

# Buying Contract Management Software in 2020

Top 20 Comprehensive Q&A



You may not see it yet in your cash flow statement or contribution margins. Likely, you've felt it: your contract management system, on spreadsheets, in emails, scattered across electronic folders, or filing cabinets, feels out of control.

Making major decisions and investments in your business can be tedious. It's a process that takes not only the right stakeholders—but the right questions.

In fact, when making major business investments, many professionals can make the mistake of seeking out facts and figures, first. Instead, it's best to understand, as an organization or as stakeholders, what it would take to know one option is better than the alternative for their specific needs. ([McKinsey & Company](#))

It's also an extraordinary time for businesses in digital transformation and serviceability. Digitization is currently the most important priority for business boards:

The top benefit of digitizing processes is greater operational efficiency.

B2B digital leaders have 5 times the revenue growth of their non-digital peers.

Digital transformation drives new roles that require digital skills.  
([Finance Online](#))

The contract management space is not new, but perhaps it's new for you and your business to manage every area of your contracts, all on one, secure, user-friendly platform.

Or, you adopted a product that did not perform the way you thought it would.

With digitization at the forefront, the question exists: How can your business automate your contract management system?

Contract lifecycle management (CLM) creates a return in investment for your business in ways you may not expect or have yet to realize with other systems:

Reduction in administrative tasks

Increased team efficiency

Positive change in the perception of a professional or team as a whole

(TechValidate survey, Concord, July 2019)

Asking informed questions leads to better results. Understand the CML landscape in 2020 and learn how to approach this investment for your needs.

At Concord, we've held a lot of Q&As with customers over the years!

We've worked with hundreds of businesses to implement CLM software.

The platform has helped over 200,000 users to manage their contracts.

The Concord CLM platform has supported contract signing, and making agreements, across over 110 countries.

With all this experience, we've identified the top 20 questions to serve you in your decision-making process.

This checklist will arm you with questions to help you adopt a system that works for you and your organization.

## Checklist

- ☒ 1. What's a contract lifecycle management platform vs. contract management software?
- ☐ 2. What are the key differences in CLM platforms today?
- ☐ 3. How will this software create savings? (Forget the talking points, we want real numbers!)
- ☐ 4. Can you walk us through the implementation process?
- ☐ 5. Where is the data located, and what is the back-up support?
- ☐ 6. What are your terms for contract access?
- ☐ 7. How does your software handle legacy contracts and in-progress contracts?
- ☐ 8. What types of contracts can we manage? (What industry is your biggest base for this platform and why?)
- ☐ 9. What technical skills do we need to manage this software?
- ☐ 10. How does your platform handle contract approvals?
- ☐ 11. What in-product collaboration do you offer?
- ☐ 12. What's the process for organizing our company to use the system?
- ☐ 13. Can you show us how our organization would use "advanced features"?
- ☐ 14. What's the branded and third-party experience?
- ☐ 15. Can you walk us through security and compliance for our business?
- ☐ 16. What Integrations are available and what standard API do you offer?
- ☐ 17. What is your customer support ecosystem?
- ☐ 18. How will this platform allow us to scale?
- ☐ 19. Who should be in the room to inform this decision?
- ☐ 20. Can you meet our budget?

## 1. What's a contract lifecycle management platform vs. contract management software?

There's a really important difference.

You, as a customer, should feel confident understanding this when making an investment.

There's so much on the market today, so much to grasp in features, and how to apply it to your particular needs.

Data shows that the majority of you are using other software to make contract management work. Or, you've tried other management software and hit roadblocks (with work-flows, online collaboration, or a lack of user-friendliness).

A **contract lifecycle management platform** is an end-to-end solution for managing every stage of your contract process. It syncs and automates every stage of the contract process in real-time.

Likely the driving reason to adopt a CLM for your company looks something like this:

Now, you can take every manual activity you do, at every phase of a contract, and do it better and easier all in one, secure place.

Not only that, everyone in your organization can easily use it, and you're confident in the process, no matter the type of contract, no matter whether it's an internal, vendor or third-party user.

A CLM platform should tick all of those boxes for you!

It should be...

**Wholly secure**

**Compliant**

**Capable of allowing red-lining and collaboration**

**Capable of uploading or creating any new document**

Able to provide you with a clear audit trail

Able to notify anyone of any important change, signature, deadline or renewal date

Able to offer reporting on key data

Navigable for anyone in your company

Easily accessible

Easy to gain signatures for any party

Able to create structures for finding, sorting, and reporting on contracts that are tailored to your organization

You get the idea.

