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UNLOCKING THE VALUE OF AGREEMENT MANAGEMENT

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EXECUTIVE SUMMARY

Agreements are central to every organization, governing relationships with partners, customers, and employees. However, today, many organizations struggle to manage agreements efficiently, extract critical agreement information, and proactively control risks from agreements. These challenges can be attributed to **manual processes, disconnected workflows, poor stakeholder communication, and unclear governance - all of which can hinder business growth and productivity**. Enterprises are now waking up to this challenge as the number and complexity of agreements continue to grow, and are **seeking to simplify and automate their workflows and unlock the latent value within their agreements**.

To better understand the root causes of these challenges, we surveyed more than 1,000 business leaders across 10 countries — spanning organizations of all sizes, functions and maturities. Through this report, we present the findings from the survey, dissected by stage in the agreement lifecycle, and propose ideas for buyers and vendors alike.

Our key findings from the quantitative survey and additional qualitative interviews are below:

1. **Agreement management ineffectiveness drives significant destruction in global economic value.** Current agreement management processes are often inefficient, leading to a nearly $2 trillion loss in annual global economic value from lost productivity and revenue opportunities.

> "Our research shows that companies with disconnected agreement management workflows spend an extra 18% of time working on agreements. These inefficiencies can have a material impact on a company's productivity, employee morale, bottom line, and long-term business outcomes." – Jonathan Jones, Managing Director, Deloitte Tax LLP

2. **Value destruction is unevenly distributed across business functions.** Customer-facing functions like sales and marketing contribute to 40% of the global economic value loss, driven by missed revenue opportunities (e.g., delayed deal closures for Sales teams). In contrast, support functions represent the remaining 60% of the value loss, due to time wastage and operating costs (e.g., Procurement missing out on cost-saving opportunities).

3. **Disconnected workflows are the root cause of poor agreement management.** On average, companies with disconnected agreement management workflows spend an extra 18% of their time on agreements, attributable to process inefficiencies, technical limitations, or waiting on others. In total, these inefficiencies result in over 55 billion hours wasted globally per year.

4. **Four critical capabilities are essential to the next generation of agreement management solutions.** Seamless collaboration across stakeholders, AI-enabled search and analytics, up and downstream process integrations with applications and databases, and persona-based workflows are opportunity areas that solution providers should prioritize to address the most pressing agreement management needs. In fact, 2 out of 5 companies are looking for solutions with smarter capabilities, and more than half plan to increase spending on agreement management solutions over the next three years.

5. **Technology is just one part of the solution.** Organizations should take a holistic approach to agreement management, which includes considering company goals, designing appropriate governance with clear roles, and gathering and executing on agreement insights to create favorable business outcomes. In fact, improvements in agreement management processes can drive more value from technology solutions - and vice versa.

BREADTH OF THE STUDY

Deloitte and Docusign surveyed technology and business leaders involved in agreement management to better understand the challenges and opportunities across the market. The study explored a range of topics, including pain points, purchase criteria, functional value drivers, and solution considerations across the contract and agreement lifecycle.

We surveyed over 1,000 technology and business leaders spanning ten countries across the Americas (US, Canada, Mexico, and Brazil), EMEA (UK, France, and Germany), and APAC (Singapore, Japan, and Australia). We also conducted interviews with an additional 17 technology and business leaders involved across the agreement lifecycle to supplement the survey data. The survey respondents represent a range of industries, functions, job levels, and company sizes (Figures 1-4). We also conducted extensive secondary research across public and proprietary data to enhance and validate key findings from our study.

