MITRATECH

What the Future
Holds for Contract
Management



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Introduction

It's hard to know for sure what technology will look like in the future. One famous list of predictions that we're particularly fond of was written in 1900 by Mr. John Elfreth Watkins, Jr. for the Ladies' Home Journal, entitled "What May Happen in the Next Hundred Years". Watkins was a civil engineer working for American railroads. He interviewed professionals in various industries to compile this list of predictions for what life might look like in the year 2000.

What's amazing is that Watkins's list is actually quite accurate on a number of points. For example, he accurately predicted that we would have devices such as mobile phones, and a lot of our food would be pre-prepared. He was wrong on a few things too, such as the extinction of pests such as mosquitos and flies, and that everyone would be extremely fit, walking at least ten miles a day.



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WHAT MAY HAPPEN IN THE NEXT HUNDRED YEAR. By JOHN ELFRETH WATKINS, JA.



JUSE prophecies will seem strange, altroimpossible. Vet they have come from the
most learned and conservative minds in
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The American will be Taller by from one to two inclus. His increase of stature will result from better bookh, due to was reforms in medicine, substitution, food and abbletos. He will live fifty years instead of birty-five as at present—for he will reside in the substribs. The city house will practically be no more. Building in blocks will be illegal. The trip from substributa house to office will require

There will be No C, X or Q in our every-day alphabet. They will be altandomed because unnecessary. Spelling by sound will have been shopted, first by the newspapers, English will be a language of condensed words expressing condensed does, and will be more extensively spoken

Hot and Cold Air from Spigots. Hot or cold air will be turned on from spigots to regulate the temperature of a loane as we have turned to the cold to the spigots of the sp

No Mosquitoes nor Files. Insect screens will be unnecessary. Mosquitoes, house-flies and roaches will have been practically exterminated. Boards of health will have destroyed all mosquito humats and breeding-grounds, drained all stagmant pools, filled in all swamp-dands, and chemically treated all still-water streams. The externination of the horse and its stable will reduce the house-fly.

Regard-Cooked Feeds will be Dought from establishment for born happened to Joseph Type will prest resistant to the majorite of lovely. They will prest consider from a feed of the present from the consideration of the present from the consideration of the present from the consideration of the present for the consideration of the present for the consideration of the present from the consideration of the consideration of the present from the consideration of th

No Foods will be Exposed. Storekeepers who easy food to air breathed out by patrous or to the atmospher the busy streets will be arrested with those who sell a or adulterated produce. Liquid-sir refrigerators will k great quantities of food fresh for houg intervals.

Coal will Not be Used for Heating or Cooking, It be source, but not entirely exhausted. The earth's be source, but not entirely exhausted. The earth's local properties of the entire of

There will be No Street Cars in Our Large Giles. All hurtraffic will be below or high above ground when brough within city limits. In most cities it will be confined to broad subways or tunnels, well lighted and well-deer to high treaties with "moving-old-wall," stairun, et al. to high treaties with "moving-old-wall," stairun, streets will benn, with capacious automobile processes streets will benn, with capacious automobile processes coaches and freight wagons, with cushioned wheel Subraway or treaties will be reserved for express train

Photographs will be Telegraphed from any distance. I there be a battle in China a hundred years hence supshoes of its most striking events will be published in thnewspapers an hour later. Even to-day photographs an being telegraphed over short distances. Photographs will be the property of the property of the property of the proTains One Hundred and Fifty Miles an Hour. Trains vier to wo miles a ministic normally; capress trains one her dred and fifty miles an hour. To go from New York is San Francisco will take a day and a night by fast express There will be cigar-shaped electric locomotives hustim; from trains of cars. Cars will, like houses, he artificially cooked Along the railroads there will be no smoke, no cisafer because could not be corried for branced. There

at presty house compulsory in the schools. Every sch
ty house will be will have public gymnasiums. A man or
il require walk tea miles at a stretch will be regard.

To England in Two Days. First electric

will be hold above the waves. They will be upon runers, somewhat like those of the sign runners will be very brought. Upon their aude to a porture exceeding jets of air. In this way a construction of the product priction against the waves to the small sturkee of the run roduce friction against the waves to the smalle degree. Propolers turned by electricity will as selvent shrough both the water beneath and the Ships with outliers artificially cooled will be emproved, its already the proof, its already they are the proof, its already they are the proof.

