Sirion

Sirion for Enterprise DX

# DRIVING DIGITAL TRANSFORMATION WITH CONTRACT DATA

INTRODUCTION

As the wave of digital transformation (DX) continues to sweep across the business world, digital technology is disrupting and transforming industry after industry. This digital revolution has achieved nothing less than changing the way global business is done.

Businesses in step with the DX are rapidly integrating digital technology enterprise-wide to fundamentally change how they operate and deliver value to their customers. These new technologies radically change operational processes, products, strategies, and customer experience. They are proven to enhance efficiency, maximize revenue growth, and reduce operational costs. Leveraging the opportunities created by the DX enables organizations to embrace innovation rather than continue to invest in outdated technologies and models.

Worldwide investment in digital transformation is massive—and steadily growing. According to IDC, global DX spending is forecasted to exceed $10 trillion over a five-year period. And a survey commissioned by KPMG found that 73% of digital transformation strategy leaders expect to maintain (27%) or increase (46%) their DX spend levels.

Many companies are engineering large-scale change campaigns to remain competitive by keeping pace with the DX. More than eight out of 10 organizations participating in a McKinsey Global Survey said they had undertaken a digital transformation in the past five years. However, prior research by McKinsey found that less than one-third of organizational transformations successfully achieve and sustain improvements in a company's performance. More recent research placed the success rate of digital transformations even lower.

What, then, are the stumbling blocks of the DX—and how can they be overcome?
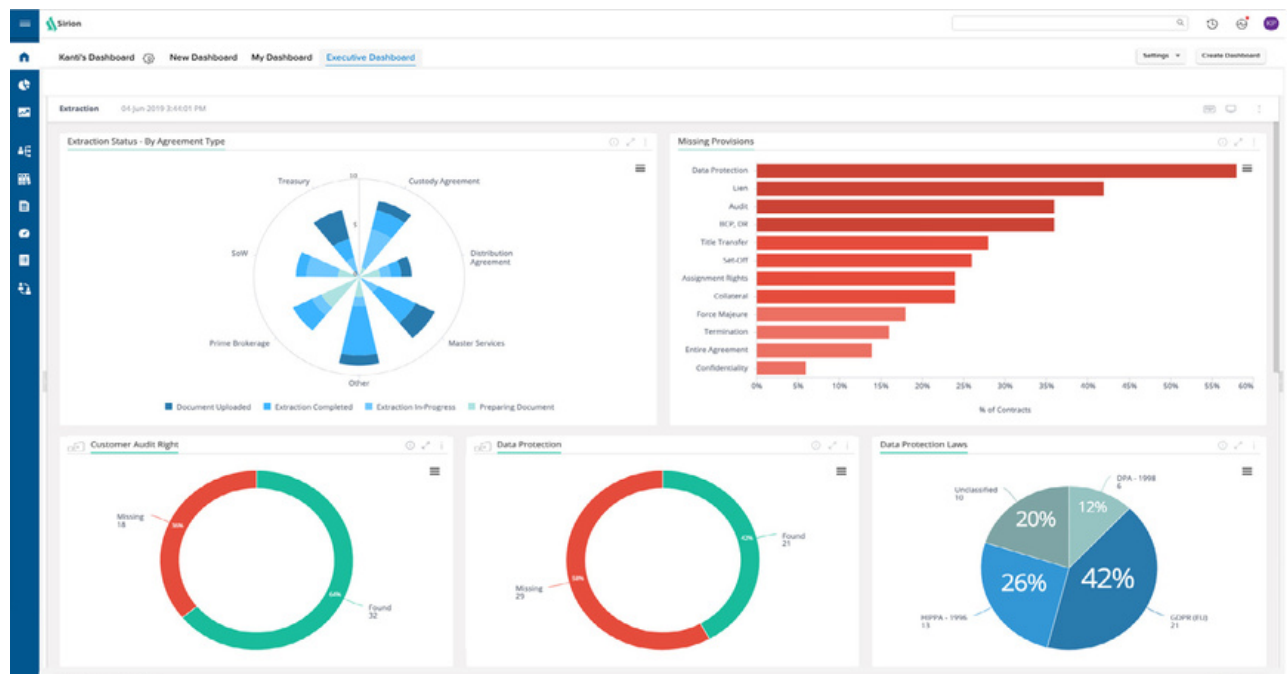
THE CHALLENGE OF DATA FRAGMENTATION

The benefits of a digital transformation can be substantial. However, sustaining and scaling those benefits proves challenging for many companies. The slow pace and limited return on investment dissuades many organizations from pursuing digital transformations.