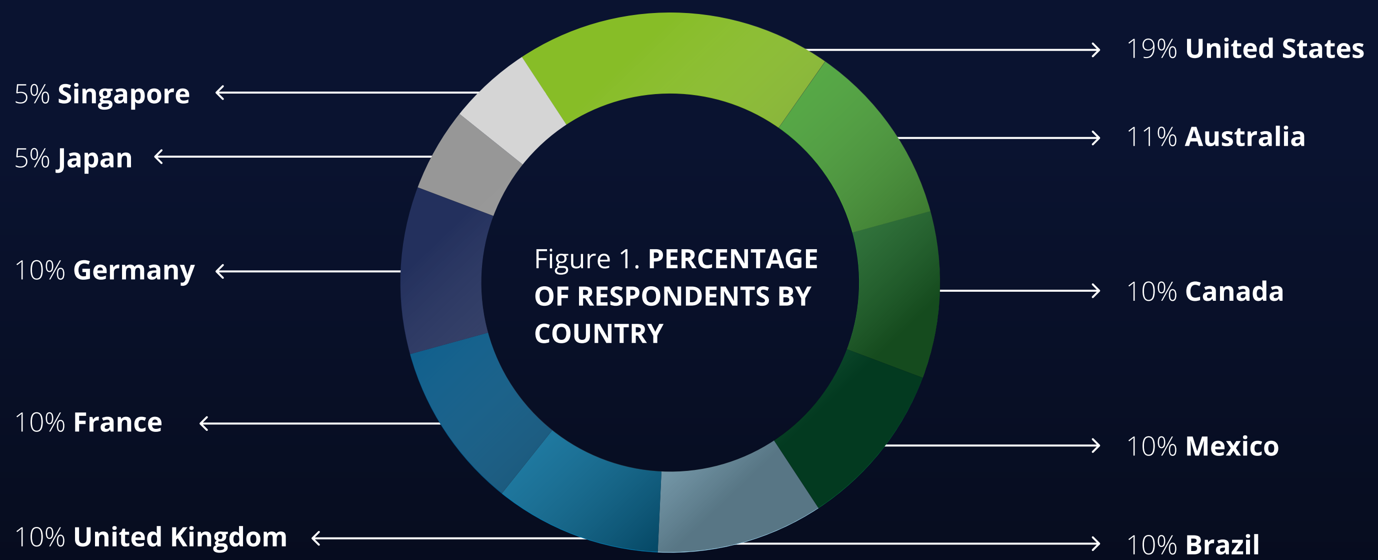


Figure 1. **PERCENTAGE OF RESPONDENTS BY COUNTRY**

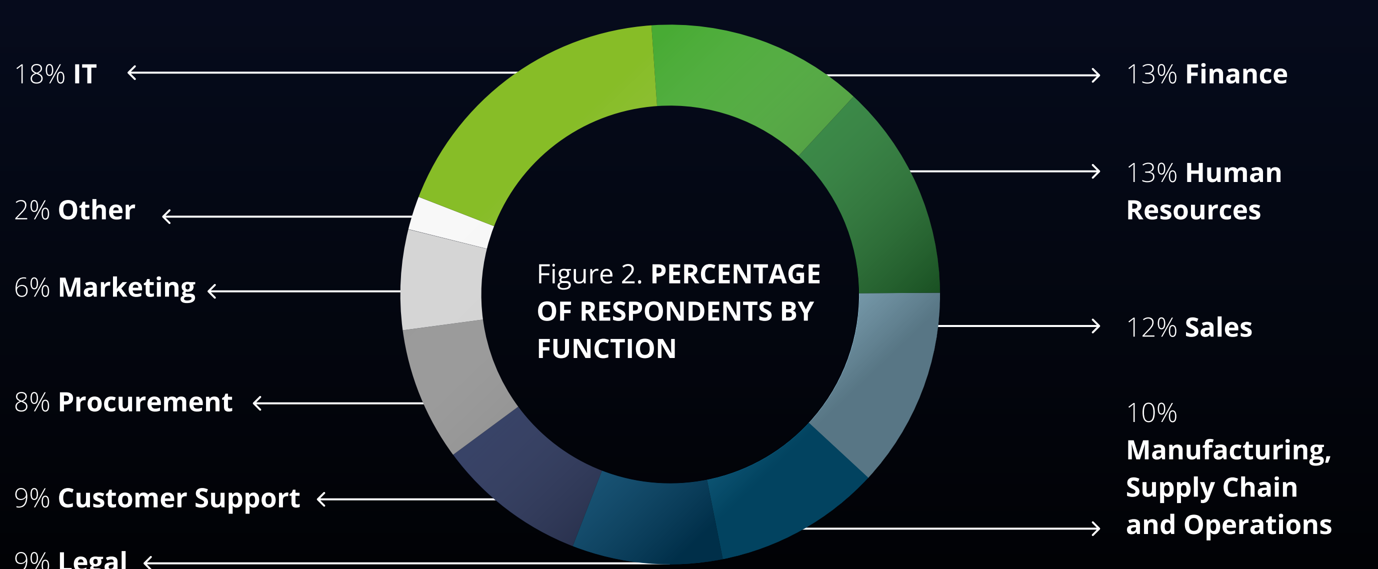


Figure 2. **PERCENTAGE OF RESPONDENTS BY FUNCTION**

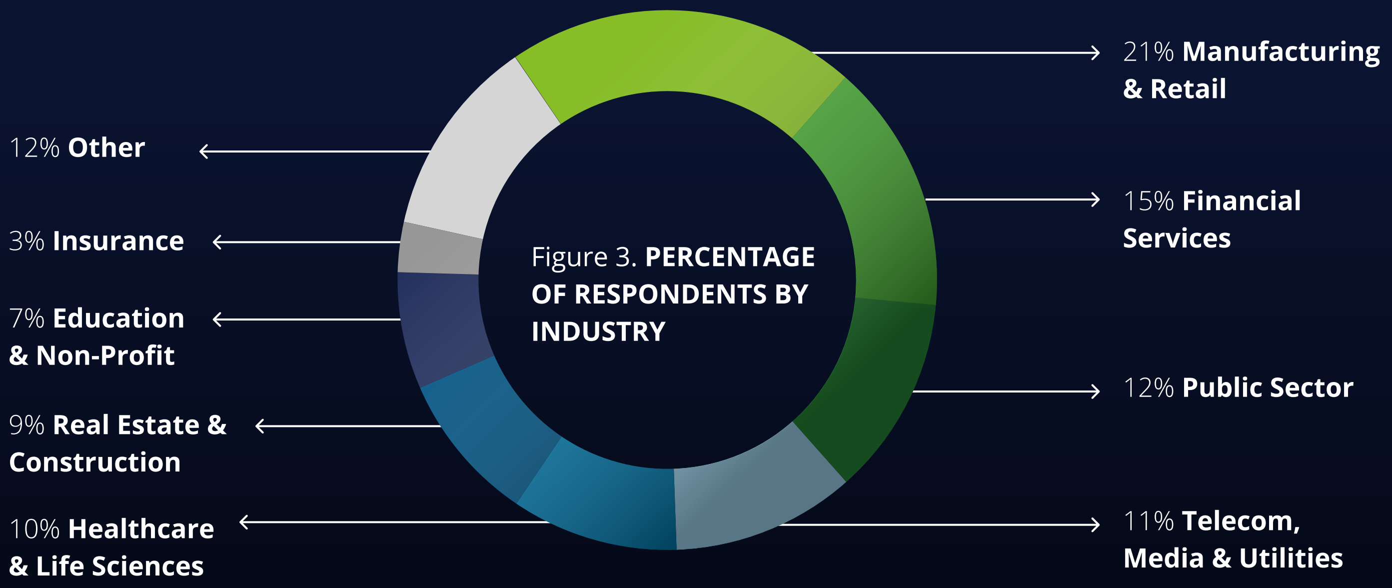
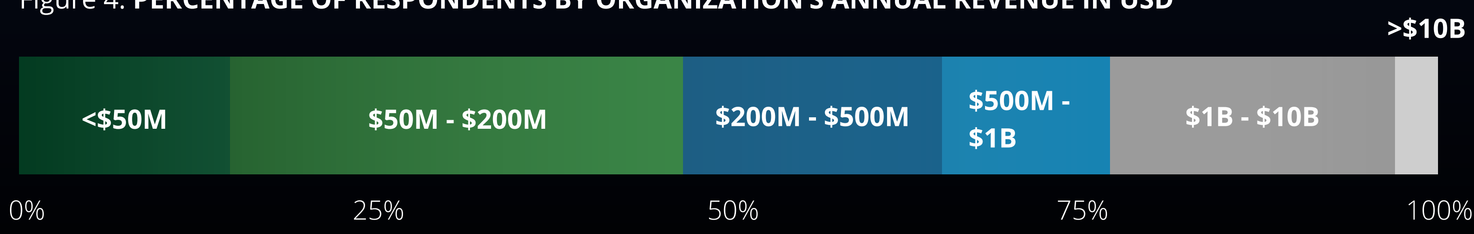


Figure 3. **PERCENTAGE OF RESPONDENTS BY INDUSTRY**

Figure 4. **PERCENTAGE OF RESPONDENTS BY ORGANIZATION'S ANNUAL REVENUE IN USD**



62% of survey respondents held Director-level or higher positions, and every survey respondent represented companies with at least $25M in annual revenue and at least 125 employees. Respondents also self-identified the maturity level of their agreement management workflows. For example, 46% of respondents self-reported that they use advanced, digitized workflows. **The result was a representative dataset - across countries, industries, business functions, technical familiarity, technical maturity, and contract volumes**.

