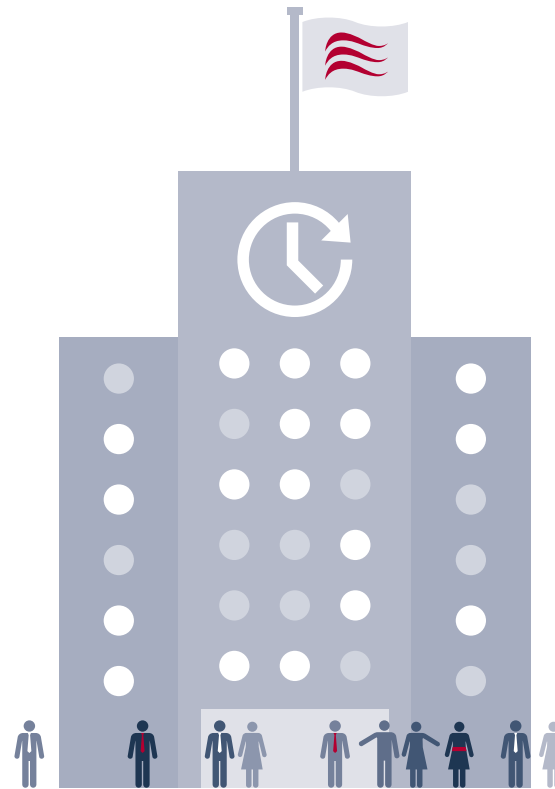




Into the Future



**Contract and Commercial Management:
Role and Direction**
May 2019

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Contents

- 3 About IACCM**
- 4 Introduction**
- 5 What This Means for Executive Management
- 6 Creating Context: The Contracting Lifecycle**
- 7 The Background**
- 8 What This Means for Practitioners
- 10 From Transactional to Strategic**
- 11 Changing Tasks and Contribution
- 12 Measurements and Performance
- 13 The Roles of a Commercial and Contract Management Function: Today and in the Future**
- 14 Comparison of Current and Future Activities
- 16 The Impacts of Change**
- 17 How Can IACCM Help?**
- 18 Conclusion**



About IACCM

Contract and Commercial Managers stand at a cross-roads. Many traditional tasks will erode and disappear, outsourced or automated. That does not mean an inevitable route to nowhere; new technologies elevate these roles from largely operational to increasingly strategic, from jobs that have limited influence to jobs that drive substantial business value.

Tim Cummins, President, IACCM

As the world's only non-profit association for contract and commercial management, IACCM is recognized for its objectivity and leadership.

This report draws from IACCM's extensive body of research and engagement with more than 55,000 members worldwide. It provides an overview of the contract and commercial management tasks undertaken within business and government, where

these are typically performed today and how shifts in market conditions, commercial offerings and technology are driving changes. Those changes are not only in what needs to be done, but also how it is done and who will do it.

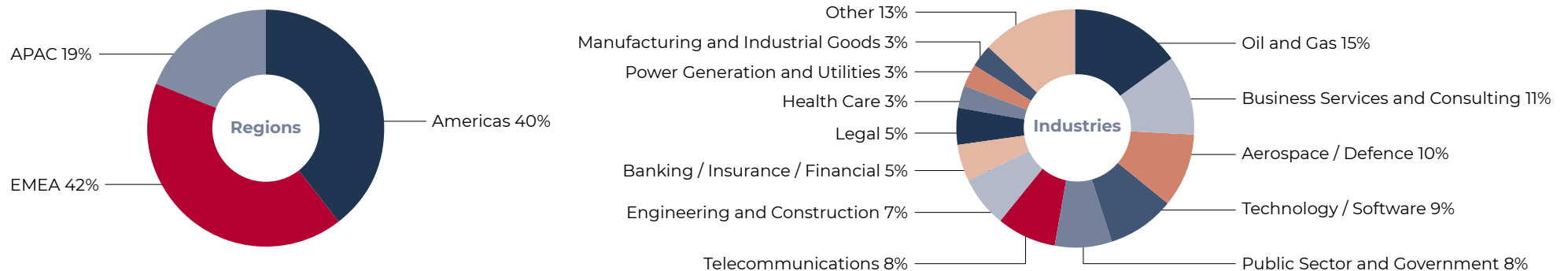
With members in more than 17,500 organizations and 176 countries, IACCM is uniquely positioned to fulfil its vision of 'a world where all trading relationships deliver social and economic benefit'.

Key to that vision is the development of highly competent people, working alongside emerging technologies to create and manage high-performing contracts.

*"Modern economies are held together by innumerable contracts."*¹

Nobel Prize Awarding Committee,
Royal Swedish Academy of Sciences

Figure 1. IACCM's membership by region and industry



1. www.nytimes.com/2016/10/11/business/nobel-economics-oliver-hart-bengt-holmstrom.html



Introduction

As at February 2019, over 6.8m people on LinkedIn identify themselves in a 'Contract Manager' role.

More than 350,000 people have read the IACCM blog that describes the role of a Contract Manager. Some want to understand how their job compares with the norm. Some are curious about how responsibilities typically divide between functions. And some just want to discover why anyone needs a Contract Manager in the first place. But the fact that so many care about the answer – and that over the years, the volume wanting to know has increased – has led to this paper, which offers an answer from both a functional and job role perspective.

When making this assessment, it is important to point out that the contract management and commercial role is not consistent between organizations and, like most other roles in business, it is not static. While some organizations operate with a combined role and function, others maintain a distinction between the role of a Contract Manager and the role of a Commercial Manager. Similarly, some operate with a combined group covering both sales and procurement, some have these groups separated and some may have a group in one and not the other. Given these inconsistencies, it is important to define the purpose and the differences between contract management and commercial management; these definitions appear on the right, and are further illustrated by the typical differences in activities that appear in [Figure 5, page 10](#).