There will be Air-Ships, but they will not successful compete with surface cars and water vessels for passenge or freight traffic. They will be maintained as deadly wa vessels by all military sations. Some will transport me and goods. Others will be used by scientists makin observations at versa biseiths almose the earth.

And We She and Form in New Class are with the control of the contr

There will be No Wild Anlimals except in measureries Reas and mice will lawse been schemminsted. The hear will have become practiculity extinct. A few of high bree will be keep by the rich for facing, instanting and exercise will be the property of the schemminster and the considerable of the schemminster and the schemminster, and sheep will have no horns. They will be unable to run instatute that the schemminster and the schemminster and hear the schemminster and the schemminster and the long cordio destroys a horne. See a consequent prosequent practiculty all of their life convery in producine muscless and longs will have been neglected.

all kinds will be brought within focus of converse one electrically with screens at opposite ends of circuits, sands of miles at a span. American audience is theatest will view upon large curtains before the concentions of kings in Europe or the progress of in the Orient. The instrument brinding these in the Orient. The instrument brinding these as giant leephone appearance transmitting each lark sound in its appropriate piace. Thus the gins of a removal and the propriate piace. Thus the gins of a remote actor or singer will be heard to become whose seen to blaze, and the lips of a remote actor or singer will be heard to

elephones Around the World. Wireless telephone and graph circuits will span the world. A husband in the die of the Atlantic will be able to converse with his sitting in her bondoir in Chicago. We will be able to phone to China quite as readily as we now talk from Y York to Brooklyn. By an automatic signal they will nest with any circuit in their locality without the internett with any circuit in their locality without the interGrand Opera will be Telephoned to private homes, and sill sound as harmonicous in though enjoyed from a theatrotex. Automatic internancies reproducing original airscurtly will being be lest music to the families of the scarcity will being be best music to the families of the New York will, by manipulating electric keys, evoluce at the east father music from internanceal arranged in heatrest produced and the scarcing of the scarcing of the scarting will great bands and orchestras give long-distance convers. In great closic there will be public opera-bosses whose singers and emokdan are paid from insufacedowed will be capable of changing its time from cheraft to goth.

How Children will be Tanght. A university columniant in the control of the control of the columniant of the columniant in stational universities will have been established. Children and the columniant of the columniant of the columniant of the established columniant of the columniant of the columniant of the sevent free board, free challeng and free looks it ambitions sevent beard, free challeng and free looks it ambitions of the proposed of the columniant of the columniant of the columniant of the green sevent of the columniant of the columniant

Since Furchages by Tube. Presumatic tubes, instead of ore suggests, will deliver produce and hundles. These hese will collect, deliver and transport mad over certain stances, perhaps for handreds of miles. They will first contract with the private houses of the wealthy are with all homes. Great business establishments will tend them to stations, similar to our branch post-office to day, whence that attancolate vehicles will distribut to the contract of the c

Vegetables Grown by Beteichip, Winter will be turned to stramer and might into day by the learner. In cold to stramer and might into day by the learner. In cold the will place host-consisting electric wints under the solid bits garden and thes warm his growing plants te will also grow large gardens under gless. At night we suggetables will be ralled in powerful electric light, a vegetable will be ralled in powerful electric light, and consistent and the property of the property and the property of the pro

norm sproot and neverop minimum yearsy.

Oranges will rown in Fluidelphin, Favd-tjing refrigators on land and son will bring delicious fraits from trupics and southern temperate and so willin a few of proposed to the proposed of the proposed to the proposed to tours, will thus supply in a industre with same state hoods which cannot be grown here. Scientists infined to much hoter or colder climate, Delici oranges will be grown in the subtract of Fluidelphic oranges will be grown in the subtract of Fluidelphic Cantidops and other aumant Fluidelphic Cantidops and other are collected will be grown in the subtract of Fluidelphic Cantidops and other aumant Fluidelphic Cantidops and Cantidops an

Struwberries as Lorge as Apples will be eaten by c great-great-grand-infloren for their Christmas dinners hundred years hence. Repuberries and blackberries to be as large. One will suffice for the fruit course of expenses. Semulateries and cambarries will be grown up to the control of the control of the control of the least large as compact. One containing will supply entire family. Melons, cherries, grapes, pluns, apply parts, penches and all berries will be seedless. Figs v