In addition, and based on our research, we believe the traditional definition of contract lifecycle management - the administration of a contract's lifecycle, from initiation through inventorying - has largely been reserved for highly-negotiated contracts, and not for an organization's broader set of agreements (e.g., purchase orders, vendor renewals). Processes for the complete set of agreements have traditionally been difficult to scale due to technology limitations and adoption complexities. However, businesses require the ability to analyze risks, understand redline implications, establish governance, and execute actions across all their agreements to focus on what matters most - delivering business outcomes. Further, contract management is often regarded as a legal activity, but when executed properly, can unlock material benefits for other executives like CFOs and CROs. As such, this report will take a more expansive view of the contract lifecycle and introduce the term "agreement management," which represents the market for solutions and processes that collectively maximize value from all business agreements.

THE LOST OPPORTUNITY FOR ORGANIZATIONS

Based on our analysis, a staggering **$1.8T IN ANNUAL GLOBAL ECONOMIC VALUE[1] WILL BE DESTROYED TODAY DUE TO POOR AGREEMENT MANAGEMENT** worldwide, impacting companies of all sizes and industries (Figure 5).

Figure 5. **GLOBAL ECONOMIC VALUE LOST DUE TO POOR AGREEMENT MANAGEMENT, 2025 & 2030**

[1]Global economic value is the sum total of benefits that an organization can capture from a business decision, which can include revenue growth (from higher pricing or more sales), costs reduction (including fixed and variable costs), or productivity increases (from hours saved).

Agreements are fundamental to every function, organization, and industry. Still, executing agreements is often complex, involving multiple reviews, sign-offs, stakeholders, and technology platforms. Given the importance and complexity of agreements, companies frequently encounter challenges in developing and processing them efficiently, resulting in lost time and productivity. For example, every organization has experienced abandonment during account onboarding from confusing agreement processes, deals slipping into the next quarter due to negotiation delays, or frustration from vendors from having to sign multiple documents. Each contributes to economic value destruction - much of it avoidable.

Generally, agreement inefficiencies can create two sources of economic value destruction:

- **Loss of Productivity and Increased Costs**: Agreement processes are often inundated with manual and disconnected workflows, leading to additional complexity, mistakes, and wasted time. For instance, agreements can be scattered across numerous systems, making it difficult for Legal teams to track and review agreements and obligations. In reality, productivity losses are equivalent to opportunity costs or increased operating costs (e.g., salaries, penalties, etc.).

- **Loss of Revenue**: Inefficient agreement management also inevitably leads to contracting delays, which can delay deal closing, quota retirement, and revenue recognition.

These losses manifest as pain points across the lifecycle, with lost productivity contributing ~$1T and lost revenue contributing ~$800B in value destruction. However, this destruction is unevenly distributed. Every function, industry, and organization will experience this loss in ways unique to their business model, workflows, applications, roles, and contract volume.

ORGANIZATION NEEDS & PAIN POINTS

Companies with disconnected agreement management workflows spend an extra 18% of their time working on agreements, leading to an average of 16 additional hours spent on the agreement lifecycle. These hours are wasted for various reasons, including process inefficiencies (e.g., redundant data entry), technical limitations (e.g., version control issues), or waiting on others (e.g., delayed signature receipts). However, the magnitude of the time loss (and reasons for it) varies by stage in the lifecycle, of which there are five[2] (Figure 6).

Considering the number of agreements processed in any year, these pain points and their corresponding time loss can significantly impact the bottom line. These seemingly small, stage-by-stage losses add up rapidly. On average, companies worldwide waste 190K hours annually from disconnected agreement management workflows - or an incredible 55B hours globally, contributing to the $1.8T of economic value destruction.

[2]There are multiple representations of the agreement or contract lifecycle - from 3 stages to 6 stages and 10 stages. For the purposes of this analysis, we chose to represent the agreement lifecycle across 5 stages that best represented the thesis of this report.

Figure 6. **AGREEMENT LIFECYCLE AND TOP PAIN POINTS**

01 INITIATE

DEFINITION: Align on the need for an agreement, determine the type of contract required, and identify previously approved contracts to emulate

TOP PAIN POINTS:
62% struggle to locate and access previously approved contracts

61% experience delays in assigning ownership and aligning cross-functional support for an agreement

% EFFICIENCY GAINS 26%

02 DEVELOP

DEFINITION: Draft contract with internal stakeholders, incorporate edits, conduct risk assessments, and finalize draft to share

TOP PAIN POINTS:
50% face tedious, inefficient, and repetitive legal and compliance approval processes

45% input data manually into contracts when that data already exists in other systems (e.g., lack of automation, mistrust in data quality, etc.)

% EFFICIENCY GAINS 17%

03 SIGN

DEFINITION: Share draft with counterparties to negotiate terms, respond to redlines, and track signatures

TOP PAIN POINTS:
52% wait for identity and notary verification, introducing deal closure risk

49% experience multiple delays in obtaining the correct signatures in the proper order

% EFFICIENCY GAINS 10%

CROSS LIFECYCLE STAGE

04 INVENTORY[3]

DEFINITION: Store signed agreements and critical metadata in a secure repository, key the latest versions, and provide access to approved stakeholders

TOP PAIN POINTS:
54% copy contract data into downstream systems manually
49% believe they spend too much time searching for executed agreements

% EFFICIENCY GAINS 22%

CROSS LIFECYCLE STAGE

05 ANALYZE[3]

DEFINITION: Track agreement intelligence such as key terms, deadlines, renewal dates, obligations, etc., and take actions based on the insights

TOP PAIN POINTS:
54% lack the tools to automate tracking & analytics, manually analyzing the data properly
50% aggregate their contracts' data before analyzing due to fragmented data storage

% EFFICIENCY GAINS 19%

[3]The Inventory and Analyze activities occur across the lifecycle, but have been categorized into two stages given greater focus toward the end of the lifecycle.

