

AI-Supported Contract Renewal Management

December 2025



Executive Summary

CHALLENGES WITH RENEWAL MANAGEMENT

- Companies with high renewal rates and decentralized contract management (e.g., SaaS and Business Services) often miss out on EBITDA by failing to take advantage of contractual price escalators or not renegotiating sub-market prices during renewal windows
- Even where implemented, Contract Lifecycle Management (CLM) tools tend to be owned by the Legal function and focus on contract workflows and “non-financial” language vs pricing-related terms

SOLUTION

- **Fine-Tune an LLM** to quickly and accurately extract financial terms like price escalation clauses, pricing grids and renewal dates/triggers from contracts
- **Establish continuous price benchmarking** (internal and external) to set data-driven negotiation targets:
 - Internal benchmarking identifies pricing outliers across your customer base
 - External benchmarking validates market competitiveness and expansion opportunities
- **Build process infrastructure** for driving contractual changes to customers and realizing the improved pricing. Technology helps to develop the roadmap and client-specific strategies, but value capture requires manual, process-driven work and significant change management

Success requires combining LLM term extraction along with benchmarking and process re-engineering to address technological and organizational barriers

OBJECTIVE

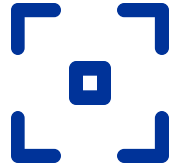
- Identify common challenges, provide insights into the potential of LLM-enabled contract renewal management, and illustrate the range of achievable outcomes
- Showcase how SSA & Co.’s contract repository and process transformation expertise, combined with a client’s contract data, can be leveraged to rapidly improve EBITDA

SSA & Co.'s Approach to Contract Renewal Management



SSA & Co.'s approach integrates Tech and Process enablers with Continuous Performance Tracking and Analytics into the operating rhythm, ensuring immediate value capture and sustainable processes going forward

The Critical Success Factors For Value Capture



The Common Starting Point

Technology & Analysis

- AI/LLM for contract term extraction (public and private)
- Benchmarking analysis (internal and external)
- Opportunity identification and strategy creation
- Dashboard/KPI creation

Time to Build: Weeks

Investment Type: Capital/software

Outcome: Contract intelligence and insights



What Actually Drives Value Capture

Process Execution & Discipline

- Account manager outreach and negotiation
- Objection handling and relationship management
- Continuous benchmarking (not one-time)
- Weekly tracking and accountability
- Management oversight and obstacle removal

