

# Importance of Contract Management

Effective management of the contract is critical for both service provider (vendor) and service consumer. Main benefits of managed contract over unmanaged contract are,

1. Value for money
2. Managing risk
3. Maximising outcomes

## Value for money

A managed contract has huge value for money over an unmanaged contract. Contract management helps you,

- enable and find saving opportunities during procurement and ongoing contract
- enable benefits through performance review, and service improvement throughout lifecycle of the contract

## Managing risk

Contract management helps you manage risk. It enforces certain practices that reduce contractual risks.

## Maximising outcomes for end-user

Contract management helps in maximising outcomes to end-user by managing supplier performance, maintaining quality, improving productivity and identifying opportunities for improvement and innovation.

**Benefits of Contract Management**