**Contract management software** may allow you to do some of these processes well, but not all of them.

You may find a software that has an excellent electronic signature tool, or reporting tool, but doesn't allow you to collaborate or red-line directly in the platform.

Or, you might find a software allows you to create, email, sign, and store documents, but collaboration largely continues to occur by email. Or, visibility about contracts or important deadlines is lacking.

## 2. What are the key differences in CLM platforms today?

A contract lifecycle management platform really should serve to overcome errors that can occur along the stages of contract management.

It should better guide your contract process from creation through negotiation, execution, and finally to ongoing tracking and renewal. The most important differences to be aware of in software today are in the following areas:

## Smart automation vs. AI

Smart automation connects every process, person, and document to better visibility and management through the lifecycle of a contract.

AI, designed with machine learning, works to learn from previous use instances, or by previous interactions, to guide the process. However, AI is not currently fully intuitive.

## In-platform collaboration performance

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Other platforms may not offer collaboration directly so that an audit trail of specific edits aren't available.

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## Reporting

What reporting needs will your business most use? From financial, to renewal deadlines, CLM platforms currently offer a variety of reporting data.

## Customization

Determine what customization is available in each feature. Customizable workflows, security access, user-rights, reporting fields, and third-party branded experience are beneficial features to consider.

### 3. How will this software create savings? (Forget the talking points, we want real numbers!)

In a Concord July 2019 TechValidate survey, user results showed up to 41% cost savings in contract and management-related costs.

Adopting a contract lifecycle management platform offsets your costs in numerous ways.

You'll see a reduction in operational spending. You'll reduce time-to-value and the costs of doing business on paper and in long-distance transit. You'll also lower your time to agreement and increase your time to revenue.

It's also estimated that employees currently use over 30 cloud-based products at work each day. ([Jive](#))

As 2020 kicks off, it's not a question of how will this save your money, rather, how will your organization stand to lose money? Per the International Data Corporation, [55% of Global 2000 companies](#) believe that without digital transformation, they'd feel the consequence within a year.

### 4. Can you walk us through the implementation process?

Notice how we didn't phrase this as time-to-implementation!

When you know what to expect in all the steps, it puts you in the driver's seat to decide how long implementation should take (no matter the solution you're considering).

In walking through this process with hundreds of businesses, let's look at the basic steps:

In our experience, businesses have been able to implement a CLM anywhere from 2 weeks to 2 months, with exceptions.

Time-to-value is the main driver for why you should be aiming for a quicker pacing in implementation.

The overall timing of an implementation is informed by identifying and training



Administrators and employees, setting up workflows, and the allotment for resources as well as time, to identify and transfer documents into a platform.

A managed plan should include these high-level milestones:

1. Understanding your company configuration
2. Mapping that configuration to optimize user adoption
3. Administrator training an on-going customer support

But also, the time in which a customer success manager helps you fully adopt to a platform is only part of the process. Savvy platform integration should also include securing expansion and renewal opportunities.

On the whole, the more prepared you are to adopt the technology, the faster the timeline. But a customer support team that guides you in best practices can be key to that preparation.

## 5. Where is the data located, and what is the back-up support?

Your organization should be especially clear about back-up and data support, and how this might impact your security and compliance.

You may still feel a level of comfort with on-premise data support, but cloud-based servers provide a better experience in security, accessibility and maintenance updates. In 2025, data shows that 80% of business will have shuttered their on-site storage in favor of cloud-service. ([eWeek](#))

Some experts also predict that by the end of 2020, software, not hardware, will be doing the heavy lifting in data storage.

Big-data cloud servers are really the touchstone for successful user-experience, but are the silent parties in the room, as they are sometimes called. AWS, Microsoft Azure and Google Cloud continue to be the main players in this service.

We encourage organizations to perform [a security due-diligence](#). You can typically request a security review sheet from CLM vendors. Likewise, bring your

IT stakeholders into the conversation early-on. Server and storage review are an important factor when to mitigate any risk, or indemnity issues down the line.

## 6. What are your terms for contract access?

*What if we stop payment? If we don't move forward at a certain service agreement deadline, or if we decide to not move forward with this platform?*

This is a major concern for many companies. With thousands of contracts, you want to make sure you have the ability to access them—at all times.

Integrity to this need should be impeccable.

The unfortunate truth is that some software platforms today do hold businesses by purse strings to ensure you comply.