So why do many DX programs fail to deliver? The greatest barrier to digital transformation in 2022 is data fragmentation. According to Informatica's global IDC CDO Study, 79% of organizations use more than 100 data sources, with 30% using more than 1,000 sources. This high degree of fragmentation, with data spread across multiple sources, leaves many companies struggling with data complexity rather than taking full advantage of a data transformation.

Virtually every business transaction is ultimately shaped and governed by its commercial contracts. And the data stored within those contracts plays an integral role in determining the success or failure of any DX initiative.

However, data fragmentation makes it difficult to access, manage, and analyze contract data. Implementing a successful digital transformation requires an organization to go beyond data integration to data intelligence.

Artificial intelligence (AI) provides a platform to automate data management with speed and scalability. It enables organizations to solve data fragmentation issues and adopt an integrated approach to managing data.

LAUNCHING AN ENTERPRISE DX

Typically, contracts are not targeted as the starting point for DX initiatives. This is primarily because enterprise contracts traditionally have been broadly viewed as mere static agreements outlining terms and conditions. In addition, contracts and the contracting process itself generally fall under the purview of legal departments, which are notoriously resistant to change.

However, in most organizations, contracts and the contracting process have a far-reaching impact—affecting risk management, compliance, procurement, sales, finance, and virtually every other function within the company.

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Without first digitally transforming their contracting systems and processes, enterprises cannot realistically expect meaningful outcomes in transforming individual functions. Why? Because contracts ultimately contain the data that defines how those functions must operate. Take risk management, for example. Contracts contain all the data that proscribes responses to various actions pertaining to risk, such as what happens when a supplier fails to deliver as promised or a customer delays invoice realization. Without 360-degree visibility into contract data, an enterprise is unlikely to be able to meaningfully measure and mitigate that risk. Digitizing risk management functions without also digitizing contract management is a half measure that not only falls well short of capitalizing on the full benefits of a digital transformation but also exposes the organization to risk.

CLM: The Engine of Digital Transformation

Digitizing contract management enables businesses to harness the valuable data contained in their contracts. Digital contract management delivers the ability to benchmark, track, and optimize key performance indicators across buy-side and sell-side relationships.

Digitizing contracts and deploying a CLM platform provides businesses with an integrated view of contractual data stored in CRM, ERP, and SCM. An AI-driven CLM provides visibility into all these repositories of data, freeing the data from departmental silos and making critical information available to the people and departments that need it to make better decisions.

An enterprise-wide CLM platform enables cross-functional collaboration across the business value chain by providing a unified flow of contractual intelligence. Shared data and collaborative workflows serve to improve supplier relationships, increase productivity, and enable more strategic planning.

A CLM can also enable a data-driven approach toward supplier management. Having the ability to map delivered service levels with invoices allows organizations to precisely assess vendor performance.

By digitizing contracts and deploying a smart CLM platform, businesses gain a wide range of vital capabilities, from applying analytics on performance data for risk planning, to identifying implementation issues in a timely manner, and ultimately achieving maximum business outcomes.

$10 Trillion

Global DX Spending Over 5 Years
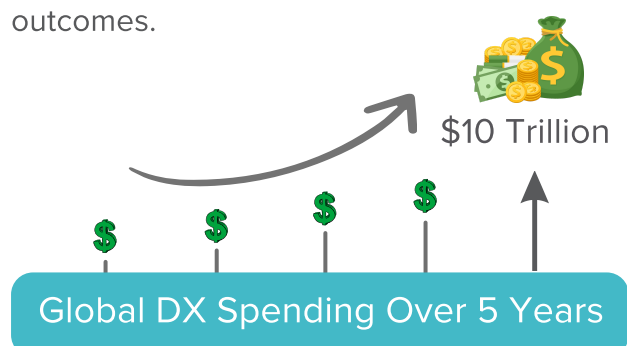
Cross-Functional Digital Contract Transformation

A smart CLM does not exclusively address the digital transformation needs of any one function. It delivers enterprise-wide benefits across departments and functions.

