Agiloft

# BUILDING SUCCESS:
The roadmap to CLM excellence

Contract Lifecycle Management (CLM) was designed to assist in every part of the contracting process, both pre- and post-signature. Organizations everywhere can benefit from standardizing with CLM, promoting unprecedented efficiency, consistency, and transparency across the entire operation. These systems become even more valuable as companies scale and manage increasing volumes of contracts. Today, CLM is becoming crucial for strategic leaders to ensure contract compliance, reduce risk, and help make informed business decisions that impact the broader organization.

CLM is taking its place as an integral component in the base-level software stack of any business. Whether you're outgrowing the current system and/or process you have in place or have decided it's time to implement a CLM system for the first time, the question is often the same: "Where do I start?"

Figure 1
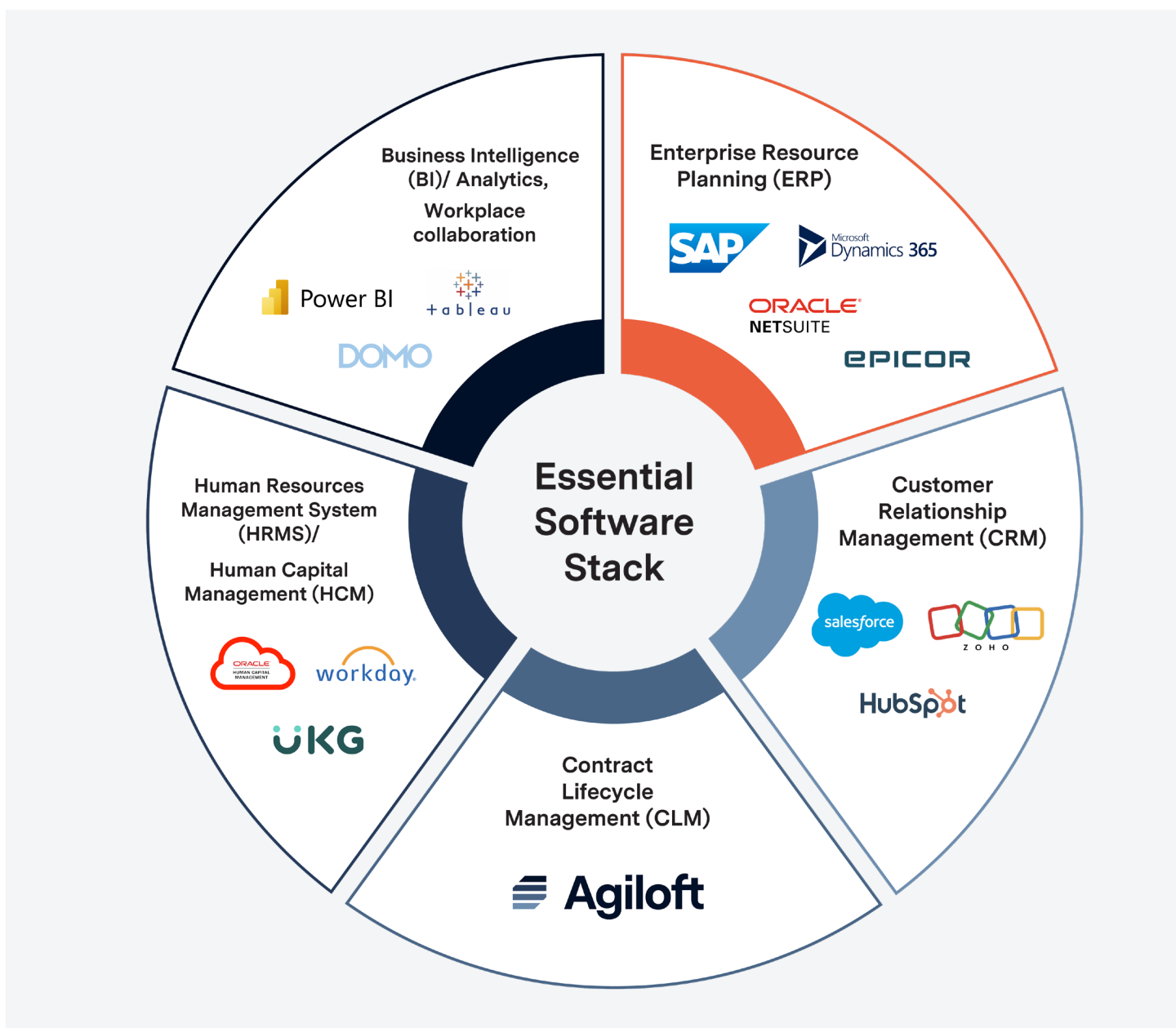
You've purchased or replaced this software for a reason – so this new tech has to work. What can be done as a purchaser or a project leader throughout the implementation process to ensure success? Technology is designed to help us, but it's not often that technology can stand on its own. A focused and well-planned implementation can and will directly affect the impact of your new CLM. The Agiloft professional services team maintains a 99% implementation success rating. They are proven experts in implementing CLM and driving impactful, long-lasting change. In this guide we're going to share how they do it.