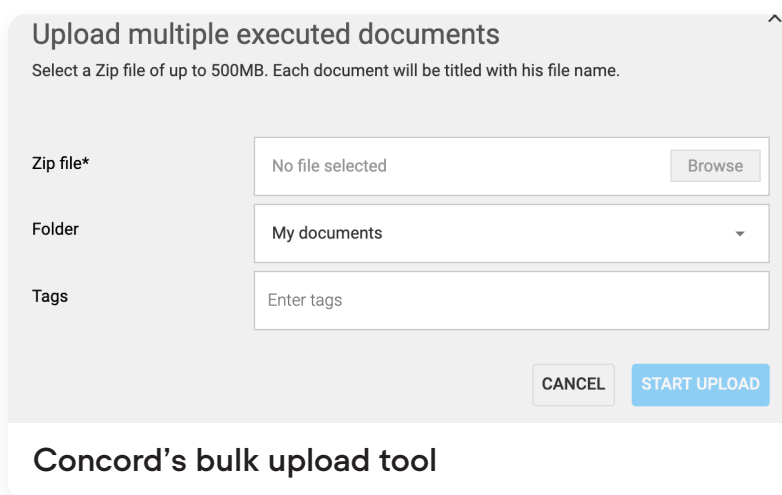
*\*At Concord, you never lose access to your contracts, and we ensure access to your signed contracts.*

## 7. How does your software handle legacy contracts and in-progress contracts?

In 2020, platforms should do the heavy lifting for you in various ways.

No matter how dated a contract, whether it's in a physical file folder, or whether it's in-progress in an electronic folder, a platform itself should have tools to enable the process.

You should be able to upload contracts with efficiency, either in bulk, or integrate the platform to the current repository you use.



The screenshot shows a web interface titled "Upload multiple executed documents" with a subtext "Select a Zip file of up to 500MB. Each document will be titled with his file name." Below this, there are three input fields: "Zip file\*" with a "Browse" button, "Folder" with a dropdown menu showing "My documents", and "Tags" with a text input field "Enter tags". At the bottom right are "CANCEL" and "START UPLOAD" buttons. Below the form is a white box with the text "Concord's bulk upload tool".

## 8. What types of contracts can we manage? (What industry is your biggest base for this platform and why?)

This is one of the most valuable questions to ask!

Are you buyer or seller-side? Do you work solely with, say, sales agreements, or do you require a platform that meets your workflow needs no matter the type of contract?

In some cases, contract management lifecycle software may work better for certain industries or workflows. Does your organization work with one or more of the following general types of contracts?

### Fixed price contract

Price is determined and held to within the contract

### Cost Plus contract

Cost plus any additional incurred expenses

### Time and Cost contract

Undetermined and sometimes based on percentages

### Bilateral contract

Both parties must implement terms

### Unilateral contract

One party must implement terms

### Aleatory contract

Initiated based on events and agreed upon by both parties  
([Upcounsel](#))

Whether you work with SOWs, SLAs, MSA, RFP, Insurance Agreements, Offers to Purchase, Employment contracts, NDAs, or any type of specific contract used in

your business ecosystem, walk through the software to understand how it will serve you and each contract you use.

More importantly, in 2020, more and more CLMs offer clause libraries. A clause library can create both common and customizable clauses, to greatly decrease your workflow, and to automate recurring contractual information, such as billing data and terms.

## 9. What technical skills do we need to manage this software?

Feature fatigue and the internal company adoption curve are real factors in how fast you're able to begin using a CLM. However, the emerging ecosystem of integration points in that direction sooner, rather than later.

Likewise, training shouldn't be too extraneous either.

In many cases, you'll need an understanding of how to set up a database, user rights, document uploading and creation, and field creations. You also may need additional training on reporting elements and creation.

Regardless, you want to encourage every user to feel comfortable, and design plays a big role. In demo-ing the software, take stock of these helpful guidelines when making your decision:

On a scale from 1 to 10, how comfortable do employees feel when reviewing a demo?

What amount of trust do you feel using the functionality?

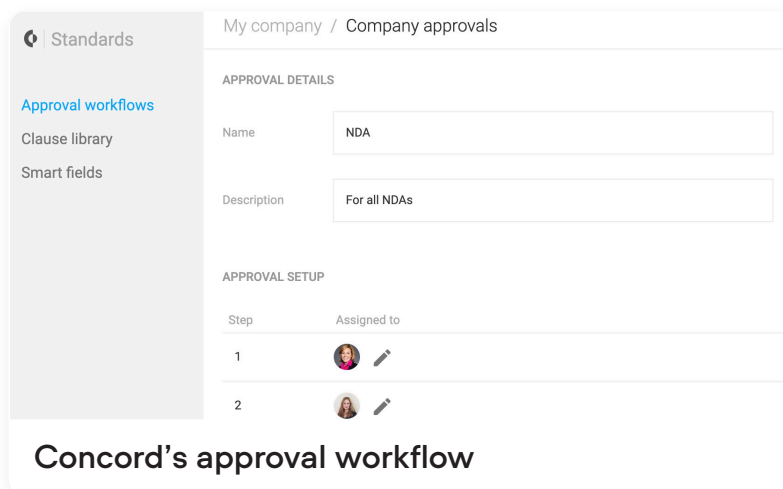
Can you name an instant value to making the switch?

