process (continued)

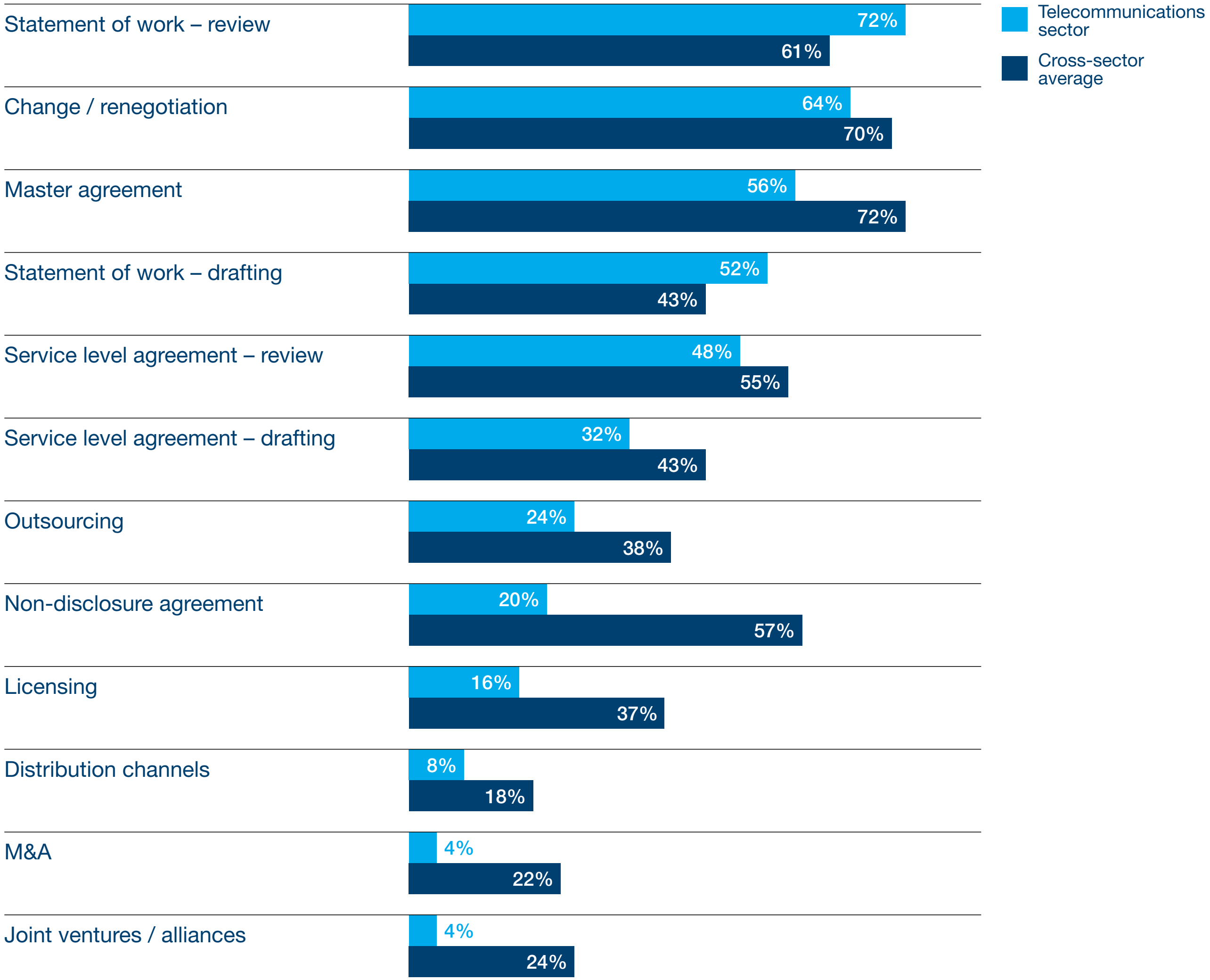
Frequent use of as-a-Service and agile contracts is broadly in line with the cross-sector averages (36% and 4% respectively). As a digital sector, in many situations it has the advantage of being able to measure delivery performance and use this to drive the reward model, facilitating the higher adoption of performance-based contracts.

CCM groups in the telecommunications sector are operating at above-average levels of efficiency in terms of where they spend time. They have been more successful than most in reducing involvement in low-value / low-complexity agreements, engaging 48% of the time versus the cross-sector average of 67%. This translates to a below-average percentage of functional resource used to support these lower-value contracts (14% versus 21%).