So, where DO you start to ensure that not only will your new technology be set up correctly, but that it will create real, positive, and measurable change across your organization?

Before you implement: laying the groundwork

At this point in the process, you've already built your business case for CLM and garnered the appropriate executive, technical, and financial support.

Often, there's a triggering event of some sort that prompts a business to commit to looking for a contracting solution: unexpected and expensive autorenewals, disjointed and unnavigable repositories, lengthy signature processes, and more.

But, before we can even go back to the initial need for your new CLM, it's time to lay the groundwork for your new implementation program.

Differentiating between a project and a program is an important step when beginning your implementation journey. If you're thinking of this new implementation as a single project, you're likely to miss an important, if somewhat nuanced, step.

Project vs program	
PROJECT	**PROGRAM**
A project is a temporary undertaking consisting of a sequence of tasks having defined outputs and deliverables, with resources having a definite start and end date.	A program is a group of related projects managed in a coordinated manner to achieve goals and benefits not available from managing them individually.

> **Rather than a big bang, we recommend a crawl-walk-run approach and to look at CLM as a "program"** – which is a group of related projects. Start with the most important goal or the lowest hanging fruit and then evolve and iterate over time."
>
> - Murtaza Chopdawala, Sr. Director of Enterprise Project Delivery
> Secrets to Implementation Success Webinar

Why is this approach so different? Treating your CLM implementation as a large program built of a series of smaller projects gives your business a chance to experience how CLM can add value to their day to day lives, promoting adoption, impact and excitement about future optimizations.

To ensure your program is a success, it's important for the entire organization to be on the same page, and the best way to accomplish this is by drafting a complete, detailed program charter.

Questions to answer for your program charter:

✓ **Why** are we doing this?

✓ **Why** are we doing this **now**?

✓ What does **success** look like?

✓ **How long** do we think this will take?

✓ **Who** will do the work?

✓ **How** will decisions be made?

✓ **How much** do we think this will cost?

✓ **Will** this be easy to maintain?

This new charter will keep you on track and help create investment and interest from other teams throughout your organization. While we'll explore how to define and prioritize your series of projects later in this guide, there's an extremely important step to start with: Building your implementation program team.

Building the cross-functional implementation program team

Casting all the way back to the software evaluation process, it's time to bring your CLM wish list back out. Take a look at your dream contracting workflow, revisit those initial pains, and prioritize them. It's important to remember, though, that even if your department is leading the implementation project, it's likely not going to be the only one affected by the introduction of CLM – so you'll need to ensure all those teams are well represented.