REGIONAL VARIATIONS IN VALUE DESTRUCTION

Companies across the world experience these challenges differently due to regional nuances. For example, research shows that Asia Pacific organizations prefer extensive in-person negotiations[4], leading to longer delays in the Sign stage. In contrast, European organizations must navigate various jurisdiction-specific terms and languages[5], leading to similarly large delays in the Analysis stage.

North America[6]
North American organizations process agreements 8% faster than the global average, primarily driven by higher digital maturity. For example, 46% reported using a suite of tools like e-Signature, CLM, or contract repositories, compared to the other regions' 38%. As a result, these businesses collaborate faster than their global counterparts, spending 3 hours less per agreement on the Initiate and Develop stages. However, they allocate more time to the Sign stage due to more pervasive legal and risk mitigation practices. In fact, 1 out of 3 North American deals get delayed by lengthy legal approvals, compared to 1 out of 4 for other regions.

Latin America (LATAM)[7]
Organizations in Latin America process agreements 18% faster than the global average, completing the iteration-heavy Develop and Sign stages ~6 hours faster. This speed is likely attributed to fewer legal approvals, given this region's developing judicial processes[8] and lower levels of formal risk mitigation. Indeed, these respondents reported the lowest percentage of deals delayed by legal approvals - just 19% - compared to 28% in other regions. The Director of Supply Chain at an international grocery retailer cited that "LATAM organizations' risk appetites are significantly larger than that of the other regions', and the region tends to be more flexible and willing to make the deal happen."

LATAM's relationship-first approach to business[9] also likely accelerates an agreement's lifecycle, where a deal may be informally agreed to before formal initiation. Conversely, roughly half of Latin American respondents characterized their processes as unstructured or unstandardized, compared to 42% in other regions.

Europe, Middle East & Africa (EMEA)[10]
With among the most complex regulatory landscapes[5], organizations in EMEA process agreements the slowest among the four regions in consideration, with a 19% longer lifecycle than the global average. These respondents reported particularly long analytics workflows, spending an additional 8 hours on average per agreement vs. the global average. This is likely due to the lower adoption rates of agreement management tools (35% vs North America's 46%) and the complex multilingual and multi-jurisdiction nature of contracts. As a result, 55% of respondents reported feeling overwhelmed by the diversity and complexity of their agreements vs. 46% for the rest of the world.

Asia Pacific (APAC)[11]
As relatively recent adopters of agreement management solutions (with a current tool adoption rate of 35% vs. North America's 46%), APAC organizations process agreements 6% slower than the global average, likely due to their formal and multi-layered approach to agreements (e.g., multi-staged face-to-face negotiations). Consequently, the Develop and Sign stages represent over half the time across their agreements' lifecycle, reflecting common practices like a bias for organizational hierarchy[4]. 40% of APAC respondents reported delays from manual, inefficient processes in these stages compared to 32% in other regions. These culture-specific approaches to agreements equate to an additional ~5 hours per agreement spent compared to the global average, or ~7 hours if compared to the North American lifecycle. The same executive at the grocery retailer mentioned that "Organizations in APAC typically use a layered and hierarchical approach to sign-offs, elongating the agreement process."

[4] *Qualitative interviews; Idea International: Negotiating in the APAC Region*
[5] *Qualitative interviews; World Bank Group: Doing Business 2020 Annual Report*

Despite these regional nuances, companies across regions feel the impact of manual agreement management workflows similarly.

Instead, our research indicates that these challenges are more frequently driven by organizational challenges than geographic location (Figure 7).

Figure 7. **LOST OPPORTUNITY BY REGION AND REGIONAL NUANCES**

REGION	NORTH AMERICA	LATIN AMERICA	EMEA	APAC
2025 LOST OPPORTUNITY	**$530B - $650B** ~33% of the total	**$140B - $170B** ~9% of the total	**$430B - $520B** ~27% of the total	**$500B - $610B** ~31% of the total
REGIONAL NUANCES	High adoption rates of digital solutions Robust legal frameworks & systems	Nascent legal frameworks & infrastructure Informality of agreement workflows	High degree of regulation Multi-jurisdiction & multilingual nature of deals	Hierarchical collaboration workflows and reliance on in-person negotiations Low adoption of digital solutions

[6]Surveyed countries include the United States and Canada.
[7]Surveyed countries include Mexico and Brazil.
[8]Qualitative interviews; World Bank Group: Doing Business 2020 Annual Report; Yale Journal of International Affairs: Targeted Legal Reforms in Latin
[9]Global Negotiator: Doing Business in Latin America
[10]Surveyed countries include the United Kingdom, France, and Germany.
[11]Surveyed countries include Japan, Singapore, and Australia.

VALUE DESTRUCTION BY FUNCTION

As with regional differences, we also see unique challenges across the agreement lifecycle within individual functions. For example, Sales and Marketing are customer-facing functions, and as such, delays and time wasted in managing agreements impact their ability to generate and close leads. In contrast, supporting functions such as procurement and legal face higher labor and operating costs due to productivity loss, and delayed receipts of goods or short-term penalties can impact working capital management (Figure 8).

In addition, these challenges compound with the increasing complexity and volume of agreements, leading to laborious agreement management processes. For instance, vendors often use their own templates as a starting point for an agreement. This seemingly simple choice creates various challenges, as organizations must extensively review and negotiate terms, and conduct risk assessments to limit exposure.

Further, digitization has made creating and sending agreements easier than ever. A major healthcare provider saw a ~40% increase in agreement volume in the past year, primarily driven by smaller-dollar agreements.

Our survey dug further into the unique challenges individual functions face (Figure 9). The results indicated that, on the revenue side alone, organizations can expect to lose ~$800B in global economic value from missed opportunities to reach and sell to customers. Similarly, challenges with agreement management destroy $1T in global economic value from lost productivity and increased operating costs.