While engagement with particular types of transaction or agreement is similar to other sectors, there is greater activity in relation to the Statement of work. This is driven by the service-based nature of delivery and recognition of the risks associated with poor definition of scope and associated responsibilities. This is not mirrored in the support provided for Service level agreements, perhaps due to the digital nature of the sector with service levels being relatively fixed based on network performance levels.

The chart (right) shows responses to the question: ‘In the context of your organization’s business activity, how frequently do you have substantial input to the following contract or relationship documents / offerings?’ The percentages represent those who answered either ‘all the time’ or ‘most of the time’. Some results are surprising – for example, the lower-than-average percentage showing involvement with outsourcing and change / renegotiation – these responses merit further investigation.

Type of agreement



Resources, organization and reporting

From the previous section it can be seen that CCM responsibilities are in many cases tightly focused with low levels of involvement in corporate transaction such as M&A or Joint Ventures. Having dedicated CCM resources is the norm in the telecommunications sector, significantly more than in most other sectors (92% versus 69%). In combination with this, the level of headcount is twice as high as the cross-sector average, confirming the significant investment that has been made.

The investment does not stop here. There is significantly greater clarity over who is responsible for both contract and commercial management (73% versus 63%, and 76% versus 58% respectively, versus the cross-sector averages).

Where there are dedicated CCM resources 42% report into commercial, with 12% reporting into each of legal, sales, supply management, and finance.

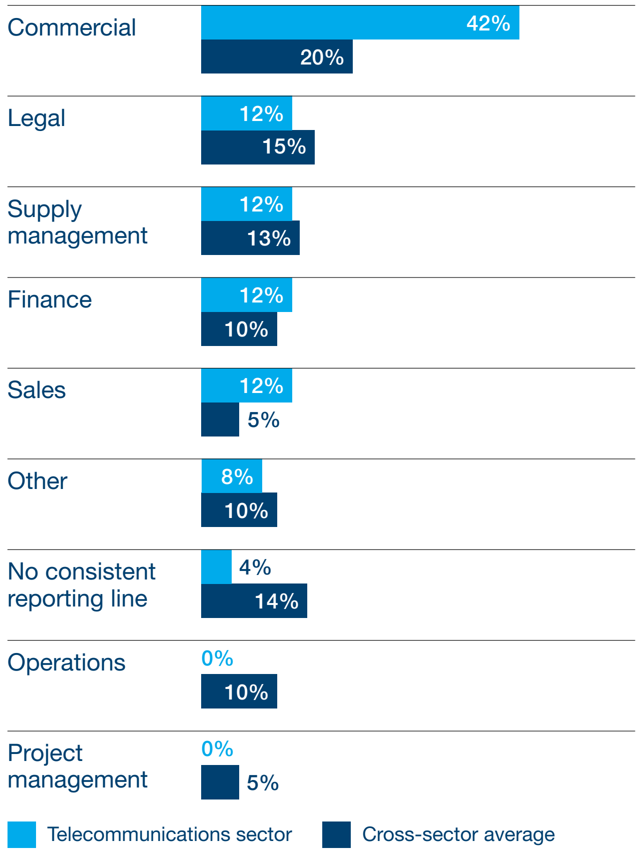
Where there isn't dedicated CCM resource, the capability is delivered through either procurement / supply management or supplier relationship management in equal measure.

Overall, 27% of the total workforce is in some way involved in contract management activities – for example, stakeholders in pre-award review and approval; fulfilling obligations or overseeing performance; negotiating or managing change. This is in line with the average of 26%, again driven by the relatively focused nature of the role, responsibilities and the clarity with which it's delivered.

This focus means that CCM is a co-ordinated capability. In relation to organizational structures this sector has a higher usage of centralized structures (54% versus 33%) with significantly lower usage of decentralized (4% versus 11%) or variable structures (4% versus 13%).

Perhaps not surprisingly, this sector is ahead of other sectors in relation to the use of both offshore and offshore captive centers (35% versus 22%, and 12% versus 7% respectively) with these being focused on contract review / discovery, accounts payable / receivable and contract administration / performance monitoring.