IACCM research has shown that there are significant benefits in integrating contract and commercial resources within a unified function, divided into specific job roles. There is a strong interdependency between contract management and commercial management, just as there is between sales contracting and procurement contracting.

Today, whether operating across both disciplines or focused on one or other area, Contract and Commercial Managers stand at a cross-roads.

Many of their traditional tasks will erode and disappear, outsourced or automated. However, that does not mean an inevitable route to nowhere because new technologies elevate these activities from largely operational to increasingly strategic, from jobs that have limited influence to jobs that drive substantial business value.

This paper tells the story of what exists today and what is unfolding for the future...

Commercial management is a discipline that both informs and implements business strategy and policies. It informs in the context of testing and aligning market requirement with organizational capability. It implements through ensuring effective and efficient operational procedures that establish and maintain those capabilities.

In going to market, any product or service must be supported by performance commitments that are relevant to its customers and consumers. Those commitments may be specific to the product or service (for example, price, delivery, maintenance and support) or generic to the organization (for example, brand values, ethical standards or regulatory compliance). Commercial management is the process through which required performance commitments are gathered, assessed and reconciled, taking account of the interests of all relevant stakeholders and ensuring their affordability and sustainability.

Contract management supports commercial management through the implementation and oversight of legally enforceable performance commitments, both outbound (to the market) and inbound (from the market). It converts commercial policies and practices and technical capabilities into the specific terms and conditions offered to or required from suppliers, customers or business partners. Through active monitoring of performance needs and outcomes, data generated from contract management informs commercial management about actual and required commitment capabilities, together with their financial and risk impact.



What This Means for Executive Management

For those who are practising Commercial or Contract Managers, the implications of change are set out on page 8. But what about others? The changes outlined in this paper represent a critical opportunity to raise organizational performance.

For the CEO the need for commercial innovation and increased collaboration with suppliers and customers can be met through a fundamental shift in the approach to contracting and risk.

For the CFO there is potential to unlock extensive savings and revenue improvements through a focus on streamlining commercial operations through analysis of contract economics.

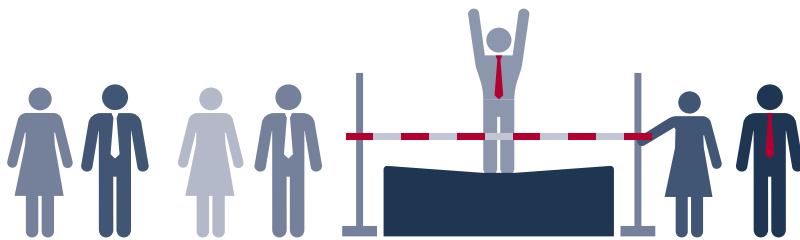
For the General Counsel there is an opportunity to engage more fully with business value and to increase the efficiency and contribution of legal operations.

For the CPO improved contracting and more flexible commercial policies represent an escape from traditional measurements of procurement performance and a source of future value.

For the HR Director the challenge of improving organizational competence in business acumen and commercial awareness can at last be answered through a new alignment of people and technology.

For the Sales Director simplified contracts, greater empowerment, and faster closure together offer chances to improve sales force productivity and generate competitive advantage through 'ease of doing business'.

For the Compliance Director there is the chance to generate increased efficiency and quality through dynamic risk systems that achieve a new balance in business control.



Aside from Commercial and Contract Managers, there are opportunities for executive management to raise the bar in organizational performance.



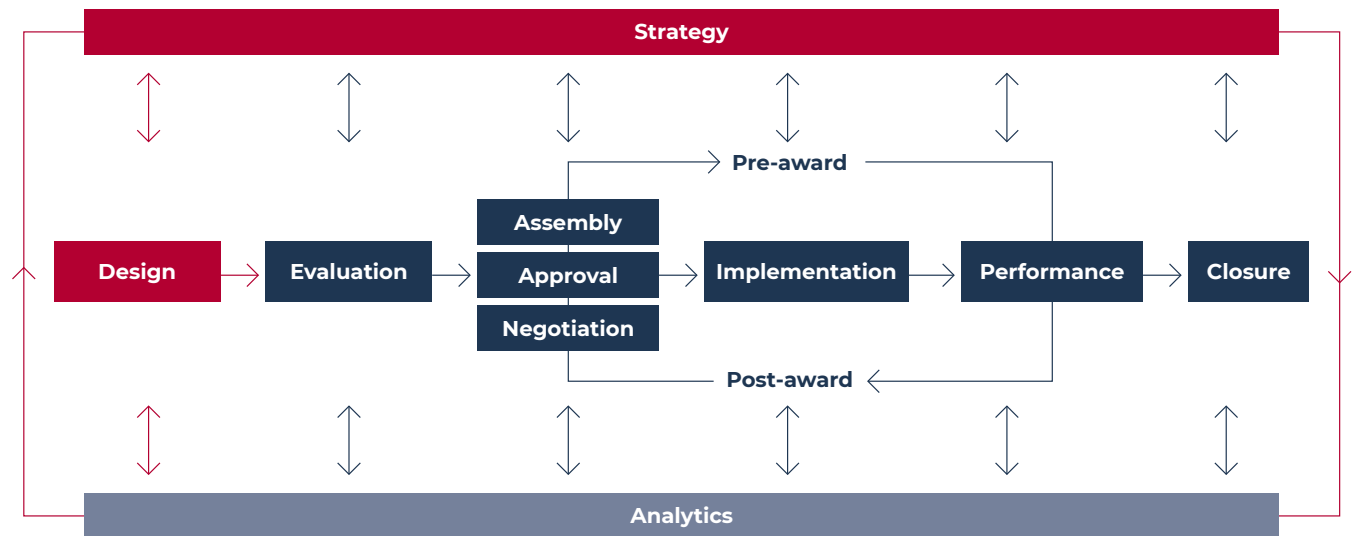
Creating Context: The Contracting Lifecycle

Many organizations do not have a well-defined, end-to-end commercial lifecycle. Frequently, contract and commercial activities are sub-elements in other processes – for example, in Product Lifecycle Management, Procurement or Project Management.