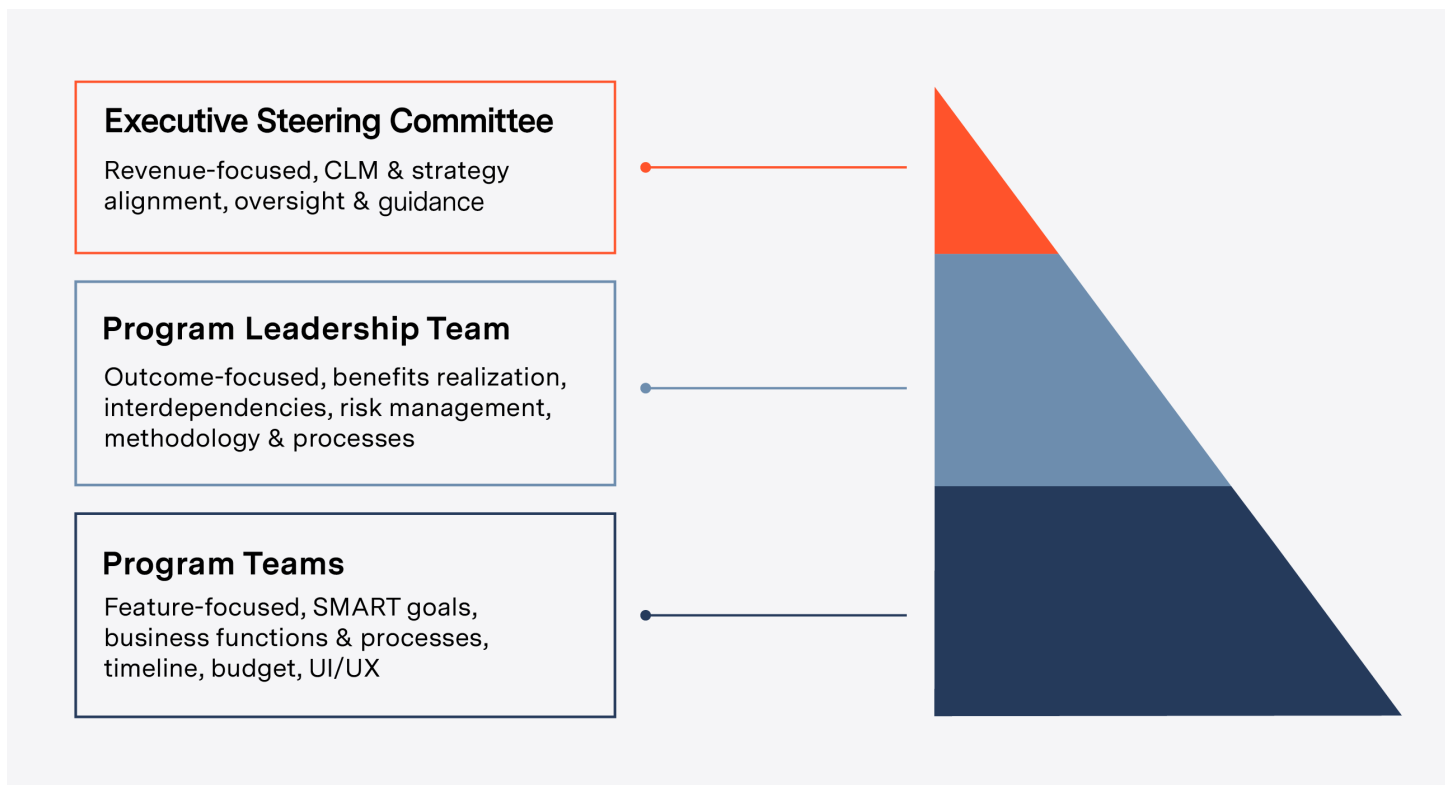| The members of your program team:	
PROGRAM SPONSOR	Senior member of the organization with a clear vision & strategy; key decision maker
PROGRAM MANAGER	Strong PM with ability to manage project interdependencies; understands overall program objectives
BUSINESS CHANGE MANAGERS	Senior members of the organization with clear vision & strategy; key decision makers
PROGRAM TEAM	Dedicated, trained project resources that focus on resources, dates, and deliverables

Your program sponsor is that executive-level leader that has final decision-making authority throughout your implementation process; think of this team member as the tie breaker. They're a spokesperson for the vision and objectives of your program across the organization, and they authorize funding throughout, approve the program's process against organizational strategy, and ultimately confirm and sign-off on the successful delivery of your program once complete.