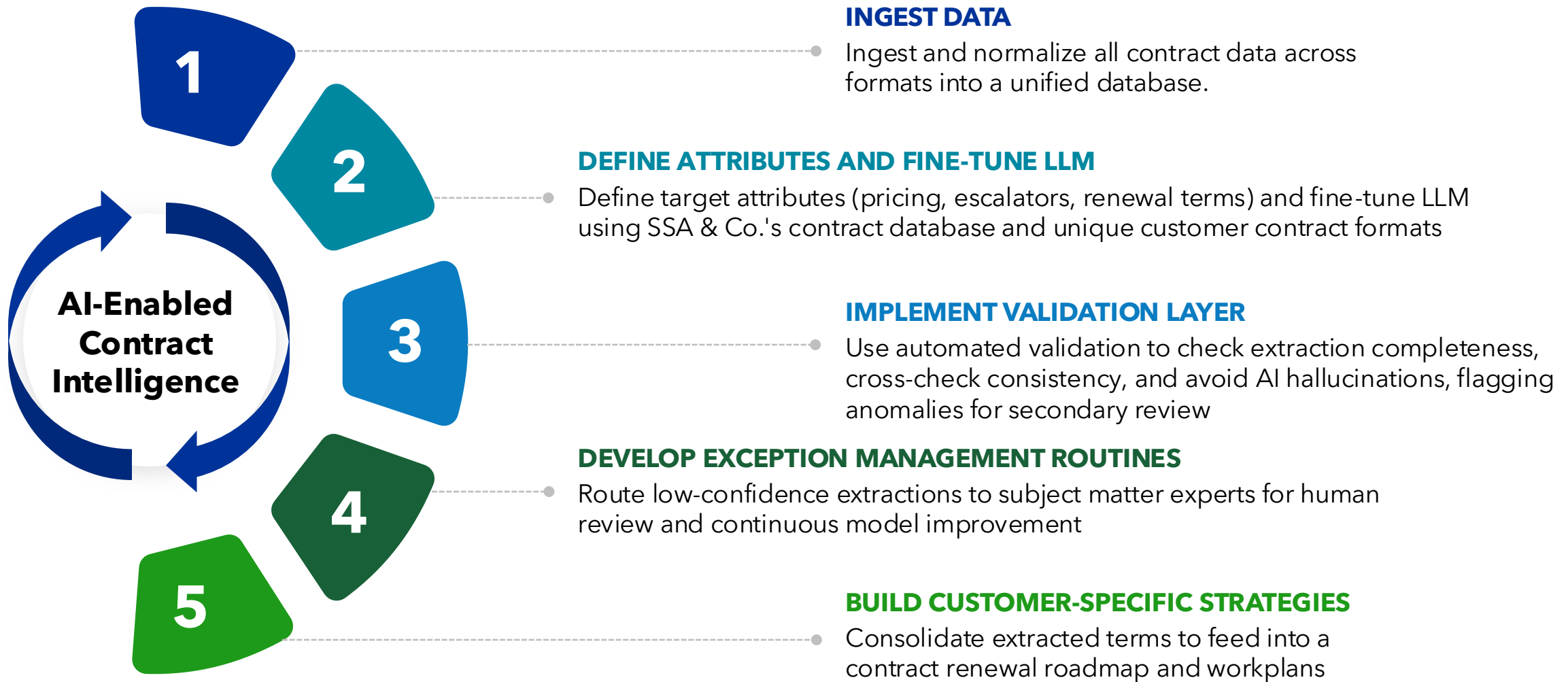
Time to Build: Months

Investment Type: Organizational change

Outcome: Revenue uplift

The insight gap is rarely the problem - the execution gap is.
Sustainable value requires shifting from one-time analysis to continuous operational discipline.

Operationalizing Contract Intelligence for Value Capture



SSA & Co. 's structured 5-step workflow ensures LLM-driven contract intelligence is extracted with consistent accuracy, auditability, and scalability

Contract Term Value Capture Example

Objective: *Push fee increases due to contractual escalators as well as renegotiation of low prices at annual renewals*

Approach

- Reviewed 1,500+ contracts to identify “automatic” annual escalators as well as renegotiation windows for auto-renew contracts
- Built listing of customers for outreach and prioritized punch lists with negotiation targets/scripts for each account manager
- Tracked progress with regular follow-ups and reporting to ensure client communications happened (or reasons why not)

Key Outcomes and Impact

\$1.8MM

Immediate Annual
Revenue Increase

\$2.1MM

Incremental
Increases Targeted
for Future Windows

7.1%

Average Fee
Increase Achieved

45

Acct. Mgrs
Engaged

190+

Contracts with Fee
Increases Achieved

Range of Renewal Language and Mechanisms - Client Example

Inconsistent contract language and structure creates complexity in managing the renewal process and building a strategy to implement pricing changes – even those that have been already negotiated.