Peas as Large as Booth. Peas and beams will be as has as beeds are to-bly. Negar cane will produce to match eager as the stager best more does. Cane will co weed will have been developed into a rabber pla Cheep salive rubber will be harvested by machinery over this country. Plants will be made proof again diseases milerabes just as readily as mass is to-day again that the plant of the plant of the plant of the plant of the best plant of the plant of the plant of the plant of the stage of the plant of the stage of the plant of the pl

Black, Blue and Green Roses. Roses will be as large cublange heads. Vi-dets will grow to the size of occ. A paney will be as large in diameter as a sunflower continy ugo the paney measured but laif as inche sortenface. There will be black, blue and green roses. It we locate the sunflower in any color and to transfer perflume of a secuted flower to another which is odon

rw Drugs will be Swallowed or taken into the stoems of needed for the direct restations of that organ has considered by the state of the stoems of the stoems of City to those regime through the skin and fields. The form of the state of the stoems of the state of the to the catation skin of the loady. Microcopes will be the vital organs, through the living flesh, of men a side. The living loady will to all moderal purposes saids. The living loady will to all moderal purposes saids are a living, throbbing heart inside the Chest, will be able to mangify and photograph any part of till be able to mangify and photograph any part of Taking a leaf out of Mr Watkins' book, we decided to write our own list of predictions. However, ours is focused on what one particular technology may look like in the next 5 years or so: contract lifecycle management software. In researching this topic, we've reviewed Gartner's well-analyzed and highly regarded CLM Maturity Model.

First, we'll consider features that CLM systems are likely to have within the next 5-10 years (certain systems already have some of these features). Then we'll consider concepts relevant to future CLM systems, and some of the practices and processes that may become commonplace in CLM over that span.



O1 Features that CLM systems are likely to have in the future

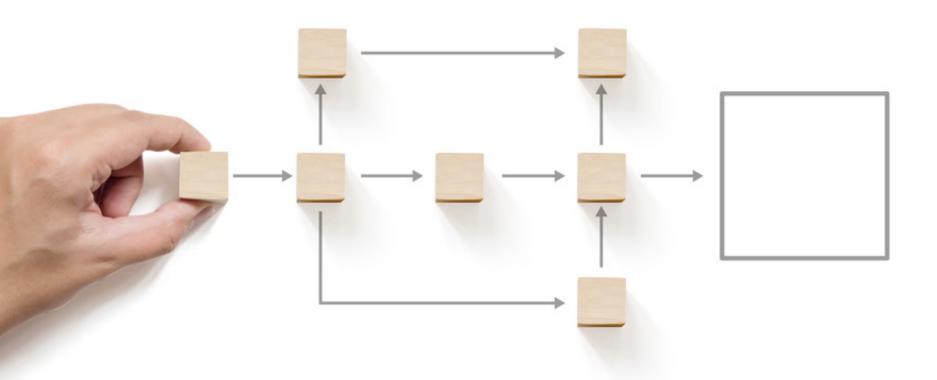
- 1. The legal department will not spend as much time drafting/preparing contracts after a request is made for them to do so by a particular department in their company. This is because the process of constructing such contracts will be mostly automated. The organization has standard terms and conditions for 95%+ of situations. Those in the department negotiating the contract will be able to fill in a questionnaire to describe the particular situation for the contract and one with all the correct terms will be produced automatically.
- 2. All contracts coming in and out of an organization will be analyzed through an automated data capturing screening process so that all variances in clauses are noted and any contract that is written in a non-standard approved form will be flagged. This information will be captured and available for review on a dashboard in the CLM system.



- 3. The CLM system will have an embedded risk/value assessment function so that all impending and live contracts will be continually rated for their apparent risk and potential value. This information will be available for viewing on a dashboard in the CLM system and can be used for making strategic decisions about the relevant contracts.
- 4. The CLM system will be paperless across the full life cycle. It will guide its users by prompting them to certain tasks and have an automated workflow for contract processes that involve a series of contracts or documents. The system will also guide its users on price by comparing prices paid for similar contracts. It will do this by inputting and analyzing other information that may relate to price from other software systems such as those for supply chain management which monitor commodity value and pricing.
- 5. Written and oral negotiation and redlining will all be captured within the one place and the system will make it easy for the context of a comment or redline to be understood e.g. it will be easy to decipher to which part or version of the contract a comment or redline relates through intuitive user interface design. There will be an ability to comment publicly or privately to only specific users. CLM systems will have an IM function and also the ability to capture oral comments and/or discussions about particular contractual comments. The CLM workflow capabilities will extend to alerting and guiding counter parties and in so doing will solve any problems with version control.