Consider the sales department, for example. Deploying new technology requires customer contract iterations. Numerous rounds of review on these iterations can extend approval time for the sales team. A smart CLM solution not only accelerates the negotiation process, it also eliminates unnecessary paperwork and ensures compliant transactions.

A digital transformation helps to integrate legal functions with functions across the enterprise. A CLM platform can support a legal team's transition from an isolated, insular department to a more proactive, data-driven business unit. It can also uncover risk and opportunity for legal teams through analytics, reporting, and tracking.

For finance teams, a CLM is a valuable tool for determining whether the commercial intent of a digital transformation is being realized or not. Historically, inadequate technology has created difficulties in accessing, understanding, and interpreting complex documents. With a smart CLM solution onboard, finance teams can comprehensively interrogate contracts—as well as monitor payment terms, ensure compliance, manage working capital, and more.

CHOOSING THE RIGHT CLM SOLUTION

A smart CLM is key to a successful digital transformation. But all CLMs are not built alike. Understanding the features and functionality offered by leading CLMs is essential to selecting the system that's right for your organization.

The ideal system must seamlessly integrate your existing essential tools and processes with the new CLM tools so users can easily access, understand, and leverage the data stored in the legacy system. Smooth migration of legacy contracts into the new system ensures that older agreements will continue to be maintained without interruption.

A digitized version of a legacy contact management system is not enough. To be truly effective, a CLM system must provide an AI-led solution. Automation and analytical insights are critical in engineering a true digital transformation, and fully realizing the benefits of those capabilities requires an AI infrastructure.

Sirion provides advanced automation and intelligence delivered through an architecture designed for scale and security. Its powerful AI engine unlocks the intelligence hidden in your contracts for analytics, transforming unstructured contract data into meaningful, accessible, and actionable data. It also leverages out-of-the-box analytics and dashboards tailored to specific business use cases.

Driving a sustainable, enterprise-wide digital transition requires a scalable CLM solution. The system must be readily accessible and easily operated by the people who need to use it— whenever and wherever they need it. It should also be flexible enough to adapt to the unique needs of any function or department, including both buy-side and sell-side transactions.

CLM solutions that rely on on-premises systems struggle with large volumes of data due to an inability to upgrade their infrastructure, increase the capacity of their data center and monitor their rising up-time to manage a high level of data volume. Sirion's contract data is hosted on a public cloud with best-in-class encryption, making it scalable and enabling it to store and manage millions of contract documents at once. Regardless of the size of the enterprise or the volume of contracts, Sirion can simultaneously process an endless number of contracts. Its highly configurable platform can seamlessly scale its capabilities, allowing your organization to keep pace with growing business and contracting needs.

A smart CLM system that is easy to access, use, and adapt provides a solid foundation for scaling an enterprise-wide digital transformation. It's a foundation that can be leveraged to achieve efficiency, operational, and strategic goals spanning the entire enterprise.

The AI-Powered Advantage of Sirion

As the global leader in AI-powered CLM, Sirion provides a robust platform for launching and sustaining a digital transformation. Sirion integrates rich CLM capabilities with deep analytics to enable smarter contracting. It digitizes and streamlines all phases of the contract lifecycle for sales, procurement, and all other enterprise contracts on an integrated, AI-powered platform.

The Sirion system facilitates accessibility and visibility by allowing users to store and view digitized contracts and documents in a hierarchical, access-controlled, fully auditable repository. It integrates with adjacent enterprise systems such as P2P, CRM, and ERP to pull in and digitize documents, which are then stored in a centralized, cloud-based repository. Sirion's AI-driven contract analytics empower organizations to effortlessly extract and evaluate embedded contract information such as metadata, clauses, obligations, and more at a granular level.

Sirion creates a single source of truth and connects all enterprise teams through real-time contract intelligence that cultivates collaboration across the contracting lifecycle— benchmarks for success in any digital transformation effort.

About Sirion

Sirion, the SaaS leader in enterprise CLM, helps enterprises manage the complete contracting lifecycle on a single, easy-to-use platform. Sirion's AI-powered capabilities enable enterprises to drive business velocity and outcomes, reduce risk, enhance revenue and cut costs across the entire lifecycle of their contracts. Sirion is trusted by some of the world's most successful organizations to manage 5 million+ contracts worth over $450 billion across 70+ countries.

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