Overview

Gartner Peer Insights is a free peer review and ratings platform designed for enterprise software and services decision makers. Reviews go through a strict validation and moderation process to ensure they are authentic.

We analyzed 153 Peer Insights reviews to identify lessons learned while implementing contract life cycle management (CLM) software. This report focuses on the responses to the questions: “If you could start over, what would your organization do differently?” and “What one piece of advice would you give other prospective customers?” To browse all reviews, see the full list of Contract Life Cycle Management Software reviews on Peer Insights.
Peer Lessons Learned

This edition of “Lessons Learned” summarizes clients’ firsthand experiences with implementing CLM software. The peer advice results both from successful implementation projects and learnings based on what went wrong. This peer perspective, along with the individual detailed reviews, is complementary to expert research and provides a holistic view to the implementation process. The top themes in this peer advice are summarized below (see Figure 1).

Figure 1. Gartner Peer Insights ‘Lessons Learned’: Implementing Contract Life Cycle Management Software

Below are some key lessons learned and most cited recommendations by Peer Insights reviewers to help application leaders in the implementation process of their CLM software.

Lesson 1: Identify Gaps in Current Processes to Discern Organization-Specific CLM Requirements; Obtain Executive Sponsorship

The peers recommend the application leaders to thoroughly analyze their existing contract management processes to recognize gaps that may lead to lost contracts, unexpected renewals and expectations, and hidden clauses that can leave an organization open to liabilities. Through the careful assessment of such gaps, organizations must understand their requirements and endeavor to automate CLM in order to not only limit their organization's liability but also increase its compliance with legal requirements. They further advise the application leaders to secure executive buy-in on the finalized CLM requirements to streamline the adoption efforts throughout the organization.

Peer recommendations include:

n = 153
Source: Reviews submitted to Gartner Peer Insights between October 2023 and October 2021
ID: TIA7610
Review the organization’s existing contract management processes and practices to analyze gaps/inconsistencies. Gather the pain points of the end users and any relevant ideas to mitigate them through the CLM software.

Prepare a set of standardized requirements that take into account the organization’s willingness to fundamentally change business processes. Document the finalized requirements.

Ensure the executive board is aligned with the finalized requirements by demonstrating the benefits of incorporating a CLM software in the organization.

Chart out a roadmap that lays out the expectations and outcomes from the implementation of the software by factoring the needs of the evolving marketplace.

Representative quotes from peer reviews:

In this regard, a peer articulates:

Map out your current business processes, identify gaps in them and chart your future requirements accordingly. Create a plan that provides a reasonable level of details on the gaps in your business processes. Clearly document your business requirements through this analysis; including as much details involving workflows and approvals, to help simplify the discussion and demonstration of the vendors’ software. This would really help in decision making within the organization and set the right expectations with any vendor being considered.

— Program and Portfolio Management Professional, Construction Sector

A peer then states the importance of ensuring executive sponsorship:
Make sure to engage all executive stakeholders in advance. Have a solid business case with ROI and stakeholder benefits clearly articulated along with anticipated level of effort and a brief roadmap for the implementation.

— Sourcing, Procurement and Vendor Management Professional, Education Sector

Recommended reading:

How Automation Technology Supports Contract Review

Lesson 2: Gauge the Offerings of the Suitable CLM Vendors by Conducting Tests in a Sandbox Environment

The peers advise application leaders to evaluate the features of the available CLM software in the marketplace to shortlist the suitable vendors that best meet the finalized requirements. They further encourage them to execute rigorous tests in a sandbox environment to select the most appropriate software.

Peer recommendations include:

- Evaluate the feature sets of the available CLM vendors. Analyze the capacity of the software to be able to adapt to the envisioned business processes.
- Assess the suitable vendors in a sandbox environment to test their software in detail and comprehend all their advantages.
- Run POCs to review the ease of integration, usage (for the type of end users creating the source template contracts and ones creating the contract itself) and overall feasibility to select an appropriate CLM software.
- Finalize the count of licenses required throughout the organization. Adopt a flexible licensing model, if available.

Representative quotes from peer reviews:
A peer states the importance of conducting a thorough evaluation of the available vendors:

When selecting a software, view the features of as many competitors as possible and ask about their ancillary offerings to ensure selection of an appropriate software that can grow with the organization.