Tasks are therefore often 'functionalized' and this leads to a lack of cohesion and poor data flows across multiple groups and systems. Ultimately, it means that, in many organizations, no one has an overview of who is responsible for producing a complete contract, whether that contract is 'fit for purpose', nor how well individual contracts or the contracting process are performing.

The descriptors to the right, summarize the tasks and activities associated with the contracting process, separating them into the elements that generate the strategic and operational framework and those that are undertaken at a transactional level, supporting individual business needs and contracts.

Figure 2. Contract Lifecycle Management (CLM) Process Model



Strategy Considering external and internal conditions, define CLM governance, processes and infrastructure and detail how this CLM strategy supports the business goals (as explained in more detail on page 10).

Design Establish contracting principles (e.g. playbooks, style guides, how-to guides, help) and standard contract clauses, clause libraries, templates and other content based on laws, internal policies, and market requirements.

Evaluation Assess business opportunities and decide go / no-go, e.g. for proposal, bid or contracting.

Assembly Generate proposal, bid or draft contract package leveraging the results of the evaluation and design phase.

Approval Seek concurrence with internal decision makers for the final contract draft in the context of the business opportunity.

Negotiation Develop a negotiation plan, collaboratively reach consensus with other parties and conduct a risk and value assessment.

Implementation Obtain authorised signatures and undertake actions necessary to enable contract performance.

Performance Manage and report on the contract and the contractual relationship, including changes and claims.

Closure Manage contract cancellation, expiration or termination, including post-closure activities, e.g. sub-contract close-out and retention.

Analytics Analyze data in all process phases to develop actionable insights, e.g. compliance, relationships, risks, successes and continuous improvement.



The Background

The global business environment continues to change at a rapid pace and many of those changes are of direct and immediate relevance to contracting and commercial management.

For example:

- Since the financial collapse of 2008, there have been wild swings in relative prosperity and trading patterns within the global economy. This continues to drive substantial shifts in where trade is undertaken and in geopolitical and regulatory conditions. There is no sign that this volatility will end soon.
- Outsourcing appeared unstoppable several years ago, yet increasingly is being questioned and the size, duration and location of outsourcing arrangements continue to alter. This has impact not only on the outsourcing agreements themselves, but also on underlying procurement policies and attitudes.
- The power of the buyer was taken for granted back in 2008, resulting in sharp focus on price and risk allocation onto the supplier. Today, there is greater understanding of the destructive nature of such an approach. Supplier power has returned in some industries and there is growing focus on value. However, while there is broad recognition that success depends on collaboration and a sharing of risk, old habits die hard and many procurements remain confrontational.
- The global economy continues to shift from products to services. 'As-a-service' represents a rapidly growing and innovative field of commercial offerings and contract models, yet demands significant changes in business capability and buyer approaches to risk and contract terms. Contracts generally are moving towards defined outcomes and increased focus on performance, agility and change.
- The continued growth of regulation is forcing organizations to face up to the issues created by inappropriate or poorly managed trading relationships. Regulatory and reputational risks affect every industry and are forcing management to ensure greater transparency and visibility into organizational behaviour, both internally and within their suppliers and customers.
- Automation increasingly replaces people in the performance of mundane or administrative contract management tasks. New technologies such as artificial intelligence, natural language processing and blockchain also support a growing wave of improved management and performance data, enabling contracts professionals to anticipate problems and manage, rather than administer, contracts.
- Executive management is awakening to the costs associated with poor contracting, especially in failure to secure the anticipated benefits or, as highlighted above, through failure to ensure appropriate forms of governance and performance management. However, relatively few have yet grasped how to make their contracting process more resilient and focused on quality.
- Initiatives such as Robotic Process Automation are exposing the innate inefficiency of today's contract development, review and management activities, leading to pressure for fundamental change and the development of a process designed for users.

Taken together, these and other factors are transforming the required role of contract and commercial management. Today, the business need is not simply for an operational function overseeing transactional negotiation, implementation and management of contracts. Increasingly it needs to become a critical vehicle for high value management information that supports strategic decision-making.



Average value erosion from weakness in contracting is 9.2%.



What This Means for Practitioners

Two distinct types of Contract or Commercial Manager are emerging and the divide between them is reflected in the lifecycle definitions outlined on page 6. A majority still performs a role focused on transactional support, typically reactive to changes that affect those transactions and in the operational environment within which they work. As a consequence, the volatility and uncertainty of today's markets results in steadily increasing operational workload and reduced ability to undertake the improvement programs that would increase efficiency and effectiveness.

For a minority, the contract management role has become far more strategic and proactive. It focuses on business enablement and creating a more efficient and effective environment for tactical operations. In this role, the Contract or Commercial Manager is both an adviser / change agent to executives and responsible for implementing organizational goals. Essentially, the strategic Contract Manager ensures that contracts and contracting procedures are used to execute business strategies – for example, with regard to desired levels of risk, or through the creation of market competitive commitment capabilities, or via more relational or collaborative forms of agreement with trading partners. This strategic role also informs management about trends or issues, drawing on more thorough analysis of the market and contract performance. For example, what are the types and severities of different risks and where are they

