



# Contract Renewal Leverage Index™

## Overview

Understand your position. Strengthen your negotiating power. The **Contract Renewal Leverage Index™** is a structured diagnostic designed to help organisations assess how much commercial leverage they truly have at the point of contract renewal, and how to improve it.

Too often, contract renewals are approached reactively, with limited visibility, weak preparation, and missed opportunities to optimise value. This diagnostic provides a clear, data-driven view of your current position, highlighting where leverage exists, where it is constrained, and what actions will deliver the greatest impact.

## How It Works

Through a structured **40-question assessment**, the **Contract Renewal Leverage Index™** captures key inputs about your current practices, capabilities, and constraints. These responses are then translated into a clear, objective assessment of your leverage position.

The output provides:

- A **quantified leverage score**
- Insight into **strengths and capability gaps**
- Identification of **key risks and constraints**
- A clear view of **where leverage can be increased**

## Assessment Framework

The **Contract Renewal Leverage Index™** evaluates your organisation across five critical areas that directly influence renewal outcomes:

### 1. **Contract Visibility & Control (15%)**

Do you have full oversight of your contracts, key terms, and renewal timelines?

### 2. **Commercial Position & Benchmarking (25%)**

How well do you understand pricing, market dynamics, and cost drivers?

### 3. **Supplier Dependency & Risk (20%)**

To what extent are you reliant on suppliers, and how easily could you switch?

### 4. **Process & Governance (10%)**

Are renewals managed proactively, with clear ownership and structured processes?

### 5. **Strategy & Leverage Execution (30%)**

How effectively do you plan, position, and execute renewal negotiations?



## Why It Matters

Contract renewals represent one of the most important, and often underutilised, opportunities to improve commercial outcomes. Without a clear understanding of your leverage, organisations risk:

- Accepting suboptimal pricing and terms
- Missing opportunities to re-scope or re-compete
- Remaining locked into unfavourable supplier positions
- Making reactive rather than strategic decisions

The **Contract Renewal Leverage Index™** helps you move from reactive renewal management to a more structured, insight-led approach.

## Who It's For

- Procurement and commercial teams
- Finance and operations leaders
- Organisations managing complex or high-value supplier contracts
- Businesses looking to improve negotiation outcomes and reduce risk

## What You'll Gain

- A **clear, objective view** of your renewal leverage
- Greater **confidence in negotiation positioning**
- A structured foundation for **improving future outcomes**
- Insight to support **better, faster decision-making**

## Next Step

Complete the **Contract Renewal Leverage Index™** to understand where you stand today and identify the actions that will strengthen your position at your next renewal.

## Licensing, usage, intended purpose and limitations

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