



Hub International

Contract Management case study



Hub International is the 6th largest insurance broker in the world, with 450 offices and 11,000 staff. With such a huge portfolio of real estate, occupancy was the company's second largest expenditure. Keen to manage this portfolio centrally, while extracting value and mitigating risk, Hub needed a partner who could consolidate and manage these contracts while still providing value.

Partnering with *Exigent*, the broker, which has a reputation for innovation and efficiency, gathered its commercial lease portfolio data into a single central repository. Exigent then analyzed the data and extracted the statistical information that showed it was possible to:

reduce property-related costs by

10%

and improve asset utilization by

20%

Challenge

Hub's legal team needed to tackle a challenge faced by many; how to achieve more, with the same or less funding and resources. With a huge property portfolio of more than 450 offices across the globe, they needed to manage all these commercial leases, a number rising year-on-year. The challenge was compounded by the types of lease – commercial property leases are on landlord paper and therefore cannot be templated like other types of contracts, even though some terms are standard. This was also managed by two different organizations on two separate platforms, which meant Hub had no integrated global view of its real estate. With constant pressure to consider costs and reduce risks, they needed a partner who would be able to manage this challenge while providing insight and accuracy.

Solution

Working alongside Hub, Exigent conducted a three-pronged approach to managing the leasing contracts.

Scoping

Exigent experts first analyzed the various types of legal and commercial risks present in Hub's lease portfolio. These risks were then prioritized and, with the client's internal legal team, Exigent reviewed the company's most significant lease agreements to identify the level of exposure to risk. Alongside this, Exigent also explored ways to reduce commercial costs and increase utilization of Hub International's existing leased property space.

Implementation

Exigent developed a data model of a comprehensive commercial office lease that included the various key terms to extract and how they should be captured. Hub believed 15 main data points were required; however, using Exigent's contract management solution, Exigent created a customized platform for Hub International that assessed 150 data points. Exigent also created playbooks for legal review to assist onboarding of new leases and amendments.

Go live

Exigent combined all of the data onto the contract management platform, with a particular focus on the most critical contracts, as per the initial assessment exercise. This created a central digital repository for all Hub International's commercial properties across the world.

The platform includes an alert function that enables Hub to proactively manage its contracts through their entire lifecycle and notify key stakeholders when they need to take action, therefore reducing exposure to risk, and limiting revenue leakage.

Exigent combined technology with talent and consultancy to deliver an information service to Hub International. The project included legal reviewers, paralegals and, vitally, individuals with commercial acumen who could help Hub International negotiate new contracts to save costs and drive value.

Following the rollout of Exigent's contract management solution, Hub has been able to save 10% on property costs and achieve 20% improvement on asset utilization just by applying a financial equation to their contract data. Having all the data in a single place makes contracts more searchable and means the legal team can create live reports and analyze trends in real-time that can be automatically emailed to key stakeholders, saving valuable time. Having live updates also helps to mitigate risk and help the senior management team make more informed business decisions based on insight and data.

Results and future plans

The financial benefit of working with Exigent has also been apparent to Hub. Gathering the data has helped them to standardize internally, which meant for the first time they had a true cost of occupancy rate globally. Accessed by a multi-faceted dashboard, this allows the company to understand the value and expenditure of each office to save costs and sort by country, legal division, and status. In addition, Hub International has been able to redeploy the resources which would previously have been focused on lease review to conduct higher value, revenue-generating tasks.

A softer benefit that has also helped drive value is that the project has encouraged different parts of the business to work together. The legal teams have been partnering with other areas across the business – finance, and procurement - who previously were operating in silos. Working together and sharing data has brought further improvement to decision-making and risk management.

"We are now tackling more than 150 data points on a global level, which we've never had before. Working with Exigent has been transformational right out of the gate. We are still learning what else we can do with this data once we bring in more external market and analytical data – we know it'll be another interesting story for us."

- John Albright, Chief Legal Officer, Hub International

Exigent is a global alternative legal services provider operating at the intersection of law, business, and technology. For information about Exigent visit [exigent-group.com](https://www.exigent-group.com)