— Sourcing, Procurement and Vendor Management Professional, Service Sector

A peer then denotes the relevance of sandbox environments by sharing their organization's experience:

Mostly, we were always trying to define detailed and low-level requirements. Instead of focusing too much on that, we should have worked in the sandbox environment in order to understand the complete functionality of the software, which could have speeded up the delivery.

— Sourcing, Procurement and Vendor Management Professional, Finance Sector

Recommended reading:

Critical Capabilities for Contract Life Cycle Management
Lesson 3: Standardize Your CLM Processes Based on the Types of Contracts Before Migrating to the Software

The peers direct the application leaders to standardize their processes to the distinct types of contract forms that the organization provisions, before migrating them to the CLM software. In order to align the processes, they recommend organizing the datasets of their existing contracts to minimize the need to incorporate changes in the software after deployment.

Peer recommendations include:

- Ensure a thorough cleanup of the organization’s contract data before charting out a migration plan to the CLM software.
- Categorize the different contract types to provide for reporting and segmentation capabilities upon deployment of the software. Assemble the organization's backlog of contracts as well.
- Review the template creation and maintenance aspects of the contract types to streamline the migration effort.
- Whiteboard the CLM processes to effectively align them to the particularities of the contract types to create a standard work process throughout the organization.

Representative quotes from peer reviews:

A peer advises:

Review your processes and seek to align and standardize prior to design and implementation. This will result in the solution design meeting your standard process and your employees will know what that standard process is. Then, when you implement your CLM software, it will be familiar and intuitive to the end users.

— Sourcing, Procurement and Vendor Management Professional, Energy and Utility Sector
Another peer remarks:

If I started over, I would want to talk through every contract type and their individual specificity upfront before we began the implementation to help the implementation team understand the whole picture first. This would help eliminate the rework they occasionally had to do when we discovered something that we had forgotten to tell them.

— Sourcing, Procurement and Vendor Management Professional, Energy and Utility Sector

Recommended reading:

Quick Answer: How to Prepare for Migrating Legacy Contract Data Into a CLM Solution

Lesson 4: Leverage Professional Services to Deploy the CLM Software

The peers suggest application leaders to employ professional services as their expertise can prove beneficial for the implementation of the CLM software. They also encourage the allocation of an internal team of technical experts to collaborate with the team of professionals to ensure robust deployment.

Peer recommendations include:

- Hire professional services to assist with the software's implementation. Ensure a thorough understanding of the envisioned software is communicated to them.

- Administer an internal team of experts to oversee the implementation fares according to the plan and timeline.

Representative quotes from peer reviews:

A peer states:
Invest in a professional services team to develop effective software. Establish a common understanding of business processes and their technology, software and agreement data architecture before starting.

— Technical Professional, Unnamed Sector

A peer further recommends:

I would advise to take full advantage of what the software has to offer and take the implementation seriously with expert coordinators internally to liaise with the professionals to ensure a timely execution.

— Sourcing, Procurement and Vendor Management Professional, Finance Sector

Recommended reading:

Magic Quadrant for Contract Life Cycle Management

Reviewer Demographics

Reviewers who submitted their lessons learned represent a cross-section of job roles, enterprise industries, and enterprise sizes (see Figure 2).
Methodology

Of the Peer Insights survey data considered for this market, only those responses meeting the following criteria were included in this synthesis:

- Reviews less than 12 months old.
- Responses that pertain to the project experience and are not tied to the capabilities of a vendor.
- Reviews were clustered into the top-four most-referenced categories (lessons learned) and then listed in order of relevant phases in the project life cycle.

The results of this synthesis are representative of the respondent base and not necessarily the market as a whole.

“The data used in this report is drawn from reviews on Peer Insights, a crowdsourced enterprise review platform that relies on dynamic data. Key to maintaining the integrity of the site is our ongoing moderation and validation of those reviews. Reviews are examined before publishing to the site and periodically, post-publishing. Due to the dynamic nature of the data, the external Peer Insights site will always have the most updated view of the data in this report.”

Recommended by the Author
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When Contract Disputes Emerge, Do You Know Where Your Contracts Are?
How to Avoid 4 Common Contract Storage and Retention Bottlenecks
Prepare to Be a Better Buyer of Contract Life Cycle Management Technology
Common Contracts Processing Roadblocks Between Legal and the Business and How to Address Them

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