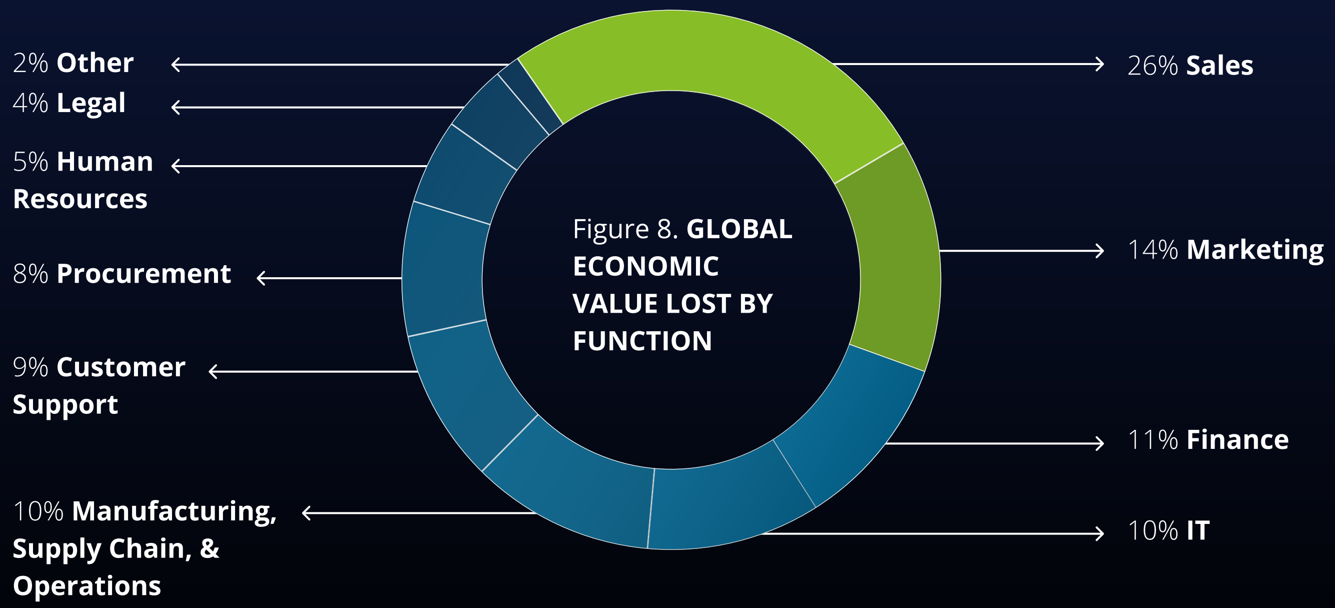


Figure 8. **GLOBAL ECONOMIC VALUE LOST BY FUNCTION**

Figure 9. **SELECTED IMPACT BY FUNCTION**

Sales	Marketing
Accelerate deal velocity and build stronger customer relationships to drive revenue growth.	**Launch timely campaigns to improve brand visibility and customer engagement.**
Potential delay in deal closure and revenue realization due to slower contracting and negotiation. Contracting inefficiencies can result in **$1.5M** in missed revenue per company on average.	**Fewer marketing campaigns,** as teams spend more time managing agreements over launching campaigns. On average, agreement challenges impact **$800K** in revenue opportunities per company.
Lower up-sell and cross-sell opportunities (e.g., renewals) due to impacts on customer relationships. **48%** reported their customer relationships deteriorated significantly due to agreement delays.	**Delayed marketing campaigns** due to challenges in efficiently handling partnership and service agreements. **63%** of Marketing respondents reported losing track of critical contracts, milestones, and conditions.

Finance

Recognize revenue and manage operating and capital expenditures.

Deferred revenue recognition impacting financial reporting and forecasting due to contracting delays.

On average, **21%** of revenue is deferred to the next reporting period.

Higher risk of increased agreement costs, driven by agreement non-compliance fines and penalties.

For non-compliant agreements, respondents reported paying penalties equivalent to **14%** of the total contract value, on average.

IT

Facilitate integrations and upgrades to ensure reliability, scale, and security across IT infrastructure.

Delayed adoption of business-critical technology due to slower onboarding for vendors.

60% of respondents reported experiencing delayed project timelines due to unavailable software licenses.

Higher risk of vendor redundancies, driven by poor visibility into vendor performance.

55% of respondents reported lacking the tools to perform vendor assessments and track compliance and performance.

Manufacturing, Supply Chain & Operations

Ensure uninterrupted production and timely delivery of goods across the supply chain.

Disrupted manufacturing schedules, driven by extended lead times for essential materials.

49% reported deteriorating partner and customer relationships due to contracting delays.

Increased risk of higher production costs due to missed volume discounts and opportunities to renegotiate terms.

51% reported struggling to maximize the value of contracts due to limited visibility into agreement terms.

Customer Support

Reduce customer churn and abandonment in the sales funnel to improve customer satisfaction and conversion.

More time spent answering agreement-related inquiries due to customer challenges with agreement workflows.

80% of respondents reported spending more time answering agreement-related rather than product-related questions.

Higher probability of abandonment across the customer journey, driven by unclear and complex agreement processes in the purchase funnel.

66% of respondents reported inefficient agreement workflows as a driver for negative customer satisfaction.

Procurement

Optimize vendor selection, onboarding, costing, and management.

Increased risk of unfavorable agreement terms and conditions due to poor preparedness for vendor negotiations.

56% of respondents reported struggling to find the latest approved vendor terms and rate cards to use, resulting in overpayments.

Missed opportunities for renegotiation and cost savings, driven by Procurement teams needing help to track and analyze prior purchasing agreements.

On average, procurement teams could save **>$1M** a year from missed contractual incentives.

Human Resources

Hire candidates faster and boost employee satisfaction and retention.

Delayed employee headcount growth and understaffed teams, driven by delayed employment agreement reviews and offers.

57% of respondents reported missing out on preferred talent due to agreement delays.

Increased workloads and pressure for current employees, driven by talent acquisition-related delays and shortcomings.

69% of respondents reported increased burnout and attrition due to the hiring burden created by agreement delays.