The CLM system will be paperless across the full life cycle.

- 6. Approvals will be easy and take next to no time to obtain. Once negotiation for a contract is complete the CLM system will guide the approvals process and automatically prompt those with the required authorities to provide their approval making this process as seamless as possible and it will be accessible on a mobile device.
- 7. The CLM system will be fully integrated with other organizational software such as CRM, ERP and Supply Chain Management (SCM) and all relevant information will be fed between systems dynamically.



O2 Future terms/concepts in CLM systems software

What are the terms that are likely to be used in the next 5-10 years time in the context of CLM systems? Let's outline a few based on Gartner's CLM Maturity Model - and we'll throw in one or two of our own predictions, too.

- 1. **Predictive Agreement** Data will be captured, analyzed and synthesized in real-time to provide suggested options for arriving at an agreement for contractual terms, such as price, while in negotiation.
- 2. Predictive compliance CLM systems will collect data and analyze trends across the organization to anticipate and address compliance risks (i.e., compliance will become less reactive).

For example, a system could determine a particular contract manager's workload was too high and redistribute workflow to reduce risk of error. An option would be available for making compliance metrics visible to stakeholders.



CLM systems will be connected to and assess data from social media streams about issues related to an organization's contracts, vendors and customers so this information could be considered in relation to compliance strategy. Also, alerts for contractual obligations will be sent to relevant people at appropriate times to assist with compliance.

- 3. Interdependent amendment guidance If an amendment is made to a contract, negotiators will be alerted to how this will affect interdependent terms in the same contract or related contracts. If there are any issues that need to be addressed, negotiators will be prompted on the steps required.
- 4. Contextualized predictive dispute monitoring If a dispute arises in relation to a contract, the CLM system will capture data about this dispute and details of how resolution is sought and achieved so this data may be leveraged for future disputes and faster dispute resolution.
- 5. Automatically triggered auditing Audits will be automatically triggered by certain events and at certain points in time for better quality control. A CLM system could automatically assess real-time collected data and provide reports about contractual metrics that are determined relevant.

CLM systems will be connected to and assess data from social media streams about issues related to an organization's contracts, vendors and customers

6. Cross system analytics - Reports can be created from not only data and analytics residing in the CLM system, but reports can also integrate data and analytics from other systems such as ERPs and CRMs. Such analytics allow for things such as Predictive Revenue Modeling and Automated Modeling and tuning of Service Level Agreements.

Predicting future revenue will allow for decisions involving things such as the purchase of goods and services to be made with this information and presumably allow for better business outcomes. Terms of Service Legal Agreements could also be amended with this future revenue modeling information and the CLM system could be set up to automate this process.



O3 The future of the contract management practice in relation to CLM software

Now, let's consider some characteristics that contract management practices and processes will have in the future in relation to contract management software (also known as CLM systems or CLM software). Once again, we've developed this list after referring to Gartner's Maturity Model for CLM practice.

- 1. CLM System Policy embedded in the business all business units will use the same CLM system. All contracts relating to the entire business will be stored within this system with all relevant versions.
- 2. Contractual data and governance fully embedded within the organization's information infrastructure all Information about contracts will be fed to other relevant systems such as ERP and CRM systems. Relevant data from the CLM system will be used in making business decisions.



3. CLM software policy will be entirely integrated within the culture of the organization - organizations will have and will completely follow a formal enterprise-wide strategic negotiation and contracting plan, and all employees will utilize the full functionality of the CLM system. Executives will regularly use contractual data from CLM software to make strategic business decisions (which they can visualize either by reports generated by the system, or the system will inform them dynamically - for instance, through pop-ups with relevant information and suggestions). For example, they may use such data to select the best vendor based on past data about obligation performance and ease of negotiation.



Conclusion

We hope you've found our predictions about the future of contract management insightful. The contract management software systems of the future will not only have new features, but will inspire new concepts and terms to be used when talking about day-to-day contract management.

The way the business world interacts with and uses contract management software and CLM systems is changing. So the field of contract management is likely to look very different only one decade from today... let alone 100 years from now.



About Mitratech

Mitratech is a proven global technology partner for corporate legal, risk & compliance, and HR professionals seeking to maximize productivity, control expense, and mitigate risk by deepening operational alignment, increasing visibility, and spurring collaboration across their organization.

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