CCM reporting



Responsibilities and time allocation

Although CCM groups in the telecommunications sector place heavier emphasis on their pre-award responsibilities, resource allocation is more evenly balanced across the contracting lifecycle. This is achieved in part by the narrower span of engagement in different agreement types (see section on Contracts) and also because average headcount is greater. Together, these factors enable a more holistic role in the span of responsibilities performed.

The top responsibilities are very similar to CCM groups in other industries, although the fundamentals of contract management (negotiating, drafting / developing and post-award management) are far more dominant. Relative to others there is a higher ranking for activities around leading, supporting and implementing change initiatives and supporting technology. The higher headcount means that this translates to a greater resource allocation.

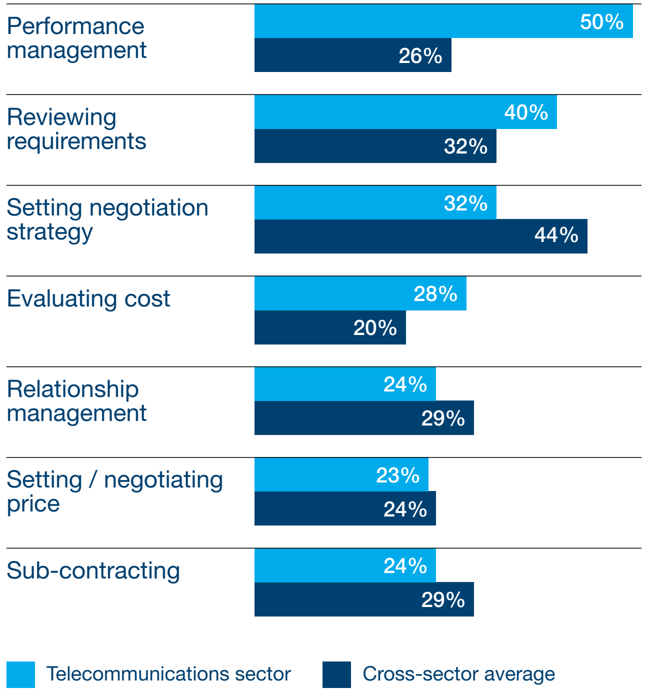
The chart (right) shows the top ten areas of responsibility, by percentage and then also the comparative rank in the cross-sector average.

The areas of greater-than-average responsibility highlighted above, early in the lifecycle, often result in increased value and reduce value leakage. However, within the telecommunications sector, the picture is mixed. While some organizations are gaining strategic value from their CCM investments, others appear to be operating with more transactionally-oriented groups which are contributing little to operational or strategic improvement. As an example of this, the lower importance assigned to developing and maintaining standards and policies indicates some misalignment with the second highest area of strategic priority, which is improving internal policies. The variability between organizations also becomes evident in the Measurements section of the report.

Top ten responsibilities

The chart below shows responsibilities in a different form and reflects answers to the question 'In the context of specific contracts, who has primary responsibility for the following activities?' The percentage represents those who answered 'my team' (i.e. CCM). This confirms the much stronger level of engagement in post-award support; in other areas, the business unit is typically dominant, except in sub-contracting, where it is most frequently procurement.

Primary responsibility for the following activities



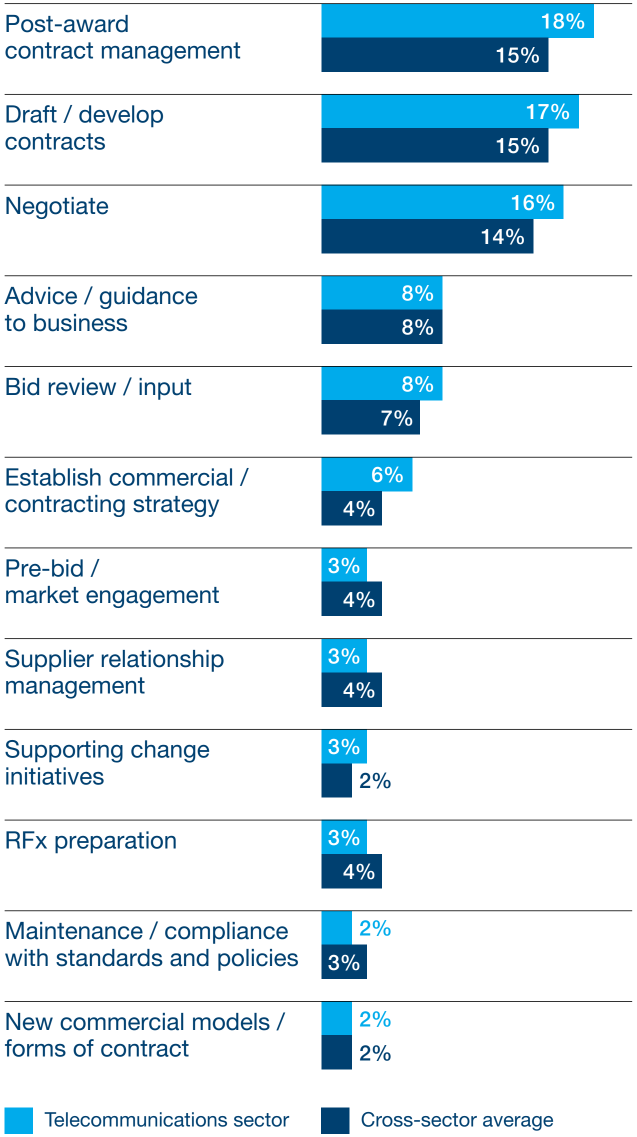
Responsibilities and time allocation (continued)