Legal

Review and edit agreements to comply with internal policies and regulations to reduce risk exposure.

Heightened exposure to financial penalties and reputational damage, driven by the potential increase in future risk and compliance incidents.

Respondents reported an average of **22** major agreement compliance incidents in the last year.

Increased backlog of agreements for Legal to draft and review.

61% of Legal respondents reported strained cross-functional relationships due to delays in approving agreements.

Organizations today have adopted various agreement management technologies to mitigate these impacts, ranging from point solutions (e.g., remote notarization) to tools that span larger portions of the agreement lifecycle (e.g., CLM). However, organizations continue to rely on manual workarounds, compounding productivity losses over time. For example, a major healthcare provider mentioned manually transferring data from their IT ticketing system to their contract management solution for every agreement request - an avoidable problem.

Another interview uncovered that a major sports entertainment organization preferred to conduct negotiations via email exchanges, citing “portal fatigue” from the added steps and time to upload agreements but subsequently necessitating counterparties to log in to a portal for access - another avoidable workflow. Manual workarounds are also prevalent after execution; a global technology organization highlighted how they habitually rely on IT to manually extract agreement metadata, which they described as “time-consuming, arduous, and not always accurate.”

The ubiquitous need for manual fixes underscores the pressing obligation for solution providers to enhance workflows, integrations, data consistency, and overall trust.

THE FUTURE OF AGREEMENT MANAGEMENT

To truly meet the evolving needs of organizations and empower them to collaborate more effectively with counterparties, mitigate agreement risks, and leverage actionable agreement insights, we identified five critical opportunity areas that agreement management solution vendors must prioritize to address pressing agreement management pain points.

Seamless collaboration - About 40% of respondents report needing more collaboration tools and capabilities, the lack of which results in delays and re-work. Further, an agreement can undergo 15+ handoffs internally before any counterparty negotiation, wasting over two hours per agreement just from waiting on others. As a result, organizations are actively seeking tools and features to accelerate collaboration (e.g., legal-approved clause verification) and negotiation (e.g., AI-driven agreement summarization and redlining[12]).

Dynamic search and analytics - Only 36% of respondents reported using intelligent contract analytics tools, and an even lower 31% reported using a centralized, searchable contract repository. This indicates that organizations often treat contracts as static documents post-signature. Meanwhile, over 40% of respondents missed opportunities to either capitalize on growth (e.g., renewal) or cost (e.g., volume discounts) due to their inability to extract value from agreement metadata. Companies are now seeking smarter search, reporting, and analytics capabilities to help turn static flat files into actionable intelligence.

Out-of-the-box (OOTB) integrations - 54% of respondents cited manually entering agreement data into downstream systems. Instead, organizations want OOTB solutions that can integrate with their infrastructure and workflows with minimal setup. For example, a respondent cited "ease of implementation, integration with our existing systems, and easy customization" as winning features. Agreement management solutions must adapt to a customer's tech stack, minimizing IT integration and management overhead.

Persona-specific workflows - Roughly 50% of respondents feel overwhelmed with managing the volume and complexity of their agreements. Organizations cite solution challenges such as high complexity and barriers to adoption, forcing them to resort to manual workarounds like data transfers between applications or manual notifications (e.g., agreement updates) to bridge the gap. The next generation of agreement management tools and processes must empower different user groups to simplify and personalize agreement workflows (e.g., sales agreements that auto-populate with the latest data from CRMs, adaptive agreement routing, automated clause drafting, or low-code/no-code workflow customizations).

Adoption of current-generation capabilities - Finally, to continue to drive customer adoption, providers must address adoption blockers. Based on multiple interviews, customers mentioned how they are often challenged by gaps in workflow efficiency (e.g., rules-based automation, real time reporting/visibility), data security (e.g., masking of confidential client/customer data, HIPAA compliance), and governance (e.g., access controls, audit trails, ethical AI usage frameworks).

[12]AI-driven redlining is the incorporation of Machine Learning and Generative AI capabilities into the traditionally manual redlining process during negotiations, automating the identification, tagging, and classification of edits in contract revisions

The next generation of agreement management solutions must satisfy the needs of three personas in the lifecycle: Buyers, Process Builders, and End Users. Buyers typically struggle to measure ROI and rely instead on heuristic indicators to measure value. For example, the Legal Director at a major sports entertainment organization said, “We don’t have any formal KPIs - it’s about making sure we are agile and responding fast to inquiries.”

Process Builders are the developers of the agreement world and struggle to self-serve through current solutions. A leading travel technology organization cited reliance on third parties to deliver system upgrades or workflow modifications (e.g., additional approval chains) as a critical factor for eliminating several agreement management solutions from their shortlist.

End users place a premium on productivity gains from agreement management solutions to unlock more time for their primary responsibilities (e.g., salespeople spending time in the market). A Sales leader at a B2B technology company said, “We are almost always in Salesforce; we chose our agreement management solution simply because of the Salesforce integration and how it saves time with transferring information into agreements.”

Below, we explore the benefits each persona can gain by adopting a next-generation agreement management solution and identify specific capabilities they specifically called out in our survey (Figure 10).

Figure 10. **NEXT-GENERATION AGREEMENT MANAGEMENT SOLUTION CAPABILITIES BY PERSONA**

	HOW DOES NEXT-GENERATION AGREEMENT MANAGEMENT BENEFIT ME?	**MOST DESIRED NEXT-GENERATION SOLUTION CAPABILITIES**
BUYER / DECISION MAKER	I gain valuable insight into my function's performance that enables me to effectively measure and track the value my function gains from an agreement management solution	• 56%: Advanced Collaboration & Negotiation Tools (e.g., Automated Redline Suggestions) • 52%: AI-enabled Agreement Intelligence • 52%: Integrations with Common Business Apps • 49%: Dynamic Agreement Risk Scoring • 49%: Smart Agreement Repositories
PROCESS BUILDER	I can design, implement, and enhance agreement workflows more effectively with minimal complexity through no-code / low-code workflow builders and OOTB integrations with common business apps	• 63%: Integrations with Common Business Apps • 55%: Agreement Data & Identity Verification • 53%: Automated Agreement Routing • 52%: Agreements with AI-generated Fillable Fields (e.g., W-4 form, loan application) • 48%: No-code / low-code Customized Workflow Builder
END USER	I can draft, iterate, and manage my agreements with minimal manual effort and risk exposure, unlocking more time to spend on the core aspects of my job (e.g., selling)	• 63%: Dynamic Agreement Risk Scoring • 60%: Agreement Data & Identity Verification • 58%: Smart Agreement Repositories • 51%: Automated Clause Checks / Approvals • 49%: Integrations with Common Business Apps

While technical capabilities - when properly integrated and instrumented - can unlock tremendous value, organizations we interviewed shared several other non-technical challenges that hinder adoption and value realization.