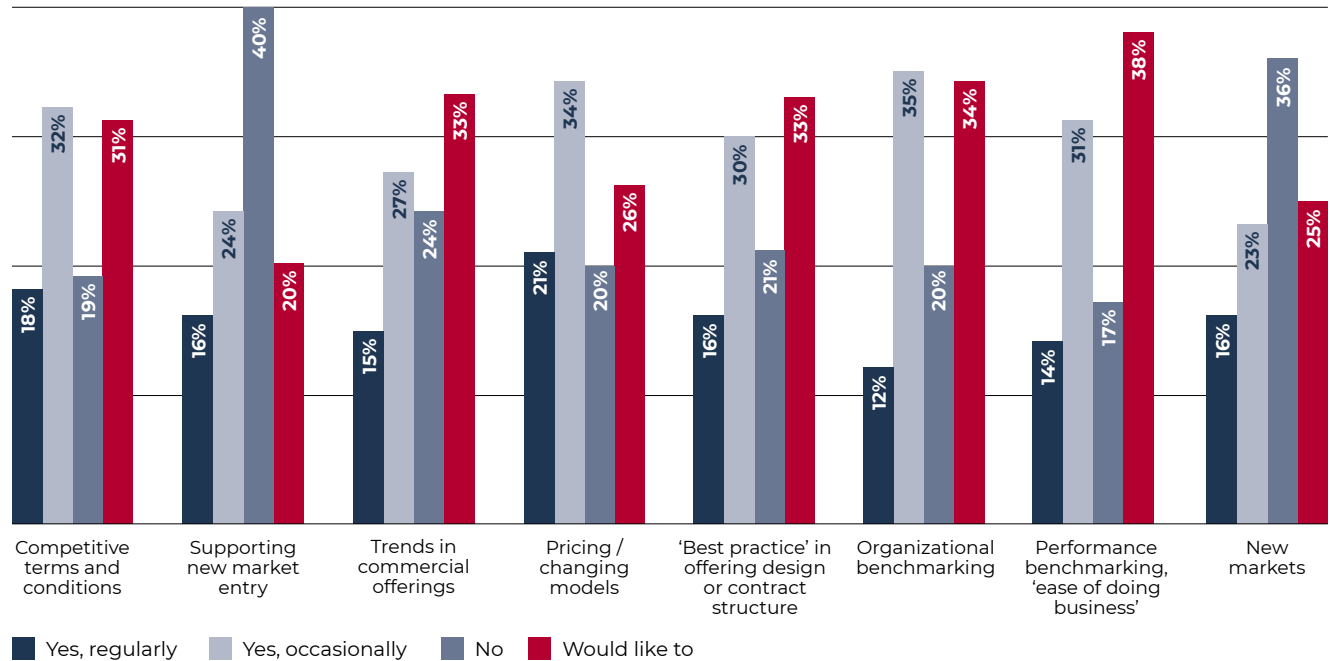
occurring? What are the market and competitive trends with regard to the sort of commitments expected by customers or resisted by suppliers? How can the business overall be empowered to exercise better commercial judgment and to reduce regulatory, reputational or margin risks?

As the chart below shows, market and competitive research currently remains the exception rather

than the rule. This is especially the case for those in sell-side contract management groups. Without 'outsights' in areas such as those highlighted on the chart, the ability of Contract Managers to participate in, or influence, business policy or commercial offerings is very limited. Essentially, those who do not have knowledge about the market have little intelligence to bring to the table.

Figure 3. For each area listed, does your organization undertake (or would it like to undertake) market research related to contract and commercial management?

(IACCM Benchmark Survey 2018)