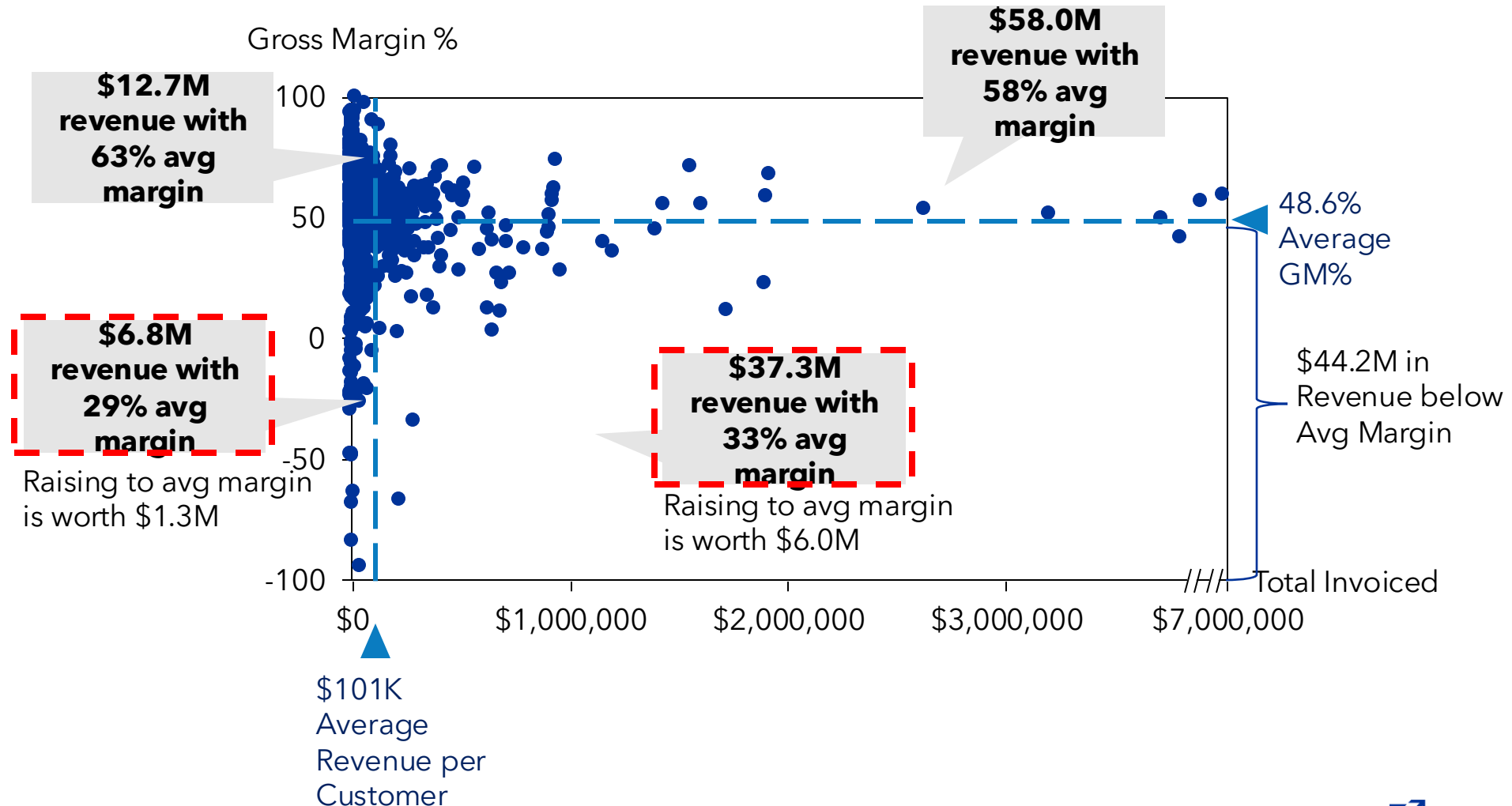
Contract Term Extraction for Renewal Escalators - Example

Client	Expiration Date	Evergreen Renewal Notice	Renewal Term	Adjustment Basis	Client Margin
Client A	12/1/2025	30 Days	12 Months	Silent	24%
Client B	12/31/2025	Silent	Silent	2%	18%
Client C	3/31/2026	60 Days	12 Months	3% on Labor Rates	30%
Client D	12/31/2026	30 Days	36 Months	CPI	40%
Client E	12/31/2024	Silent	Silent	Silent	12%
Client F	6/30/2026	Silent	12 Months	Mercer Index (by Country)	20%
Client G	9/15/2026	30 Days	12 Months	USD:INR Ratio	23%