## 10. How does your platform handle contract approvals?

First, you may want to have a basic understanding of what approval rights there are, such as: signature approval rights, or workflow approval rights.

So how does this work in a typical CLM platform?

You may already have a contract flow in place using manual processes. Let's say you have a Statement of Work (SOW) process. You should be able to set up teams and permissions all on the platform, in any way your organization is accustomed to working through that process manually.



The screenshot shows a web interface for 'My company / Company approvals'. On the left is a sidebar with 'Standards' (selected), 'Approval workflows', 'Clause library', and 'Smart fields'. The main area is titled 'APPROVAL DETAILS' and contains two input fields: 'Name' with the value 'NDA' and 'Description' with the value 'For all NDAs'. Below this is the 'APPROVAL SETUP' section, which is a table with two columns: 'Step' and 'Assigned to'. The table has two rows: Step 1 is assigned to a user with a red profile picture, and Step 2 is assigned to a user with a blue profile picture. At the bottom of the interface, the text 'Concord's approval workflow' is displayed.

Step	Assigned to
1	[User with red profile picture]
2	[User with blue profile picture]

So you may want to provide a CLM vendor with an example of a workflow you now use, to compare how user approvals and permissions with the software are better expedited.

A system that is flexible and allows you to set up either contract-based approval workflows or organizational workflows is advantageous for scaling. Ultimately, this functionality should work to automate systems more efficiently.

## 11. What in-product collaboration do you offer?

In 2020, this continues to be a big differentiator in software. Though, this is a feature gap some providers are currently working to close.

For many businesses, collaboration continues to take place across email or other messaging services, and spreadsheets also continue to be the predominant way many businesses track contract terms and stages.

It creates risk with a faulty audit trail and wastes time in tracking.

When you're deciding on a CLM platform, walk through the collaboration process:

Can you discuss and easily track discussion on the platform?

Can you make changes and redline common document formats directly in the software?

Do you have fast and simple visibility in reviewing the stages of one or all of your contracts?

Some CLM vendors will provide a cap to the type of users who can track changes, while others will allow unlimited users to track documents, as passive participants in the collaboration process.

## 12. What's the process for organizing our company to use the system?

The fact is, anyone can set up a process, or create one, when adopting a new software.

*But it's better to understand whether a CLM vendor offers best practices and how they came to these! You should be able to request best practices for this process.*

CLM vendors that have implemented a system for hundreds of customers can customize the organizational flow more easily, and have better insight around pitfalls you may not have considered (such as employee turnover or scaling needs).

## 13. Can you show us how our organization would use “advanced features”?

*Advanced features aren't necessarily technically more difficult to use. But they are features you would not think to use because you don't yet know how they benefit you.*

You may be moving from one product to another, or in many cases, you're moving from a repository system that's causing errors—and costing money—and you're ready for a solution.

Typically, you're asking for these features because these are the ones you know and feel comfortable adopting.

Organizations certainly can start here. But it won't provide you with the value and benefit that holistic automation offers.

In 2020, data shows that integration in spaces you already know and work in make company-wide adoption easier. Simply speaking, you can continue to shelve contracts, or you can begin to manage them more accurately.

We know managing complex data is challenging. Look for features that track data for which you had no means of tracking (even with a spreadsheet or another software).

Learn how a system allows you to organize your business and subsidiaries to track each one more accurately. Finally, look at reporting functionality and how you can use these to gain better visibility of KPIs.

## **14. What's the branded and third-party experience?**

Customization for branding is a feature that serves scaling and growth. However, ease of access shouldn't be.

Can a third-party click into a platform and easily negotiate, sign, or receive notifications of changes?

A third-party should be able to freely access a document with minimal and secure steps. It should be a completely hospitable experience that's a powerful opportunity to convey professionalism, ease of doing business and provide user-friendly steps.

In 2020, many CLMs have begun to focus on third-party experience directly in the platform, while some continue to offer a hybrid experience that's partly within a platform and email.

## **15. Can you walk us through security and compliance for our business?**

Contract security, and keeping information confidential is paramount. Compliance in legality is likewise crucial.

