

The Conga logo consists of a red circle with the word "conga" written in white lowercase letters inside it. This logo is positioned within a white rounded rectangular shape on a red background.

conga



EBOOK

The importance of contract intelligence in mergers and acquisitions (M&A)

INTRO

The pressure to have successful mergers and acquisitions is at an all-time high. According to S&P Global, “Higher interest rates and lower equity valuations are creating significant headwinds for M&A activity.” As businesses burn through their financial reserves, they’re finding themselves less able to borrow due to higher interest rates. All of these conditions are forcing more sellers into the market.

S&P Global recently surveyed more than 200 executives who engage in deal-making—including CEOs, CFOs, and business owners—to get their outlook on M&A activity in 2023. Despite the current market volatility, more than half of respondents believe an economic downturn will ultimately spur mergers and acquisitions.

With these high stakes in buying, selling, and merging, it is more important than ever for buyers to be confident in their M&A transactions. This is an ideal time for business leaders to assess how their teams handle due diligence and post-merger integration between businesses.

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Pre-acquisition

Organizations don't have time for long, time-consuming due diligence processes. But paper records and manual processes make it nearly impossible to review every document efficiently.

Sometimes attorneys settle for reviewing a sample of documents, which increases risk for the buyer—especially if the sample doesn't represent the business accurately.

[Conga Contract Intelligence](#) can help legal teams streamline the mergers and acquisitions process and get the information they need to make a smart investment in the company's future.



Increased efficiency

AI and machine learning can drastically decrease the time it takes to review documents by pulling out key terms and clauses and syncing that metadata to the CLM system. This makes critical information easily searchable and reportable.

Identify risk

Contract intelligence can bring to light clauses and other language that limits liability and restrictions on use of intellectual property. Identifying these contract terms will help you determine the level of risk the investment represents.





Improve security

Paper files and online file share systems leave documents available for anyone to access or lose. A contract intelligence platform provides a secure, virtual environment for safer document storage. Contract intelligence can also validate revenue by guiding you straight to the most important clauses and quickly extracting relevant information like:

- Dollar amounts
- Term limits
- Assignment clauses
- Language governing a change of control in the business
- Most favored nation provisions

Ensure accuracy

With so much on the line, it's critical to have reliable data about the target company. Conga Contract Intelligence provides attorney verified extractions, so the buyer and seller don't have to invest valuable time and legal resources to extract crucial business data from contracts.

Post-acquisition

As the recently purchased organization comes on board, the right contract management tools can help make that transition smoother by providing:





Collaborative workflows

Give finance, procurement, sales, legal teams, and any contract stakeholder the ability to seamlessly collaborate in one place. A secure, centralized location for contract creation, storage, and management enables geographically dispersed teams to work together efficiently to drive the business forward.

Custom alerts and notifications

AI can quickly identify all the expiring and auto-renewing contracts in an acquired portfolio. Convenient dashboards and timely alerts can help legal teams and contract administrators to ensure that nothing falls through the cracks during the post-merger integration of the businesses.

Obligation management

A contract intelligence tool will also identify and extract obligations within the acquired business' contracts so they can be appropriately managed going forward.

Contract analytics

Dashboards and customized reports mitigate risk by keeping key terms and deadlines top of mind. See how contract terms are affecting your business, which vendors and customers cost you the most, and how contracts perform by department.



We had an urgent need to determine what customers would be impacted if we had a taxable nexus in a specific state. All I had to do was go to the Contract Wrangler [Conga Contract Intelligence] dashboard, search for the state, and I had the answer in five minutes. Previously, I would have had to go through over a thousand contracts manually to find the answer.

Kristin Lindsay

General Counsel | INRIX



M&A the right way

The role of legal has changed. Legal departments need to spend more time on business strategy that moves the organization forward and less time on contract review.

Conga Contract Intelligence provides a central repository for all your contracts, with the ability to analyze and search. Contracts from the acquired company can be brought on board quickly and stored in the smart contract lifecycle management (CLM) repository for future action. Data extraction with Contract Intelligence is up to 100% accurate, and human review validates data accuracy while continually training the AI functionality to be even better. With CCI, you can efficiently update contract templates and clause libraries to incorporate the needs of the newly acquired business.





Maximize the value of every contract with Conga Contract Intelligence

Maximize value and minimize risk with full visibility into all your new contract obligations. Conga's due diligence package highlights clauses such as assignability, audit rights, confidentiality, governing law, and more to ensure a smooth and smart transition.

Read the [Ultimate Guide to Contract Intelligence](#) and get the most out of your next merger or acquisition with Conga.

About Conga

Conga crushes complexity within an increasingly complex world. With our revenue lifecycle management solution, we transform your unique complexities for order configuration, execution, fulfillment, and contract renewal processes with a single critical insights data model that adapts to ever-changing business requirements and aligns the understanding and efforts of every team.

Our approach is grounded in the Conga Way, a framework of entrepreneurial spirit and achieving together to champion our 11,000+ customers. We're committed to our customers and to removing complexity in an increasingly complex world. Our solutions quickly adapt to changing business models so you can normalize your revenue operations.

Learn more at conga.com or follow Conga on [LinkedIn](#).



For more information

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