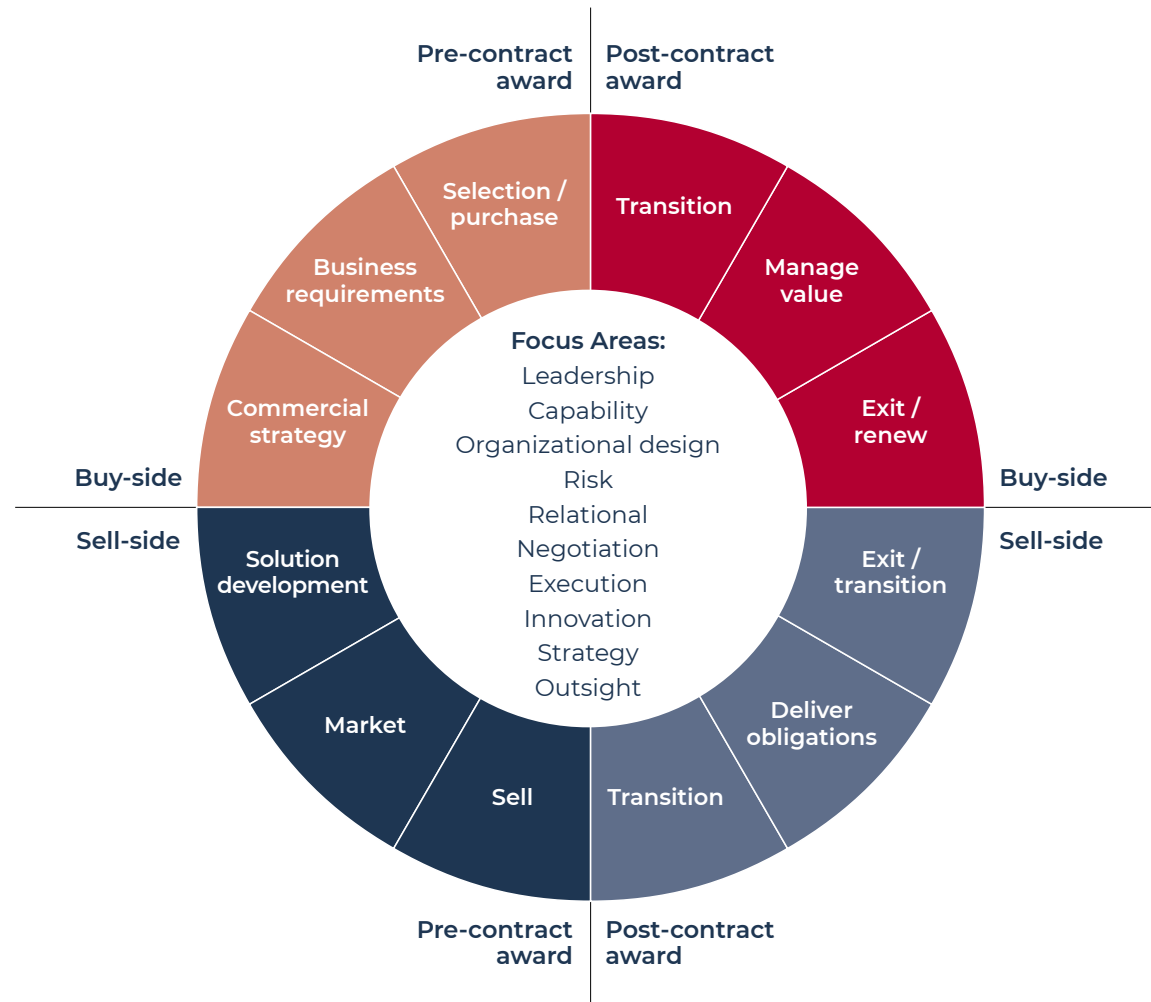


Today's trends suggest that contract and commercial management will become ever more critical as business competencies. To deliver improved results, contracting should be recognized as a lifecycle discipline, with performance measurements that motivate its impact on revenues and the bottom line. In leading organizations, it will operate as an integrated discipline (see chart on page 6), quite probably part of a shared services unit, that oversees contracting for all trading relationships – buy, sell and distribution channel (even though operational resources may remain embedded within business units).

With this transition, contract and commercial management has the potential to offer an interesting and fulfilling career path, increasingly supported by structured education and training from apprenticeships through to university level and upward. But with growing sophistication and an increasingly strategic role, the volume of the more administrative, operational tasks will reduce and mostly be performed via automation or through greater competence in other groups, such as Sales, Project Management and Procurement.

Therefore, while the job itself has the opportunity to become more highly valued, the numbers bearing the title may over time start to reduce. Those that remain will be more highly paid, have greater status and – of course – will be endowed with skills and knowledge that go beyond the traditional role of a 'Contract Manager'. A major question for individuals currently in this field is whether they have the ability and the motivation to make the transition to these roles.

Figure 4. An integrated view of contract and commercial capability





From Transactional to Strategic

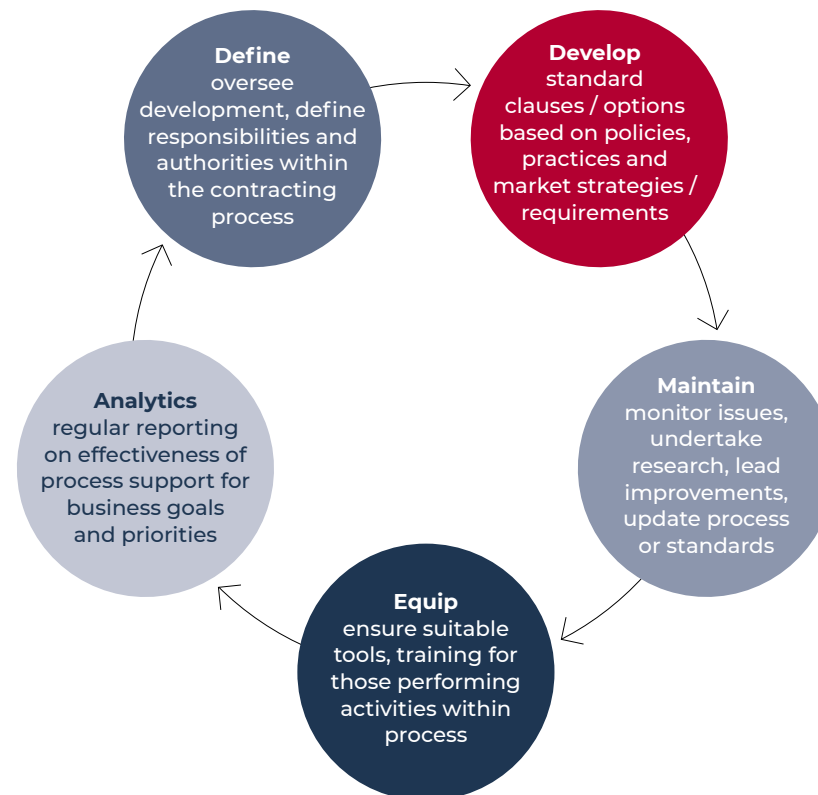
A key aspect of the role of a Contract Manager (as opposed to a contract administrator) should be to ensure that commitments sought or given are ethical, achievable and in compliance with organizational policy.

Therefore, recent economic events – and the collapse of trust in standards of corporate governance – implicitly make the role more important.

The public sector has been at the forefront in driving demand for contracts and commercial skills. The US administration was among the first to recognize the challenge of building sufficient contract management skills to oversee the barrage of projects being funded by the public purse, as well as ensuring the success of those already underway. The UK government has made major investments in hiring contracts and commercial staff, with regular review by the Public Accounts Committee of its progress in improving competence.

However, as public audits have revealed, developing competency is challenging and remains very much a work in progress. High value contract management, whether in the public or private sector, is about much more than compliance and transactional oversight. It is about ethics, integrity, the management of reputational and regulatory risk, and ensuring on-going competitiveness and adaptability in an environment that is unpredictable and where speed is of the essence. Processes that are based on risk aversion, that lack adaptability and judgment, and which cause avoidable delay must be challenged and replaced by capabilities that offer unerring focus on comprehensive stakeholder engagement and the delivery of successful contract outcomes.