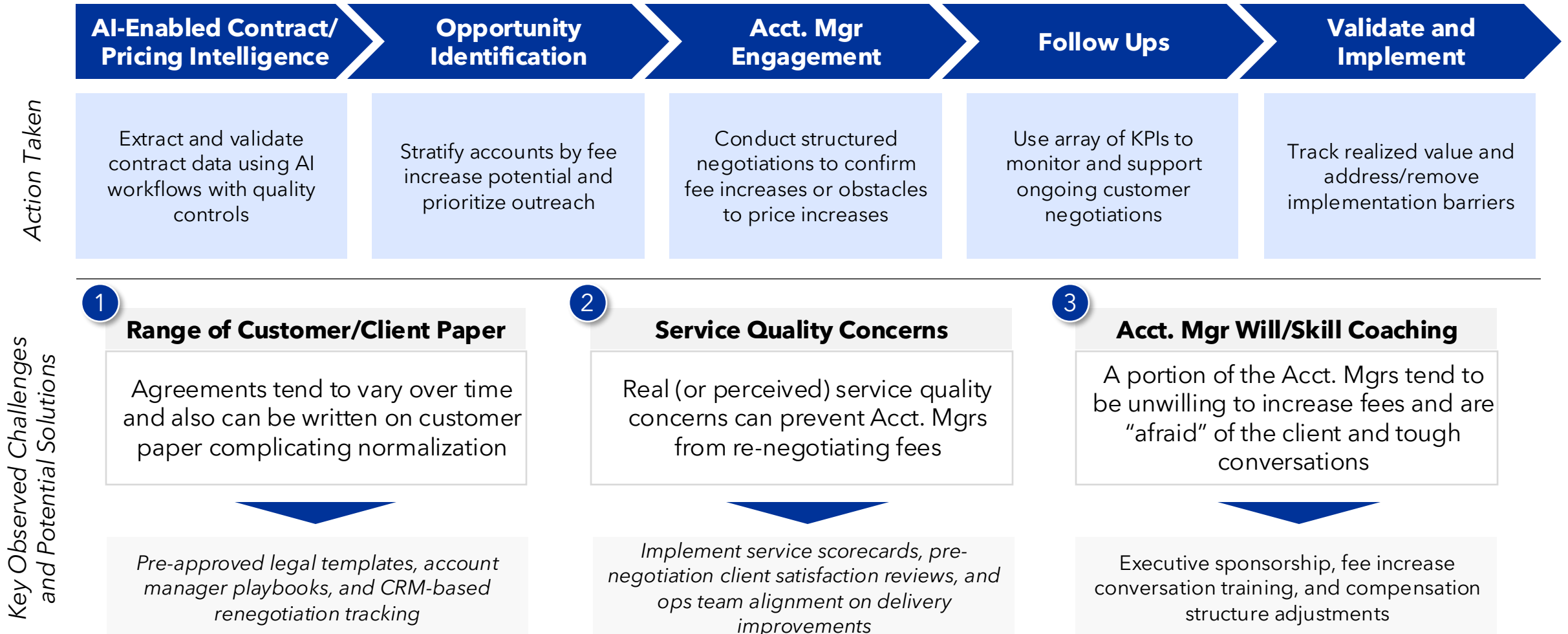
- Variance in the renewal timing and notice periods means that a pro-active and centralized calendar needs to be created to avoid contract adjustments “slipping through the cracks” or evergreen agreements rolling forward with stagnant pricing
- Price escalator amounts often require interpretation/calculation and a familiarity with billing or operational processes that often does not reside within the Legal function
- Client margins can be used in strategy development to prioritize increases and uncover patterns of will/skill deficiencies and coaching needs within Sales/Account Management teams

Weak Correlation of Revenue and EBITDA % Indicates Repricing Potential

Total Invoiced vs Gross Margin % by Customer - CLIENT EXAMPLE



Value Capture Execution: Where Most Companies Struggle



Scalable end-to-end workflow transforms contract intelligence into realized revenue through disciplined account management, structured engagement, and persistent follow-through

KPIs/Metrics

Even when fully implemented, contemporary ERP and CLM platforms do not do a good job of tracking the success metrics around price increases at renewal; custom reporting can be layered on to provide insight into progress