The program manager is an organized, strategic team member that understands the ideal contracting process, both pre- and post- signature, and the vested interests and goals of each individual department that your new CLM will affect. They're big picture thinkers and are focused on improving processes across the entire organization, and increasing the impact of your new CLM.

The business change managers are your cheerleaders. There's one from each of your affected departments and they are responsible for taking your message back to their teams, as well as working through new policies, approving training materials, or even becoming a member of both the workflow building and the User Acceptance Testing (UAT) phase of your program. Our tip? Make this a coveted role in your organization: the more your individual teams feel heard and considered when creating your new process, the more successful you'll be.

Finally, the project team will be a combination of future admins or power users, and future end users of your new CLM. The project team will work directly with your professional services or implementation partner to create, test, and iterate on your new CLM environment, ensuring all requirements are met along the way.

The Program Governance Model:

Executive Steering Committee

Revenue-focused, CLM & strategy alignment, oversight & guidance

Program Leadership Team

Outcome-focused, benefits realization, interdependencies, risk management, methodology & processes

Program Teams

Feature-focused, SMART goals, business functions & processes, timeline, budget, UI/UX

Now that your dream team has been established, it's time to move on to the next phase of your implementation program: Creating process maps & system diagrams.

The technical implementation: building your CLM foundation

Let's think back to that initial triggering event or reason that sent us on our new CLM search in the first place.

> Taking the time to acknowledge that original requesting team, as well as the initial problem that the team was hoping to solve, is how you'll determine and answer one of the most important pieces of your program charter: Why are we doing this NOW?

However, as you probably learned when creating your new supporting program team, that initial need is, more likely than not, tied to many other teams or processes across the organization. So, how do we ensure that we're solving the needs of our vested parties while, simultaneously, not hindering the process of any other team? It's time to map out your processes.

Throughout this phase of your implementation, you'll have a few critical features to look for: integrations, customization, scalability, and compliance. And all the while you'll be seeking to align your new CLM's capabilities with your organizations' specific needs.

Creating a process inventory:	
PROCESS MAPS	Process maps provide insight into how processes work — and how well they work
SYSTEM DIAGRAMS	System diagrams communicate dense and complex information in a visual manner — create clarity

It's important to make a detailed outline of your current contracting processes, and document all the teams, systems, and milestones the contract touches – and the important data within the contract that's being leveraged along the way.

Once you understand where you are, it's time to think about where you want to be. Create a CLM roadmap to guide you throughout your journey. Outline clear objectives and success metrics.

A good program roadmap answers these questions:

✓ **Where** are we now?

✓ **Where** do we want to be? (The 1-year, 3-year, 5-year vision)

✓ What are the **dependencies**?

✓ What can be done in **parallel**?

✓ When are the **checkpoints**?

Once you've established your dream CLM instance, and a phased roadmap that will get you there, you'll need to establish a timeline with checkpoints for planning, deployment, testing, and training. Then, assign the corresponding roles and responsibilities to your relevant program members.

System configuration and customization

Next, let's talk best practices for configuring this new CLM tool <u>to fit your unique business processes.</u>

First, there are custom fields, templates, workflows, and policies to take stock of; and you'll need to decide how you'll handle these steps of the contracting process moving forward. Take a look below at our "Policy questions you should ask" checklist to help you with this part of the implementation process.

Questions you should ask:

CONTRACT POLICIES	✓ **When** is a contract needed? ✓ **Who** can negotiate? ✓ **When** does Legal need to be consulted? ✓ **Where** does the contract reside after signature?
APPROVAL POLICIES	✓ **Who can approve** contracts to spend money? ✓ **What are the approval limits**, and what determines them? ✓ **Who** can delegate approval authority? ✓ **How** does approval progress through the chain of command?
SIGNATURE POLICIES	✓ **Who** can sign by legal entity, department, and amount? ✓ **Does signature authority vary** depending on the contract type? ✓ **Who** can delegate signing authority? ✓ **What's** the signing order?
RECORDS RETENTION	✓ **How** are contracts classified as records? ✓ **Who** is appointed records custodian? ✓ **What** retention period is required? ✓ **What is the destruction process** once a retention period expires?