Figure 5. An increasingly strategic role, contributing to increased business value





Changing Tasks and Contribution

As the discipline of contracting and commercial is increasingly recognized as business critical, there is growing investment in contract management. This seems likely to continue, both in terms of automation and more highly skilled people. As mentioned earlier, the expectations of executive management are rightly increasing. They need contracts and commercial staff who not only keep the business out of trouble, but visibly contribute to the delivery of results and the business change and innovation agenda. Hence the need for a risk management approach that strikes a balance between compliance and creativity – managing risks, rather than avoiding them.

To the extent that new regulation occurs, Contract Managers are expected to understand it and ensure that it is respected. But to remain competitive, many business leaders will be hoping that they can run with a system of self-regulation. The rules, practices and procedures for contract management must make both ethical and economic sense, which means that the era of manual review and approval is rapidly coming to an end. Commercial teams are instead focused on enabling the right decisions through implementing knowledge systems and tools.

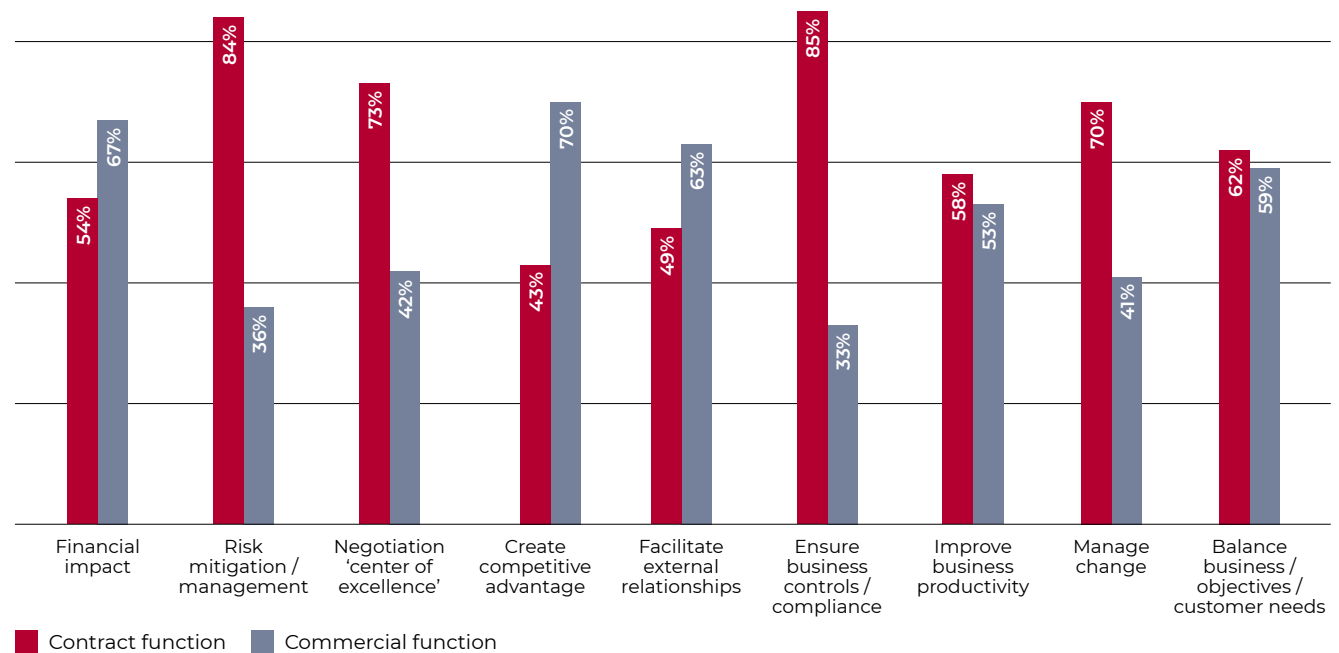
This means that high-performance contracts and commercial groups undertake both a strategic and operational role. They are increasingly tasked with protecting against reputation risks through ethical contracting and relationship practices; yet at the same time with the need to ensure competitiveness through innovative terms and adaptive processes.

As previously indicated, this requires a lifecycle role, which means establishing the right contractual framework and equipping post-award resources with the tools or knowledge they need to deliver expected results.

The focus of contract management varies. As the chart below indicates, contract management groups are typically more focused on controls, whereas commercial management groups are more likely to have a mission that includes an external view and a role in driving change.

Figure 6. What do contracts and commercial functions do?

(IACCM Benchmark Study 2018)



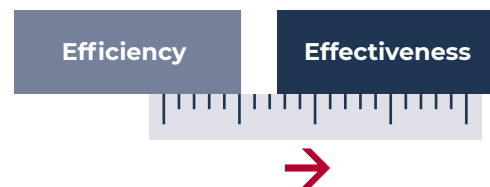


As outlined in the introduction, 'Contract Management' in some organizations is predominantly focused on pre-award activities, in others it is exclusively post-award. Then there are organizations where the role does a bit of both. Added to this, an organization may have contract management resources applied solely to sales contracting and others solely to procurement – on the other hand – maybe they're doing both...! As if this is not enough, there is the confusion of variable job titles.

Many organizational debates address the issue of 'separation of duties', with strong pressure for contracts and commercial staff to be immunized from the direct pressures of deal-based bonus schemes. Good business judgment requires strong market awareness, without succumbing to the short-term demands of individual transactions. Modern technologies should enable this balance, especially with the creation of 'centers of excellence' equipped with the right applications, analytical skills, authority and accountability.

Measurements and Performance

The types of measurement that should apply to contract management are covered in various IACCM reports, but they include efficiency indicators such as cycle time reduction, the percentage of deals enabled through e-commerce and numbers of contracts processed. Of far greater importance are the effectiveness indicators, for example measuring the economic value of term alternatives and innovations, the reduction in claims and disputes, monitoring and reporting risk scoring and reduction, and measured contribution to profitability through cost reduction and revenue uplifts.