Respondents reported that governance (e.g., poorly defined roles) and waiting on others (e.g., review delays) account for a staggering 67% of agreement productivity losses. Organizations should adopt a holistic approach - beyond technology - to fully realize the value of new solutions and unlock the latent value within agreements. This approach often encompasses strategy, process engineering, governance, training, and change management.

THE BUSINESS VALUE OF INTELLIGENT WORKFLOWS

While most organizations (92%) use one or more agreement management solutions, most do not measure, track, or report their usage value. As the Head of Strategic Sourcing at a global marketplace organization said, “I report on three main goals - savings, spend under management, and number of contracts and projects. It’s hard to quantify the value of technology we are using.” Without proper ways to measure ROI, businesses often overlook that agreement management solutions can unlock meaningful value.

For example, the Head of Legal Operations for a major travel organization anecdotally cited benefits such as freeing up 2,000 hours reviewing for compliance, and the VP of Procurement at a leading healthcare organization referenced a reduction in value at risk - from hundreds of millions of dollars to a few million dollars - which often go unmeasured.

In our experience, leading companies measure three types of KPIs across the agreement workflow:

Efficiency:

- Total # and value of agreement by agreement types
- Time spent by lifecycle stage and by function
- # and % of standard and non-standard terms by type
- % deviation from standard workflows
- Total # of approvers/collaborators

Performance:

- # and value of renewals by renewal type
- Early termination and auto-renewal rates
- Fulfillment rates of critical obligations
- Total value of agreement savings or penalty
- Budgeted vs. actual agreement price/value
- Total agreement value by supplier
- Supplier quality and performance (e.g., deviations in units delivered, defect rates, service metrics, and other key terms)

Risk:

- Risk-scoring by agreement and vendor
- Agreement value at risk
- Agreement non-compliance rate
- Cost of non-compliance (e.g., penalties, operational expenses, litigation costs)

The next-generation agreement management solutions will create new ways for teams to drive value through data. For example, AI-powered dashboards can show agreement activities and performance (e.g., # of agreements and upcoming renewals) over time, AI-enabled agreement intelligence can track incentives and milestones and identify patterns across agreements (e.g., pricing, payment, vendor obligations) to secure more favorable terms, and AI-driven risk assessment can improve adherence and minimize potential risk exposure.

THE PATH FORWARD

The landscape of agreement management is at an inflection point, driven by the volume of contracts, the changing needs of organizations, and the emergence of new technologies like Generative AI. As a result, and unsurprisingly, our survey revealed that more than half of respondents plan to increase their spending on agreement management solutions over the next three years. This underscores the need for vendors to continue delivering compelling value propositions and strong product vision and roadmaps.

However, technology alone will not solve every challenge. To overcome the economic value destruction today, organizations must also strengthen non-technical dimensions, including assessing organizational-level needs and goals, designing appropriate governance frameworks with clear roles, championing AI-driven self-service capabilities, and executing on actionable intelligence to drive favorable agreement outcomes. For solution vendors, this means being acutely aware of customer needs by function and persona, their unique contract structures, and major workflows while building products and services that are flexible enough to solve a range of these problems and easy enough to customize, extend, and integrate. To build on this notion, we lay out a few guiding principles for customers and vendors alike as they reimagine their agreement lifecycles (Figure 11).

While new challenges will always emerge, combining technology, data management, process optimization, governance, and risk management can help organizations make significant strides toward recapturing the economic value lost to poor agreement management.