With flexible, no-code systems like Agiloft, you're not confined to a single, rigid, out-of-the-box (OOTB) system. You can take the time to ask these questions, identify the policies and procedures that make your organization unique, and ensure your new CLM works to meet your needs – not the other way around.

What else makes your organization unique? That software stack that we discussed early on in this guide. It's important to take the time to connect your CLM to your ERP, your CRM, any eSignature tools you might use, procurement, HR, finance, and any other software that might access, leverage, or co-mingle the important data that's held within your contracts and the surrounding process. Tools like Agiloft's Integration Hub take you to a no-code user interface where you can easily connect different applications, deciding when and which data is sent between systems.

Data migration

To ensure your contracts are ready to send and receive key pieces of data across your software stack, taking time to review and inventory your contracts prior to uploading them into your CLM is a key step for both implementation and continued success with your new system.

Cleaning, mapping, and migrating legacy contract data is integral to the overall performance of your CLM, and systems like Agiloft have both services processes and AI tools that can streamline this sometimes daunting, but imperative, task.

Taking the necessary time throughout data migration can be the difference between performing day-to-day operations with an accurate, effective CLM, or quickly falling into a common implementation pitfall.

These custodial steps aren't limited to data tagging and migration: if possible, it's also beneficial to set up a robust clause library and complete complex templating or approval workflows to maximize the impact your CLM will have.

User adoption & change management: ensuring long-term success

Now, you and your program team have performed all the foundational work and built your ideal CLM system and new state-of-the-art contracting process (at least for this phase); now it's time to ensure that all the work you've done is worth it. Change management is crucial for user buy-in and full CLM utilization across your organization.

The impact that your CLM can have is directly related to the utilization of the software overall. With your program leadership team, you have members dedicated to training and adoption, but don't forget a very important part of that role – gathering feedback.

Samantha Bates, Global Legal Operations leader at Agiloft customer Gore said it best: "We really had to understand we're not implementing this system just for legal's purposes…the length of the journey is really dependent upon ensuring that you're engaging with those non-legal folks, those other teams that are going to be highly impacted by the software, who are going to want to understand, 'what is the value for me?'

Everyone has their own learning style: while for some a short, step-by-step written guide might be best, for others you might be more successful staging a live training or offering short videos that show not only what to do but why it's important to do so, and how it will ultimately improve their working lives.

While training is important, the work doesn't stop there – make sure you keep an eye on contract performance metrics, and ensure that teams are still in the system, leveraging your new processes. If they're not, find out why, it likely means you have an opportunity to iterate on the workflow, identifying a pain point that might be hindering usage of your CLM. Again, the more your teams and end-users feel heard, the more likely they are to use the system, and the results it provides will reflect the breadth of its adoption.

Post-Implementation: optimization & continuous improvement

Another essential step in your CLM program that we haven't discussed yet: defining and measuring success.