Performance measurement should shift from efficiency to effectiveness.

Perhaps the biggest change (and arguably a dependency for success) is the need for Contract and Commercial Managers to recognize that they can no longer flourish as talented individuals, but must adopt the behaviors of a profession – a consistent sense of purpose underpinned by a robust body of knowledge, shared tools and methods, a commitment to continuous improvement through research, benchmarking and pooled experiences and development of learning sources that enable a career path. The demand is growing; the challenge right now is to increase the quantity and quality of supply and to establish leaders who welcome accountability for results.



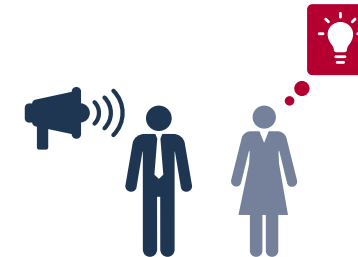
The Roles of a Commercial and Contract Management Function: Today and in the Future

In reviewing the list of activities on the following pages, it is important to recognize that these represent the overall tasks and roles to be performed throughout a commercial and contract management process. How and where those roles are performed is highly variable. Some groups have little or no responsibility up to the point of contract signature and others little or no role after signature. However, there has been a marked trend towards consolidation of pre- and post- responsibilities within the same functional group. Reporting line also makes a difference to the tasks performed, with groups reporting to Legal tending to have less responsibility for non-legal aspects of the contract or related policies and procedures, especially in terms of any financial accountability. Geography has certainly been a major factor in the past, with fewer Contract Managers in non-Common Law countries and those that exist more focused on administrative tasks. However, this is also changing as business globalizes and contract forms, procedures and challenges grow more consistent.

One of the biggest differences between organizations lies in the extent of authority and accountability that Contract Managers have for making changes to contract terms (a key differentiator between 'administration' and 'management'). In Procurement groups especially, contract management may act as a barrier to change, being measured primarily on compliance with established norms and rules (whether or not those norms and rules are in fact beneficial to the business interest).

Another big difference is the extent to which the contracts organization has solely deal-based responsibility, versus a more strategic role in overall company policy and commercial / contractual strategy. For example, does the function simply implement and protect other people's rules, or does it advocate change and participate in key policy discussions?

In setting out the role of commercial and contract management, differences of organizational approach have been ignored. The focus of this paper is in describing the tasks and activities that need to be performed, not specifically who should perform them. IACCM research shows that within the best performing organizations, workload is distributed, but that there is an individual or function responsible for end-to-end process integrity and performance.



Does the function simply implement and protect other people's rules, or does it advocate change and participate in key policy discussions?



Comparison of Current and Future Activities

The following section provides a summary comparing the identified tasks and roles performed today with those that will be performed by 2025. It is anticipated that there will be steady evolution of technology and its implementation, in some cases eliminating the need for human intervention, in others leading to a more targeted focus. In addition, there will be new opportunities created as a result of increased insight and analytics and these are also highlighted in this summary.

Role in 2019

→ Role by 2025

Draft and prepare contracts and related transactional documents.² Undertake segmentation of relationships to ensure availability and use of appropriate agreements.

Develop and maintain tools that support user self-service in identifying correct agreement; maintain CLM systems that include decision trees, clause libraries etc.

Review and input to non-standard or complex RFx, bids and proposals, including identification and assessment of contract and commercial risks.

Automated risk scoring and playbooks reduce human intervention except in situations where exceptions from standards / norms require judgment and / or creativity. Increased focus on validation of capabilities and testing / designing for organizational alignment.

Serve as the point of contact for customers or suppliers on contractual matters. Act as contractual interface between internal and external stakeholders, ensuring timely review and approval / reconciliation of variations.

Frequency substantially reduced as a result of technology and growing use of standards, principles and user-based contract design. Residual interactions focus on more substantive issues.

On all standard and nonstandard contracts, provide redlined recommendations and often negotiate directly with customer or supplier staff until consensus has been reached.

Intelligent systems, RPA and CLM reducing and streamlining review. Systems offer term options; automated negotiation for simple transactions.

Role in 2019

→ Role by 2025

Maintain contractual records and documentation such as receipt and control of contract correspondence, customer or supplier contact information sheets, contract changes, status and performance reports.

Technology is already widely deployed across organizations to provide a digital repository for contractual records – effective repositories also enable real time analysis.

Provide guidance on contract matters to project managers and operational staff, including training in contracting practices and procedures.

Develop and maintain tools and programs that support 'on demand' user self-service in knowledge management, training and upskilling as appropriate across the business.

Develop and implement procedures for contract management and administration in compliance with company policy. As appropriate, contribute to or influence company policies.

Extract and consolidate data to identify opportunities for improvement. Advocate and lead change initiatives.

Monitor compliance by company employees with established procedures. Identify areas of recurrent pressure.

Enable compliance through self-service tools; manage exceptions and on-going review of need for change in compliance rules.

continued on next page



Role in 2019

→ Role by 2025

Work with Risk Management / Finance to coordinate contractual insurance and other validation requirements.

AI systems perform standard requirements analysis and orchestrate necessary insurance and validation; blockchain-based 'smart contracts' managing renewals etc.

Work with Finance to safeguard finance and risk requirements e.g. revenue recognition, price and discount policies, export controls / trade compliance. May include 'financial engineering' and understanding / evaluating economic impact of terms and term options.

Development and adoption of risk scoring tools and monitoring systems. Driving cost reduction / revenue improvement through term and contract analytics.

Support Product Management / Marketing to ensure products and services are offered with appropriate, competitive terms and conditions, including updates and special promotions.

Increased monitoring of performance and competitive terms to assist sales and revenue achievement.

