

HOW TO BUILD A DIGITAL TRANSFORMATION ROADMAP FOR 2023





SirionLabs A DATA-CENTRIC APPROACH TO AI

Interview with **Ninian Wilson** (CEO, Vodafone Procurement Company) and **Ajay Agrawal** (CEO and Co-founder, SirionLabs)

For large, multinational companies, digital transformation can be particularly complex with so many facets and significant investments at stake. For instance, Vodafone Procurement Company (VPC) -- which leads purchasing and supplier management for \$35B telecom giant Vodafone -- needs to effectively manage thousands of supplier contracts and benefits from a central storage and automated contract management tool.

They turned to SirionLabs, which just today was announced a "Leader" in the 2022 Gartner Magic Quadrant for its AI-powered contract lifecycle management (CLM) capabilities. As a result, the company gained greater visibility into and control over its commercial contracts, automate manual processes and digitize legacy contracts to store them in one central repository. With SirionLabs, Vodafone improved compliance and avoided revenue leakage risks, which are substantial given the \$24B being managed in total in contract revenue.

We talked about the CLM selection phase of Vodafone Procurement Company and the benefits of their new CLM software with Ninian Wilson, CEO at Vodafone Procurement Company and Ajay Agrawal, CEO and Co-founder at SirionLabs.

Ninian Wilson
Vodafone Procurement Company (VPC) CEO

1. Could you tell ERP News readers about yourself and your role at Vodafone?

I am CEO and Group Procurement Director of the Vodafone Procurement Company (VPC) based in Luxembourg. Vodafone is one of the leading telecommunications companies in the world, operating in 21 countries throughout Europe and Sub-Saharan Africa. I'm overall responsible for our procurement activity across technology and indirect categories of spend supporting all our 26 operating companies. We also provide procurement services to a number of partner markets and 3rd party customers.

2. How did you decide that you need CLM software?

When we first started doing procurement here in Luxembourg, we established many framework agreements and group-wide agreements, stored to support all our operating companies. With more than 50K+ supplier contracts archived in our ERP, we had limited capabilities to systematically manage compliance and revenue leakage risks, which are substantial given the \$24B being managed in total in contract revenue. With such a sheer volume of contracts, we wanted to find an automated and efficient way to drive contract compliance and improve our collaboration with suppliers. Digital transformation through a contract lifecycle management system was the clear solution, with the view that easier access to contract data would also allow us to make better and faster fact-based business decisions.



BEYOND IN-LIFE MANAGEMENT OF CONTRACTS, WE HAVE EXPANDED SIRION INTO OUR CONTRACTING PROCESS AND MADE A DENT IN TIME- AND COST-CONSUMING THROUGH AUTOMATION. WITH SIRION, WE HAVE CREATED AN END-TO-END INTEGRATED CONTRACT LIFECYCLE MANAGEMENT SYSTEM THAT RUNS SMOOTHLY AND SUPPORTS OUR BUSINESS TO OPERATE AT PACE AND FULLY DIGITIZED.

3. Can you tell us about your CLM software selection phase? What were your criteria?

We selected Sirion through a competitive process back in 2017, evaluating not just the software's existing capacities but also, and more importantly, the skills and capability of the partner beyond the software. Sirion provided a balance of great technology, a super roadmap and highly skilled individuals that could help us both implement and scale the contract lifecycle management system.

4. How was VPC able to achieve savings by modernizing and automating its CLM approach?

SirionLabs helped us to digitize the in-life management of our contracts and automatically identify and fix areas where value leakage, performance issues and service level deviations could negatively impact our business, thus generating significant savings.

Beyond in-life management of contracts, we have expanded Sirion into our contracting process and made a dent in time- and cost-consuming through automation. With Sirion, we have created an end-to-end integrated contract lifecycle management system that runs smoothly and supports our business to operate at pace and fully digitized.

Ajay Agrawal
SirionLabs CEO and Co-founder

1. Could you tell ERP News readers about yourself and your role at SirionLabs?

I'm the Founder and CEO of Sirion, but I'm a lawyer by training. I started my first company in 2006 - an alternative legal services provider called UnitedLex. We were trying to build software applications to automate aspects of the manual legal work. Some of those productivity apps were very successful and it inspired me to start thinking about how to achieve that level of automation on a larger scale - as a product rather than a service. My time at UnitedLex also introduced me to the struggle that companies face while managing their buyer/supplier relationships.

In 2012, Claude Marais (the ex-global head of outsourcing at General Motors) and I began to brainstorm and envision Sirion. We founded Sirion - an enterprise SaaS platform for contract management software - along with our co-founders Kanti Prabha and Aditya Gupta who are still with the company today.

We found that enterprises need AI-powered CLM to manage the risk and increase efficiency especially in the context of optimizing their procurement and sales processes.

2. Sirion, has been named a Leader in the 2022 Gartner Magic Quadrant for Contract Life Cycle Management. What does this recognition as a leader in this report mean for SirionLabs?