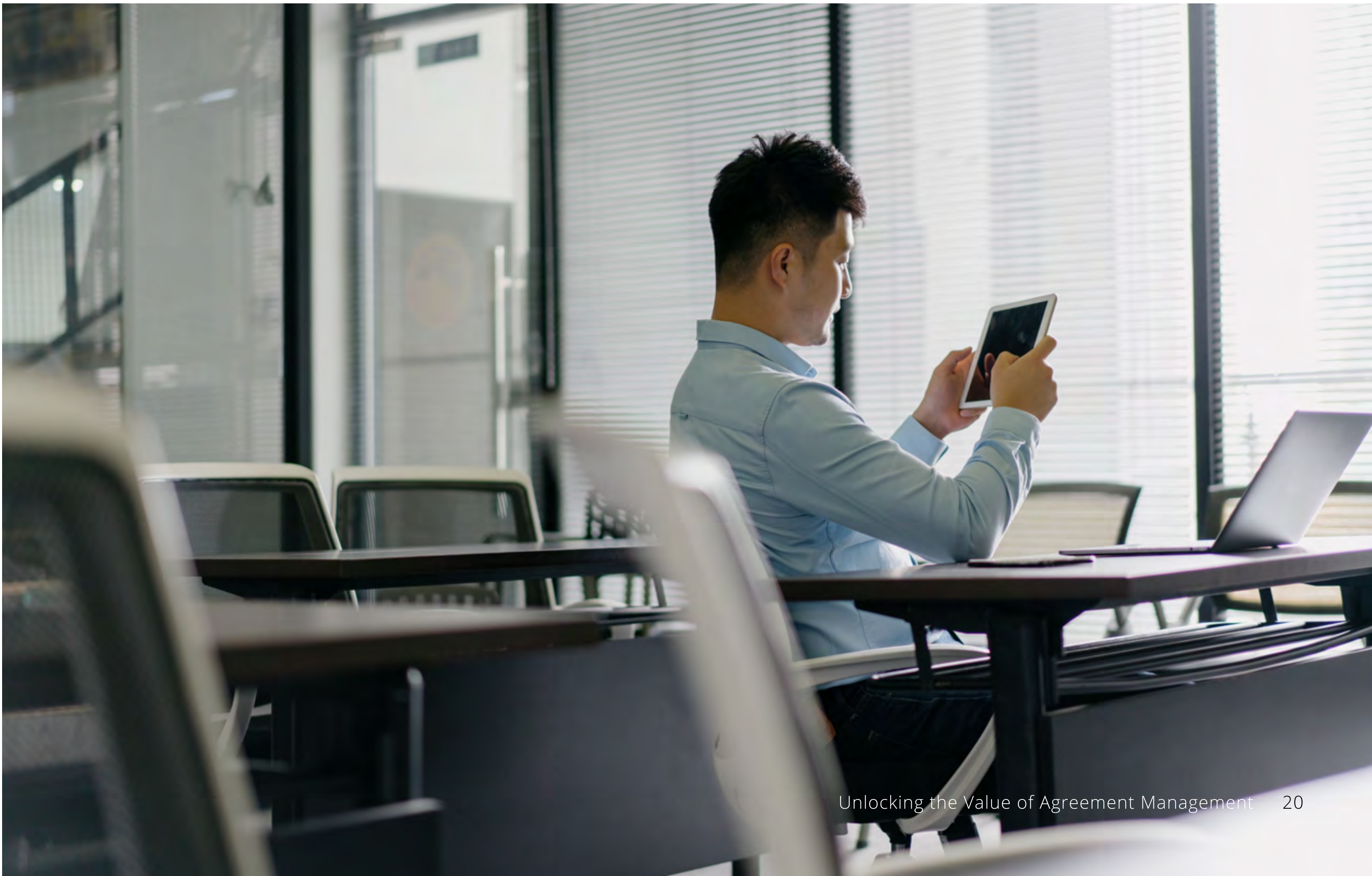


Figure 11. **GUIDING PRINCIPLES FOR AGREEMENT MANAGEMENT SOLUTION CUSTOMERS AND VENDORS**

CUSTOMER GUIDING PRINCIPLES

- **Assess agreement needs at the function level.** Conduct a top-down analysis of current agreement management maturity, common agreement types, complexities, and needs across functions to streamline processes, identify automation opportunities, and reduce cycle times.
- **Design and implement clear team roles and processes.** Formalize governance structure, roles and responsibilities, processes, and training programs across teams to unite people with technology.
- **Champion the use of self-service capabilities.** Advocate and empower users to self-serve through AI-led functionality, including smart templates and automated clause checks, to increase efficiency, accessibility, and scalability.
- **Gather and execute on agreement intelligence.** Define and track agreement KPIs and leverage AI-enabled agreement intelligence to drive actions that improve terms, capitalize on incentives and milestones, and reduce risk exposure.

VENDOR GUIDING PRINCIPLES

- **Build for a range of user personas.** Develop persona-based features targeted to functional users to deliver value on Day 1 (e.g., pre-defined templates by customer/deal type and integration with CRM systems for Sales, AI-enabled risk scoring, and supplier performance analytics for Procurement).
- **Foster a diverse ISV ecosystem.** Establish a marketplace for certified ISVs to provide technical extensions that complement core features (e.g., automated agreement archival in preferred file storage service). Equally, reverse integrate into solutions that may be target personas' primary interface (e.g., procurement systems).
- **Sustain efforts to use AI smartly and responsibly.** Commit to innovation through AI capabilities and accelerators (e.g., agreement generation, data extraction, search, summarization, reviews) to enhance productivity, but critically, with a clear ROI story.
- **Emphasize post-sale adoption and value realization.** Invest in intuitive onboarding, product communities, and formal user training to ensure that end-users get maximal value, and Buyers see a clear path to ROI.

"Enterprise leaders across companies of all regions, industries, and sizes are looking for better ways to manage their agreements while navigating market changes. To meet this moment, enterprises need to take a holistic approach to agreement management, considering elements such as technology, governance, and strategy to drive favorable outcomes." – Jonas McCormick, Principal, Deloitte Consulting LLP

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This report represents a portion of the responses captured in our study. If you are interested in a deeper dive, please contact the authors and contributors.

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ADDITIONAL BREAKDOWN OF SURVEY RESPONDENTS

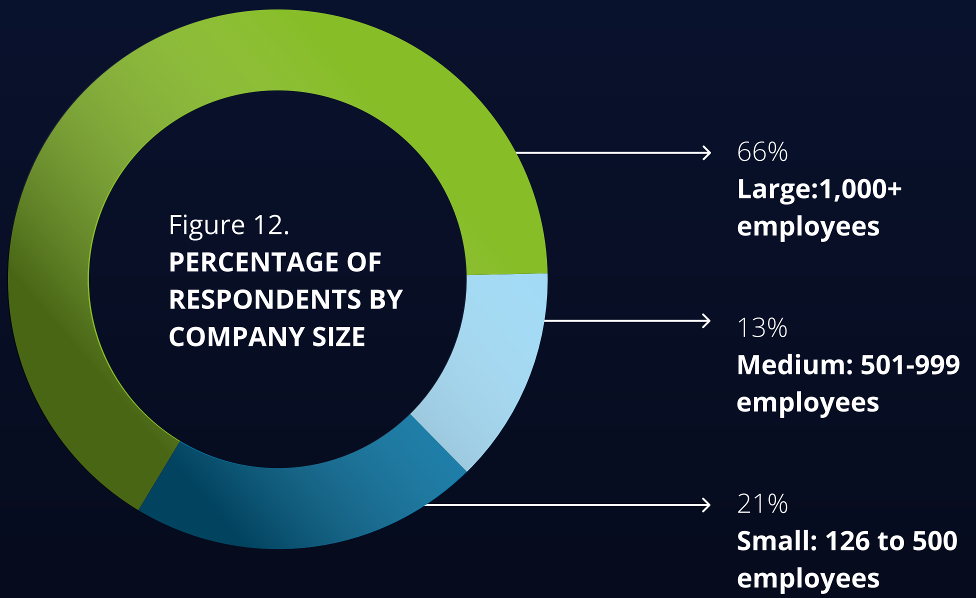

Figure 12. **PERCENTAGE OF RESPONDENTS BY COMPANY SIZE**

Figure 13. **PERCENTAGE OF RESPONDENTS BY TITLE**