Monitor competitive terms. Monitor customer satisfaction with our terms and conditions and contracting practices. Recommend changes.

Increased use of external parties to undertake research using low-cost AI / NLP systems that provide benchmarked data.

Role in 2019

→ Role by 2025

Ensure that signed contracts are communicated to all relevant parties to provide contract visibility and awareness, interpretation to support implementation.

Obligation extraction and management tools enable rapid dissemination within and between organizations.

Handle on-going issue and change management, liaising as necessary with other groups and functions.

Use of agile contract design principles allows better anticipation and faster resolution of change requirements.

Monitor transaction compliance (milestones, deliverables, invoicing etc.)

Obligation management system enables proactive identification / response to performance issues; AI-based analysis and reporting of performance of individual contracts and contract portfolios.

Oversee Service Level Agreement and Statement of Work compliance; participate in resolution of claims and support Legal in management of disputes.

Technologies such as blockchain will increasingly be deployed to support proactive management of Service Levels and associated credit payments.

Ensure contract close-out, extension or renewal.

Increased engagement of CCM resources in relationship and account strategy and planning.

2. These include Non-Disclosure Agreements, Sales / Purchasing Agreements, industry standard agreements; Sub-contracts; Consulting, Licensing, Services and Outsourcing Agreements; Statements of Work, Service Level Agreements; Master Agreements; Major Project, Alliance Agreements; review of customer or supplier proposed contracts or terms and conditions; Distribution Agreements (resellers, agents, joint marketing etc.); Commercial and Public (Federal, State and Local Municipalities) Contracting; National, international and global

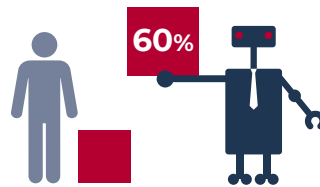


The Impacts of Change

So what of the future? While the tasks and activities of today will remain important, emerging technologies will result in fundamental change in how and where they are done.

For instance:

- In the immediate future, the emerging technologies will have greatest impact on efficiency. They will drive increased standards, as well as streamlining key aspects of compliance monitoring and financial management.
- Digitization and artificial intelligence will enable increased 'self-service' and user self-sufficiency.
- These same technologies will drive improved data flows and analytics, enabling the more strategic tasks outlined in this paper.
- Commercial staff will have the time to access far more external data, providing insight to competition and wider market trends. More dynamic markets, together with available technology, will result in more competitive and market research, leading to increased frequency of change and innovation. Overall, some of the staff displaced by increased efficiency will be deployed on tasks related to commercial and contracting strategy and policy.
- While the value delivered by commercial and contracts teams will increase substantially, automation will reduce or eliminate the need for human intervention in many of today's tasks: IACCM estimates a typical reduction in headcount of up to 60% over the next five years.
- Key measurements for contract and commercial staff will relate to the efficiency and effectiveness of the contracting lifecycle and will include financial metrics focused on the value of outcomes (rather than inputs).



IACCM estimates that automation will reduce human intervention by around 60% over the next five years.



How can IACCM help?

As the world's only association dedicated to contract and commercial management, IACCM is an exclusive source of research and benchmarking for public and private sector.

It provides both generally available and commissioned reports to assist organizations in testing capabilities, comparing with market, analyzing competitiveness and exploring new approaches. Leading companies also participate in research forums and think tanks, to assist in raising efficiency and effectiveness at both an industry and corporate level.

IACCM offers extensive training programs, ranging from commercial awareness to apprenticeships,

to formal certifications. These are available on-line, through blended learning and in classroom environments. Learning and development is sustained through extensive on-going professional development offerings, many of which are available free of charge to members.

IACCM also provides contract design and simplification services that assist in reducing risk through increased user accessibility and understanding.

Finally, IACCM provides extensive networking opportunities, ranging from on-line forums and communities to its regular member meetings and formal conferences. These provide invaluable opportunities to expand outreach and gather insight and ideas from around the world and across industry sectors – today, an area of particular weakness for most contract and commercial groups and tomorrow, a critical source of business value.

IACCM Offerings



Learning

- Fundamentals
- CCM
- SRM
- Negotiation
- MOOC
- Bespoke



Advisory

- Contract Benchmarking
- Contract Design
- Capability Maturity Assessment
- Corporate Skills Assessment
- Relational Workshops
- Commercial Transformation



Events

- Webinars
- Member Meetings
- Roundtables
- Conferences
- Innovation Award Ceremonies



Research

- Research Forum
- Regular
- Bespoke



Conclusion

Many of today's transactional, repetitive activities are vulnerable to change – either through low-cost outsourcing, or through automation.

High performing contracts and commercial teams are therefore actively extracting themselves from such tasks to ensure they are free to engage in high value activities – for example, using data analytics to drive commercial change and innovation; undertaking market and competitive research; identifying commercial implications and managing implementation of new contract offerings or systems; working with product or service development teams to ensure appropriate commercial offerings with suppliers and for customers to support launch or maintain competitiveness; engaging earlier with the business to influence and structure complex relationships or sustain / grow existing relationships and financial returns.

'Best practice' contracts groups are those with a holistic responsibility for the contracting process (pre- and post- award). They are increasingly involved in establishing contracting policies that support market and business strategy – and this is something that cannot readily be done if resources are fragmented. As a Professor of Economics at one of the major UK business schools recently commented: "The value of contracts is in the outcomes they produce". He also observed that today's contracts are becoming more complex and the risks of failure more severe.

Too often, companies have had no one providing the oversight for achieving those outcomes or managing that complexity and risk – and that is why the role of contract and commercial management (as a combined and holistic discipline) is emerging as a critical competency in today's organizations. It is also why Contract Managers themselves need to start focusing less on what makes them different, and more on recognizing that there is a common and consistent core of activities that must underlie their role and professionalism.





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