

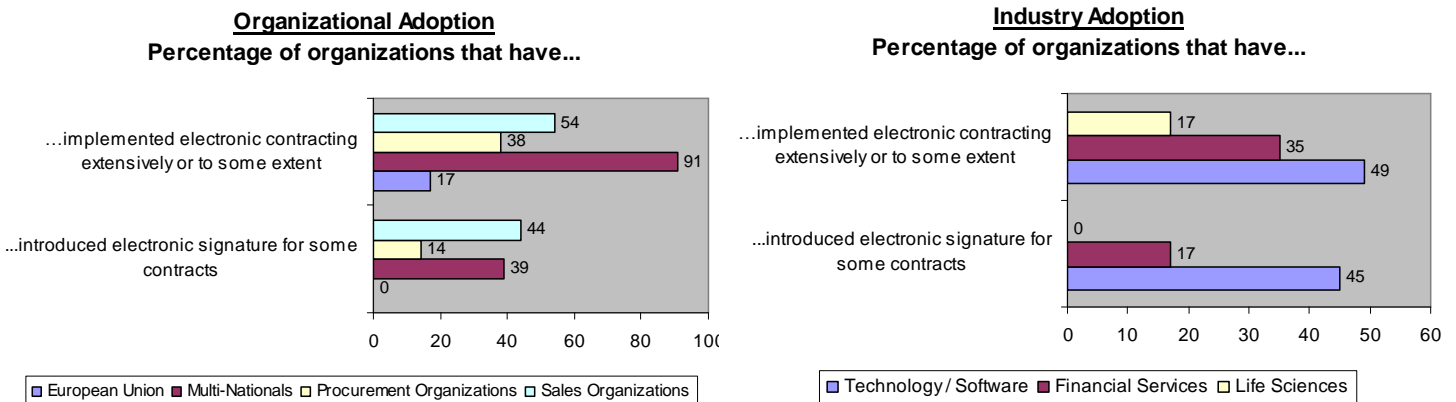
A recent IACCM survey was conducted to establish the current status of electronic contracting (automated contract management) in terms of its adoption, the benefits being realized and inhibitors to its use. The survey represents over 150 responding corporations (over 60% with worldwide operations) of which 45% have implemented some level of electronic contracting. Of the 55% who have not, 60% of those organizations have plans to implement electronic contracting. Here are some of the key findings from the survey:

Top 5 Benefits of Electronic Contracting

1. Internal efficiency improvements
2. Reduced cycle times
3. Makes it easier to do business with the organization
4. Greater efficiency for trading partners
5. Cost reductions

Of significant note is organizations that have implemented third-party systems are somewhat more likely to have achieved internal efficiencies.

Adoption Rates



Multi-national organizations (those with operations around the world) lead the way in acceptance and adoption of electronic contracting, while companies in the European Union have been relatively slow to adopt. From a sell-side versus buy-side perspective, sales organizations lead the way with greater adoption of electronic contracting and electronic signatures.

Industry adoption rates also vary, however, companies in the technology / software industries have shown a greater acceptance of electronic contracting and electronic signatures.

Areas of implementation which appear to be strongest are transmission, workflow (internal) and exchange of red-lined documents; version tracking and repositories; and access tools. Whereas implementation is weakest in areas such as encryption, watermarking, and electronic signature.

Satisfaction Levels

100% of organizations that have implemented electronic contracting would recommend doing so to other corporations, and only 8% of respondents indicated that they were dissatisfied with the results.

Conclusions

Electronic contracting is taking many forms, but it is clearly a key strategic direction and is delivering tangible benefits. To gain maximum results, it requires coordinated leadership and it needs to be enabled through robust and integrated systems.