Throughout your entire implementation there are many different spots to establish and track key performance indicators (KPIs). Initially, it's important to write down overarching goals of the project: are we expecting to be faster or maybe more cost efficient? In this case you could note KPIs like reducing average contracting time by, say, 60%, or focus in on just legal review time. Get as specific, and as measurable as possible.
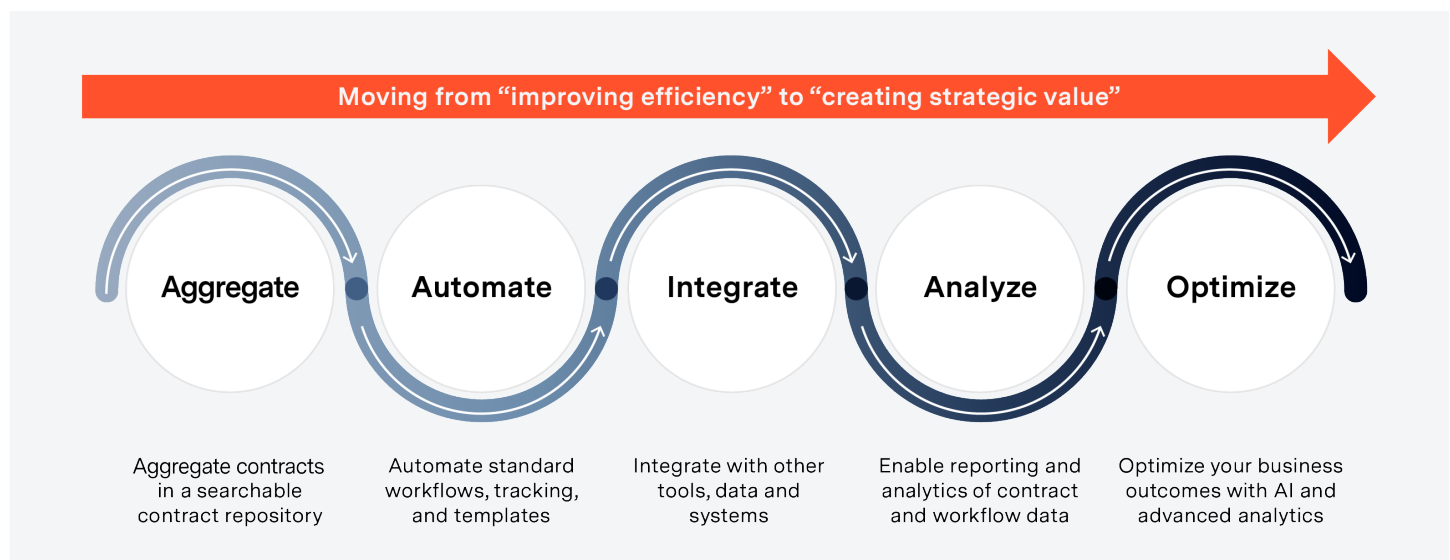
Beyond these large goals you'll want to identify timeline milestones, and user adoption targets to determine whether you can deem your overall project a success.

Regularly assessing the system's performance against your established metrics is important because, beyond your user feedback loop, it's a quick, and actionable way that you can identify areas of improvement and future iterations of your CLM.

Just as your organization will continue to evolve and change overtime, the software you're using will as well: be sure to stay on top of product releases and other new platform additions (like AI or other revolutionary updates) in order to continue making the most of your software investment.

Finally, it's important to remember that your CLM journey will never truly be finished. After you've spent some time with your CLM, start the process over – identify where you are on the CLM maturity journey, and identify with your program management team how you're going to attain the next maturity stage.

CLM maturity progresses from your CLM being a simple "system of record" or repository to creating a dynamic and intelligent system of engagement and analytics. As you move up the CLM maturity spectrum, Agiloft's no-code platform will continue to support deep configurations, from the user interface itself, to the architecture and workflows that drive your contracting process.

Moving from "improving efficiency" to "creating strategic value"

Aggregate	Automate	Integrate	Analyze	Optimize
Aggregate contracts in a searchable contract repository	Automate standard workflows, tracking, and templates	Integrate with other tools, data and systems	Enable reporting and analytics of contract and workflow data	Optimize your business outcomes with AI and advanced analytics

Conclusion: the value of a successful CLM implementation

It's official! Your tool belt is equipped with the foundational elements that it takes to lead your team through a successful CLM implementation.

Let's take a look at some key takeaways:

- ✓ Think of CLM as a complete program, not just a project

- ✓ The team you build is essential to your success

- ✓ Make program governance a priority

- ✓ Take the time to map out your current and dream workflows, for every team and system involved

- ✓ Focus on a small set of objectives at a time

- ✓ Create detailed, measurable, and actionable milestones to keep you on track

- ✓ Define clear roles, responsibilities, and accountability and communicate consistently with stakeholders

- ✓ You can probably be doing more with your CLM, don't be afraid to iterate

By working through Agiloft's proven implementation methodology, we not only see the success reflected in their 99% satisfactory rated professional services organization, but also by the impact that the CLM has made on their customers.

✓ Have more questions on the CLM implementation process? Contact Agiloft's award-winning professional services team to get your questions answered, today!