Every CLM platform you consider should have a security review sheet to help you

know what levels of legality, as well as server and access security, they meet.

Most CLM vendors in 2020 will offer secure and legal electronic signature solutions, but consider added security access in these without losing the third party experience.

Compliance is specific to certain industries. Healthcare organizations may seek to standardize workflows around HIPAA-compliant contracts, or universities may need to meet certain sector-specific regulations in order to use the software.

Provide a vendor with compliance needs up-front, to learn how the software meets them.

## 16. What Integrations are available and what standard API do you offer?

Integration questions really depend on your unique business needs.

But integrations to the most commonly used software should be available and standard in 2020.

These can include:

### Repository with integrations to all the spaces your business uses

Drag and drop and automatically save a signed document in Google Drive, Box, and Dropbox.

### Integration for insights in a CMS (such as Salesforce)

Strengthen your single source of truth solution with intuitive integrations. it's an obvious next step that isn't hard to complete, and is a sensible way forward in growing your business software stack.

### Creation of enhanced visibility with integration

A contract management platform should allow you to track insights:

- Contract deadline timelines and trends



- Upcoming renewals and due dates
- Notifications for key stakeholders for any important terms
- Closed/won audit in Salesforce for example, with your contracts
- Ease of contract creation directly from CMS fields

An API for integration is not just for enterprise-level organizations. It's a means to grow in a way that meets the needs of your current business system to scale to your future goals. Bring your IT team into the conversation to review the documentation for the goals you're aiming toward.

Well documented APIs work to help you innovate against the competition.

## 17. What is your customer support ecosystem?

Undoubtedly, time-to-implementation and initial training is a crucial component in considering a CLM.

But responsiveness across channels is extremely valuable to understand upfront. It's helpful to gauge and understand the types of support available and any fees associated with these.

Is support comprised of computer based training program (CBT), one-on-one, or group or company-wide at first? What on-going support is available if you encounter any issues or have questions for a solution or plan?

Look also for monthly webinars, community forums, or email newsletters as additional support to a company representative.

## 18. How will this platform allow us to scale?

A CLM platform should be flexible, nimble, and responsive in feature updates and releases.

Do you want a customized dashboard, workflows, or inbox experience? Do you want out-of-the-box integrations or easily integrative software? Integration is one of the touchstones to powerful scaling.

A CLM platform should be able to handle limitless contracts and data across

formats, and maintain or increase a strong time-to-value contract lifecycle.

It should be customer-support responsive and adjust in non-disruptive ways.

(Yes, of course, disruption is a good thing! But this should be analogous to a smooth landing: You should not have an experience that's jolting or disruptive to your third-party experience.)

## 19. Who should be in the room to inform this decision?

Per McKinsey & Company, to be successful, the future of work is highly collaborative and integrated across departments.

You might solely be responsible for choosing the software. But if you want better adoption rates in any integrative process, include the main decision makers across departments.

CLM software transforms your business functionality. Managers in each area, as well as contract managers, legal opps, and administrators, can champion the software when they have a more realistic understanding of what that means for their organization.

A [leading sociologist](#) said it wisely, “Individuals didn’t make it to the moon; NASA did!”

## 20. Can you meet our budget?

Many times, businesses cost-compare before deciding on a budget. This can undercut the actual value of the investment. Instead, your business—and you, if you’re personally going to bat—are better off determining the investment value compared to inform your budget range.

Contract lifecycle management platforms price structures can range from free to thousands of dollars.

This isn’t feature-based but value-driven.

It’s the value of the system as a whole to automate thousands of agreements across your business, vendors, and third-parties and decrease time in every stage of the

contract process.

*Instead, align your budget to the cost of scaling with digitization, integration, and automation. The investment should be a pathway to scaling. You want to realize return immediately, and you also should be able to see a steady rate of return in cost reduction across key contract and business categories.*

At the start, walk through every service a CLM vendor provides to every need your business has. Determine what fees there are, if any, for implementation, support, start-date contract timeline, and how much customization across your organization you'll need.

To kick-off that process, download the [Complete Contract Management Solution Buyer's Guide](#), or [contact us](#) to demo the Concord Lifecycle Management platform.



Founded in 2014 and headquartered in San Francisco, Concord enables over 200,000 companies around the globe to connect all their people, processes, and contracts in one place. Built with intuitive features—like online negotiation and editing, deadline alerts, and approval workflows, Concord gives users everything they need for the entire contract lifecycle, making growth and compliance synonymous.

**Concord is contract management how it should be — easy.**

**[Request a demo](#) or contact [sales@concordnow.com](mailto:sales@concordnow.com) or +1.844.693.7446**