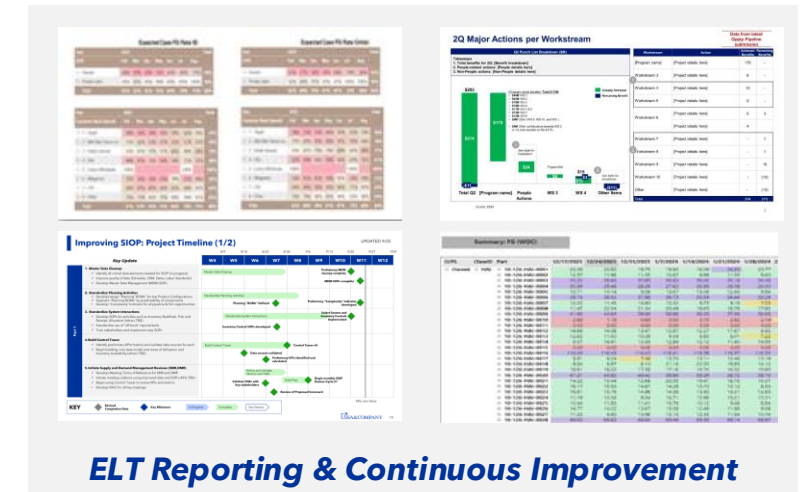
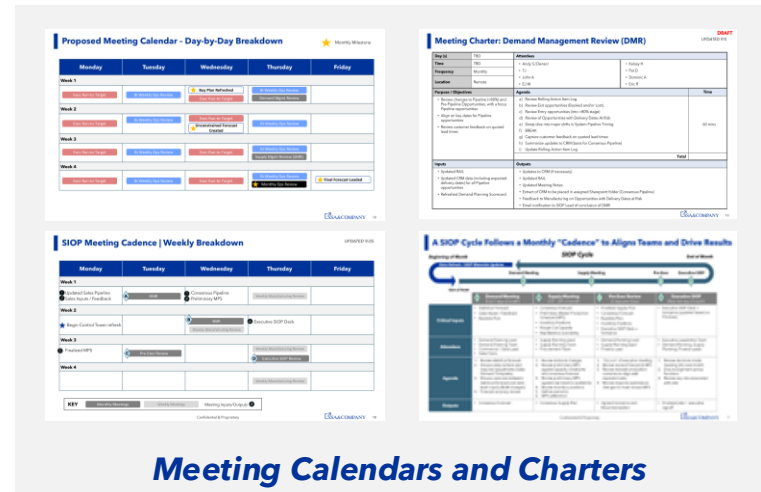
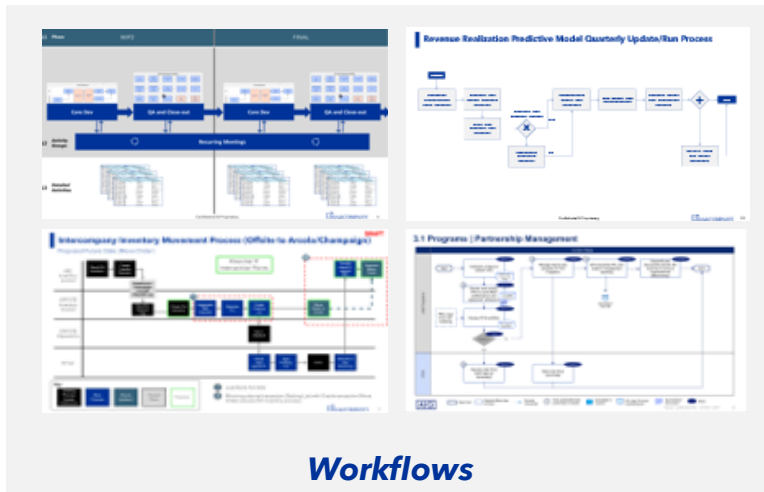
- Escalator Capture Rate: % of eligible price escalators executed
- Renewal Increase Realization: Average amount of price increase captured at renewal vs. prior term
- Cancellation/Attrition Rate: % of customers/revenue not renewing at increased pricing
- Outreach Completion Rate: % of renewal portfolio with completed account manager contact (tracking process adherence)



Building Change Management Muscle

Overcoming the historic lack of success in contract renewal management requires that new processes and workflows are created and that management is reviewing (and guiding) progress with a regular cadence

- Revised contract intake protocols and exception processes
- Weekly renewal management meetings (account managers, pricing team, operations) to review pipeline, discuss obstacles, track progress, and maintain accountability
- Oversight of process and impact integrated into Finance and ELT updates
- Review of continuous improvement actions and results



Getting Started - Key Data Elements

- Contract samples for multiple customers / segments
- Structure of account management team and roles/responsibilities of Finance, Sales, Legal and Customer Success
- Historic pricing data (and changes) by customer / segment
- Samples of customer account plans
- Existing customer reporting (including revenue, margin, service performance, etc.)



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