

Designing contracts  
that deliver positive  
results

The background features a dark blue to black gradient. It is filled with numerous glowing, curved lines in shades of blue and purple. These lines are interspersed with many small, bright stars and dots, creating a sense of motion and energy. The overall effect is reminiscent of a starry night sky or a digital data stream.

## About IACCM: *The International Association for Contract & Commercial Management*

- > **Over 10 years** of research and innovation in contract and commercial management
- > This is our core business:
  - Research, benchmarking and advisory services for organizations worldwide
  - Online networked community of practitioners – **30,000** members
  - Over **7,000** individuals trained to date
- > Buy-side and sell-side: both sides of the table
- > Not-for-profit: focused on members' needs
- > Global: members in **154 countries**
- > Internationally recognised global **Certification** programs



## There is a need for change...

- Weakness in contracting is damaging the financial health of many organizations
- Commercial issues cause troubled projects, which damage companies
- Innovation and value is stifled by commercial issues
- Company executives celebrate contracts, but dislike their form and process



## Why Make Contracts Easier to Use?

- Contracts are too important to be consigned to the drawer
- Contracts are business instruments that should communicate important information
- Clear understanding of the commitments increases the probability of compliance and good performance
- Positive outcomes enhance trading relationships

## Purpose

The IACCM Contract Design Award Program promotes the creation of clear and easy to use contracts.

IACCM encourages

- ✓ Innovation
- ✓ Quality
- ✓ Integrity
- ✓ Enhanced trading relationships

# Evaluation

Evaluation of contract templates is based upon five major areas:

- 1. Language Criteria:** How understandable are the words in your contract?
- 2. Design Criteria:** Does the design make the contract structure clear and easy to read?
- 3. Relationship Criteria:** How far does your document go to help cultivate a positive relationship among the contracting parties?
- 4. Content Criteria:** What is your content and is it organized to deliver your document's purpose?
- 5. Balance:** Do the terms of your contract generate a sense of collaboration and trust?

# Achievement

**Three Award levels – 3, 4 and 5 Star – for qualifying documents**



**The 3 Star Award** indicates the template meets 3 of the 5 criteria



**The 4 Star Award** level indicates the template meets 4 of the 5 criteria; and



**The 5 Star Award** level indicates the template meets all 5 criteria



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