NEWS RELEASE

New Workday Report: Unmanaged Contracts Result in Significant Financial Losses and Undiscovered Business Value

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Workday Research Reveals 76% of Employees Don't Know Who Owns Contracts, Resulting in Lost Revenue and Missed Opportunities

PLEASANTON, Calif., July 9, 2025 /PRNewswire/ -- Workday, Inc. (NASDAQ: WDAY), the AI platform for managing people, money, and agents, today released "The Contract Intelligence Index Report." This research uncovers a widespread problem: many companies don't clearly define who is responsible for their contracts. This lack of clarity results in significant financial losses, inefficient operations, and unmanaged risks for businesses worldwide.

Contracts are vital for understanding revenue and obligations. However, if no one clearly owns the contracts, their full value is often lost. The report highlights a major issue impacting profitability: a staggering 76% of employees don't fully understand who is responsible for contracts. This confusion often comes from not knowing whether the vendor relationship manager, legal team or procurement department is ultimately in charge. Without clear ownership, contracts remain static documents, preventing organizations from using the valuable information these contracts contain to drive business growth. Until companies move beyond basic administration to true contract intelligence, companies will continue to simply manage documents instead of strategically using contracts to achieve business results.

Key Findings from The Contract Intelligence Index Report include:

- **Untapped Revenue, Unforeseen Costs:** Lack of insight into customer renewals, upsell, and cross-sell opportunities can hurt revenue growth. Half of all legal (50%) and enterprise employee (49%) respondents say

they've lost money from unintended auto-renewals – with sales and marketing departments hit hardest (60%). When organizations unknowingly have unused services or miss upsell opportunities, it can directly impact revenue growth, operational efficiency, and market share.

- **Legal Blind Spots, Mounting Risk:** If legal teams aren't fully involved in the business, there can be gaps in how contracts are handled. While 85% of legal professionals say they're part of contract approvals, only 67% of other employees agree. This 18% difference suggests that a third of employees might be bypassing legal, creating significant risks and legal exposure from overlooked regulatory requirements, inconsistent language, and unfavorable or unenforceable terms.
- **Data Disconnect, Fragmented Future:** Buried across shared drives, systems, and communications, scattered information prevents different departments from sharing analysis and insights. The report found that contracts are primarily spread across shared drives (70% for legal, 50% for non-legal) and CRM systems (62% for legal, 53% for non-legal), as well as individual desktops, in email accounts, and even paper records. This fragmentation not only slows down processes, but also undermines the value of having holistic contract visibility, enforceability, and opportunity identification.
- **Slow Processes, Stifled Innovation:** Slow contract approvals, lengthy legal reviews, and time spent on legal disputes can disrupt the speed of business. More than two in five (41%) respondents – including legal professionals – believe contract processes are too slow. This hinders innovation and productivity across departments like R&D and engineering (79%).

"Contracts are packed with critical business information that's often buried across hundreds of pages," said Jerry Ting, Vice President, Head of Agentic AI and Evisort, Workday. "With the rise of AI agents, we can finally turn contracts into living, intelligent assets. Our research shows how legal teams can unlock hidden insights to become a strategic engine that accelerates business decisions, protects the enterprise, and ultimately leads the way to greater efficiency and profitability."

For additional information:

- Download "**The Contract Intelligence Index Report**."
- Learn more about Workday Contract Intelligence Agent and Workday Contract Negotiation Agent **here**.
- Discover how Workday helps surface clear and actionable insights from complex legal and business documents with **Workday Contract Intelligence** and **Workday Contract Lifecycle Management (CLM)**, powered by Evisort AI.

About The Contract Intelligence Index Report

This data comes from the study "Contract Intelligence Index Report," a survey commissioned by Workday and fielded by Provoke Insights in March 2025. The study encompassed 1,250 U.S.-based legal and non-legal enterprise employees across a variety of industries representing organizations across North America; Asia-Pacific (APAC); and

Europe.

About Workday

Workday is the AI platform for managing **people**, **money**, and **agents**. The Workday platform is built with AI at the core to help customers elevate people, supercharge work, and move their business forever forward. Workday is used by more than 11,000 organizations around the world and across industries – from medium-sized businesses to more than 60% of the Fortune 500. For more information about Workday, visit **workday.com**.

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This press release contains forward-looking statements including, among other things, statements regarding Workday's plans, beliefs, and expectations. These forward-looking statements are based only on currently available information and our current beliefs, expectations, and assumptions. Because forward-looking statements relate to the future, they are subject to inherent risks, uncertainties, assumptions, and changes in circumstances that are difficult to predict and many of which are outside of our control. If the risks materialize, assumptions prove incorrect, or we experience unexpected changes in circumstances, actual results could differ materially from the results implied by these forward-looking statements, and therefore you should not rely on any forward-looking statements. Risks include, but are not limited to, risks described in our filings with the Securities and Exchange Commission ("SEC"), including our most recent report on Form 10-Q or Form 10-K and other reports that we have filed and will file with the SEC from time to time, which could cause actual results to vary from expectations. Workday assumes no obligation to, and does not currently intend to, update any such forward-looking statements after the date of this release, except as required by law.

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