These levels of engagement tie in with a further question, where we asked about the allocation of resources (time spent on different activities). For example, the ranking of performance management in the top spot matches with indications that this is a sector driven by data with a relatively high proportion of performance-based contracts. It is notable that leading the negotiation team and negotiation strategy comes in significantly lower than the cross-sector average, yet in terms of time allocation the percentage is higher. This appears indicative of the extent to which this sector is regularly engaged in a ‘battle of the forms’ and expends large amounts of time and resource in negotiations. As previously observed, this does result in an above-average level of success in using an amended version of standard templates, but there is no data to tell us whether the benefits of this versus resultant costs and delays represent a good return on investment.

The chart (right) shows the top ten activities in terms of resource allocation, compared to the cross-sector average.

In summary, while survey participants feel that there is clarity over roles and responsibilities, these results suggest a degree of potential conflict, with the business taking responsibility for the negotiation and the strategy, while CCM is part of the team – this could lead to value leakage due to lack of clarity of scope and lack of stakeholder engagement. It may also be contributing to the efficiency and cycle time issues highlighted in the section on Measurements.

Where time is allocated (top ten)



CCM objectives

The ranking of the leading CCM objectives in the telecommunications sector is similar to the cross-sector average. 'Risk mitigation' is the dominant factor for both contract management and commercial management. However, in relation to contract management, it stands well above the remaining objectives. In the context of commercial management, the top five objectives are more evenly distributed in importance.

Primary objectives for contract management (cross-sector average ranking in brackets)

1. Risk mitigation / management (1)
2. Ensure business controls / compliance (2)
3. Financial impact (4)
4. Manage change (5)
5. Negotiation center of excellence (3)

The higher ranking for 'manage change' relates to the service-based nature of the contracts that dominate this sector and which are likely to require higher levels of change in order to adapt to altering requirements and/or conditions. It also appears at a higher ranking in relation to commercial management, with creation of competitive advantage joining the list of top objectives.

Primary objectives for commercial management (cross-sector average ranking in brackets)

1. Financial impact (1)
2. Risk mitigation / management (2)
3. Negotiation center of excellence (3)
4. Create competitive advantage (6)
5. Manage change (9)

As highlighted through both this and the preceding sections, the telecommunications sector demonstrates significantly higher levels of clarity around CCM role and responsibilities, although the extent to which these are value-focused (rather than representing transactional control) is variable. In principle, this clarity, along with the organizational consolidation that is typical, create an environment where there is greater potential for business value to be delivered – though in some instances this may require the organizational change or skill uplifts that were noted in earlier sections.

Overall, the telecommunications sector devotes a higher proportion of its effort to change initiatives (5.2% versus 3.8%), but it is unclear whether this is based on sound market research and intelligence. CCM groups in this sector undertake about 30% lower levels of market research than the cross-sector average, suggesting this may be an area for improvement.

CCM objectives (continued)

The primary areas of market research that CCM groups see as important and would like to undertake are:

- Pricing / charging models
- Competitive terms and conditions
- Best practices in offering design and simplification
- Performance benchmarking
- Trends in commercial offerings.