The Gartner recognition is a strong validation of Sirion's strategy for two important reasons:

Firstly, as contract AI exits the hype-cycle and enters its mature phase, analysts like Gartner are delving deeper into AI capabilities of CLM vendors to separate fact from claims and identify which CLM vendors have truly leveraged deep-learning technologies to improve their precision and recall scores over time. The second stems from a broader market recognition that the contracting lifecycle doesn't end with contract signature but also includes managing its performance. Let me explain how.

Sirion's deep-learning algorithms leverage a truly data-centric approach to AI. This is about having to focus on getting right kind of data that can be used to build high-quality, high-performance machine learning models. This represents a major advancement in the CLM space which has been reliant on older, more primitive model-centric AI technology over the past two decades. By shifting the focus to getting high quality data for training models rather than fine-tuning the models themselves, Sirion has opened the door for global enterprises to truly operate at scale by instantly extracting thousands of data-points from millions of documents with minimal human intervention. This is exactly what the machine-learning teams Google's Document AI, Amazon's Textract and Microsoft's Syntex have been trying to accomplish over the past decade.

Over the past decade, Gartner noticed how CLM vendors were content to solve the problems associated with negotiating and storing contracts. They were attracted by Sirion's broader vision of driving collaboration between the two contracting counterparties during the post-signature phase to bring contractual promises to life. Sirion was the first CLM player to excavate and bring to life complex objects like obligations, service-levels, pricing mechanisms and use this to drive broader business value for its customers and help them realize hard dollar savings.

3. How can CLM technology help companies achieve the business objectives of managing compliance and reducing process bottlenecks?

Built on a foundation that combines machine learning with natural language processing, and that's trained on a vast array of legal documents and industry data, our platform yields huge time and resource savings in areas like importing and organizing legacy contracts, negotiations and contract review. Sirion's full spectrum of capabilities also extends into post-signature management to prevent value-leakage and enable SLA management, obligation compliance, invoice management and supplier governance capabilities. Unlike other CLM suppliers, Sirion's contract performance management generates real documented savings, typically saving our customers 25% or more in reduced contract costs as well as 100% return on investment (ROI) for our product



VPC NEEDED A CLM PLATFORM THAT COULD TACKLE NOT JUST DIGITIZATION OF LEGACY CONTRACTS AND AUTOMATION OF MANUAL PROCESSES, BUT THAT COULD PROVIDE GREATER CONTROL OVER ITS COMMERCIAL CONTRACTS.

4. How is Sirion's AI-based platform, different from other CLM software in the Market?

While most CLM solutions include a repository and the ability to author, negotiate and execute contracts, Sirion is unique among CLM providers for its deep AI capabilities that address some of the thornier difficulties in contract lifecycle management. There are three paradigmatic problems which every enterprise faces today that are

About SirionLabs

Bringing together category-leading innovation, unrivaled Contract Lifecycle Management expertise, and a deep commitment to customer success, SirionLabs helps the world's leading businesses contract smarter. Powered by intelligence uniquely connected across the complete contract lifecycle, SirionLabs' easy-to-use, highly configurable Smarter Contracting platform brings legal, procurement, sales, and business teams together to author stronger contracts, improve risk management and strengthen counterparty relationships. SirionLabs is trusted by over 200 of the world's most successful organizations to manage 5+ million contracts worth more than \$450 billion across 70+ countries. For more information, visit www.sirionlabs.com.

amenable to AI intervention. The first is shining a light on their past. Here AI reduces the manual effort needed to extract the business information contained in their legacy contracts and get a perspective on legacy risk. The second is reducing the risk in live contract negotiations by using AI to dynamically highlight the risks in counterparty redlines. The third – and possibly the most valuable – is using AI to collaboratively monitor the performance of the commitments after the contract is signed.

As customers move up the CLM maturity curve, they discover that the benefits of the second use case which involve streamlining approval workflows and saving lawyer time start to pale in comparison to the value from auto-extraction and collaborative performance management.

5. Vodafone Procurement Company (VPC) – which leads purchasing and supplier management for \$35B telecom giant Vodafone – has chosen Sirion Cto effectively manage thousands of supplier contracts. What is the reason they turned to Sirion?

With more than 30,000 supplier contracts, Vodafone's procurement organization needed a digital solution for better contract management. For large, multinational companies, digital transformation can be particularly complex with so many facets and large investments at stake. VPC needed a CLM platform that could tackle not just digitization of legacy contracts and automation of manual processes, but that could provide greater control over its commercial contracts. Our platform provided the capabilities to help VPC achieve these objectives, backed by our customer support to ensure its successful implementation. Through establishing a central contract repository, streamlining its contracting processes and gaining visibility into valuable contract data, VPC has been able to improve on compliance and avoid revenue leakage to achieve significant savings.

6. Digital transformation journey is a complex and bumpy road and especially SMBs have been affected in several areas and had to embrace accelerated change over the past 12 months after the pandemic. How do you support your customers through their digital transformation journey?

CLM technology provides a robust platform for launching, propelling and sustaining digital transformation. By digitizing contracts, enterprises can harness valuable data to gain analytics, insights and the ability to optimize key performance indicators. In addition, digitizing contracts and contract management processes allows enterprises to mitigate risk and achieve improved results throughout the operation.