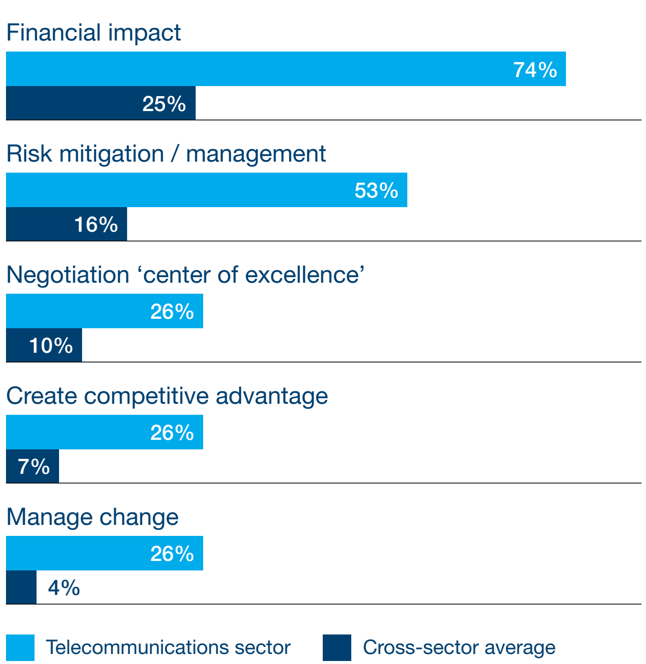
Across the top four above there is a higher level of interest than the cross-sector average.

The final indicator from the benchmark relates to skills and the extent to which the telecommunications sector is focusing investment in this area. Skills and retention appear in the top three strategic priorities and it is given a higher level of importance than other sectors in terms of improvement initiatives.

This has resulted in significant use of skills audits (43% versus 35%), the understanding of skills gaps (67% versus 51%), education / training resources being in place (65% versus 55%) and a correspondingly higher confidence that budget is available (50% versus 43%). Skills development clearly remains a priority, partly to address issues around loss of experienced resource, but also to keep pace with a changing and volatile market environment.

Primary objectives for contract management

Primary objectives for commercial management



Measurements

As described in the previous sections of this report, the telecommunications sector is one that continues to invest significantly in CCM capability to meet its specific needs, but the extent of executive focus suggests this may not be leading to required levels of performance.

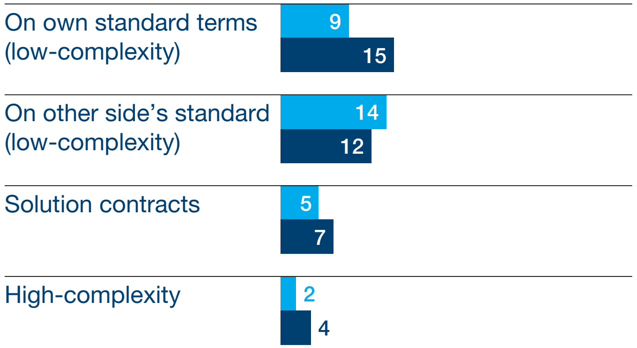
This section starts by examining two of the most commonly used efficiency / productivity indicators – contracts managed per head and cycle times. Both of these must always be viewed with some caution and allowance made for differences in roles and responsibilities, or perceptions of complexity.

The two charts (right) shows contracts managed per head. In the pre-award phase, with the exception of low-complexity contracts based on the counter-party's standard, there's a 36%+ adverse difference in the number of contracts managed.

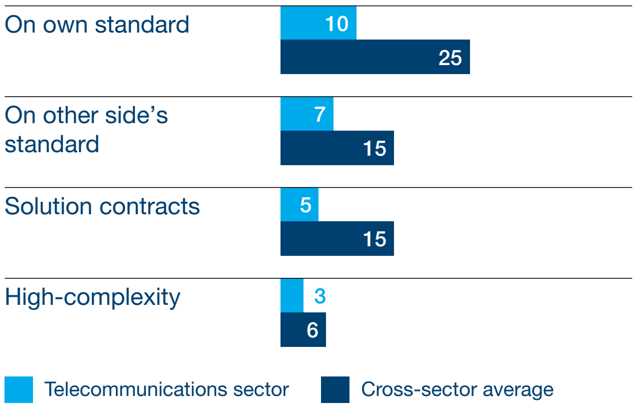
In the post-award phase, the adverse difference increases to 50-60%.

In reviewing these findings, allowance must be made for the fact that different sectors have differing views of what constitutes 'complexity'. We have also noted factors such as the frequency and nature of negotiation, recognizing that the telecommunications sector appears to operate with greater tenacity in its efforts to use its own term standards. In the pre-award phase, this certainly has an impact. In post-award, the relative frequency of change and also the greater involvement with performance management are factors. However, even when reducing comparison from 'all-sector' to 'selected sectors' based on equivalent complexity, the performance in telecommunications remains approximately 20% worse.

Contracts handled per head – pre-award

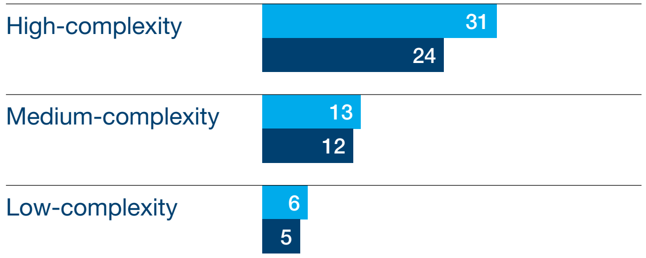


Contracts handled per head – post-award

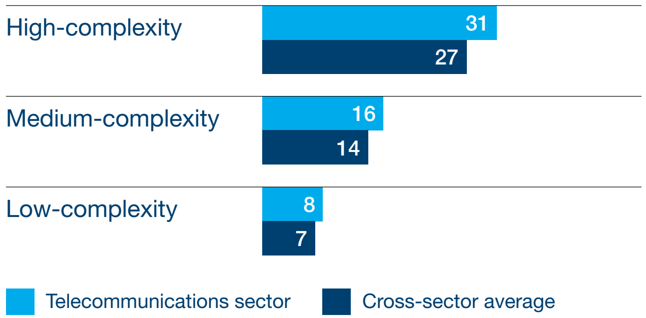


A second measure that assists in determining whether resources are operating at high levels of efficiency is cycle time and the two charts below explore this in terms of the average cycle time from inception of bid to contract signature.

Contract cycle time domestic agreements (weeks)



Contract cycle time international agreements (weeks)



Measurements (continued)

Again, the investments being made in the telecommunications sector are clearly not leading to faster closure. Once more, the focus on use of the organization' standard template must be a factor and perhaps the resultant reduction in perceived risk is felt to be an adequate return. Certainly, that can be seen as aligning with the primary CCM objective of risk mitigation.

Overall, this data suggests a need by many in the sector to undertake a more fundamental review of efficiency and effective improvement of processes through both people and systems. A more in-depth comparison with other sectors could perhaps be illuminating for some.

The top items that are monitored are: (cross-sector ranking shown in brackets)

1. **Invoicing accuracy / errors (4)**
2. **Revenue improvements / contribution (12)**
3. **Cost reductions achieved (1)**
4. **Volume of contracts / deals / negotiations per professional (3)**
5. **Compliance with standards / scorecards by your staff (5)**
6. **Improvement initiatives / business value (7)**
7. **Risk management indicators / management dashboards (9)**

As expected in a digital sector where the ability to measure performance is arguably easier, there are multiple measures that are ranked highly. With one or two exceptions such as revenue improvement / contribution, improvement initiatives and risk management indicators, most measures are focused on CCM efficiency and compliance.

The top items reported are: (cross-sector ranking shown in brackets)

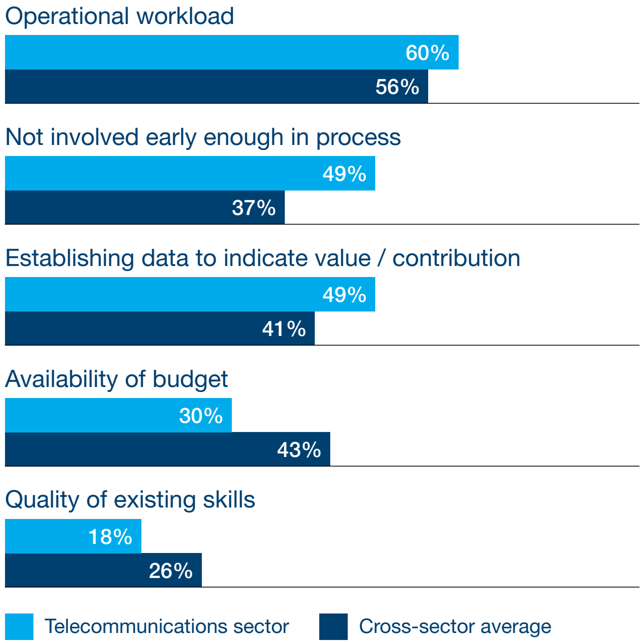
1. **Cost avoidance (5)**
2. **Contract compliance during performance (2)**
3. **Contract compliance / use of approved standards (6)**
4. **Average value of deals or contracts supported (7)**
5. **Contract leakage and cause analysis / failure to achieve forecast value / contribution (14)**
6. **Contribution of contract / commercial process to cash flow (15)**

By comparison, what's reported has a skew towards measuring inputs such as use of approved templates, along with root cause analysis of contract value leakage, which indicates a sector where there is a desire to create learning / feedback loops to enhance future performance.

Barriers to improvement

What factors are constraining the performance of CCM groups and the development of improved capabilities? While there is some similarity between the telecommunications sector and other sectors, there are differences in ranking and importance given.

Top five barriers



Firstly, the three highest ranked barriers potentially play into the top strategic priority, 'increasing strategic relevance / demonstrating value'. The barrier of operational workload, even with the high levels of dedicated CCM resource, potentially undermines the ability to be involved earlier in the process, which in turn could be a result of, or a cause of, not being seen as adding value. However, this issue of early involvement may also be an indication of some tension in the relationship with the business unit, which we have seen has substantial power in this sector. Understanding this dynamic and breaking the potentially negative circle requires data and evidence to articulate value and contribution.

Unlike other sectors, the availability of resources, budget and skills, appear to be less of a critical barrier, though other data implies that skills and retention are in fact significant issues that threaten performance.

Conclusions

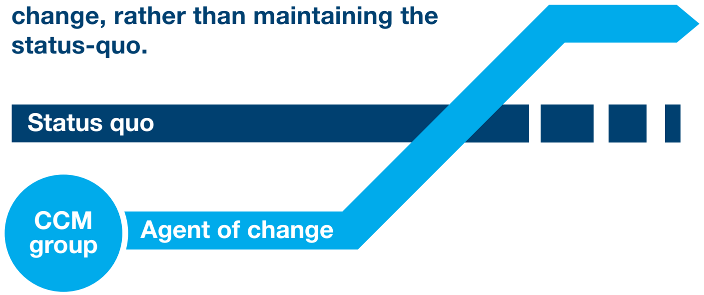
Many organizations in the telecommunications sector have made significant investment in developing their CCM capability, but with mixed results. While some are performing at world-class levels, others have yet to progress to the advanced levels required to compete effectively in today's demanding market conditions.

Where there are problems, it tends to be due to a transactional, control-oriented approach to CCM, with limited outsights to the market and technology that focuses on operational efficiency rather than strategic effectiveness. As a digital sector, many CCM groups in the telecommunications sector have yet to implement the digital processes that support integrated data flows and allow advanced analytics to maintain competitiveness of commercial offerings and provide predictive risk assessment.

The evidence of these weaknesses is contained in some of the performance metrics revealed by this report. Against that, there are some signs of a move towards measurement systems that focus on areas of value and could result in more CCM groups operating as agents of change, rather than maintaining the status-quo.

Among the leaders in this sector, there are signs that progress will continue. For many of the rest, the scale of executive interest is indicative of the importance placed on CCM capabilities and will surely lead to change. This may include a review of risk appetite and, in particular, growing appreciation of the impact that can be achieved from equipping CCM with a combination of the right measurements, the right skills and the right technology investments.

There are signs of a move towards CCM groups operating as agents of change, rather than maintaining the status-quo.



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World Commerce & Contracting is a not-for-profit association dedicated to helping its global members achieve high-performing and trusted trading relationships. With 75,000 members from over 20,000 companies across 180 countries worldwide, the association welcomes everyone with an interest in better contracting: business leaders, practitioners, experts and newcomers. It is independent, provocative and disciplined existing for its members, the contracting community and society at large.

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Benchmark sector-specific reports

This report is one in a series of ten, based on data extracted from WorldCC's *Benchmark Report 2021*. Each report provides in-depth visibility into CCM capabilities for the following sectors:

- Aerospace and defense
- Banking, financial services and insurance
- Engineering, construction and real estate
- Health and pharma
- Manufacturing and processing
- Oil, gas and energy
- Government and public sector
- Business services, outsourcing and consulting
- Technology and software
- Telecommunications.