

CLM MADE EASY

FROM EVALUATION TO IMPLEMENTATION

Our Presenters



Lucy Bassli
Founder and Principal
InnoLaw Group



Ken Button
Co-founder and CEO
ContractSafe

What's up with CLM?

By 2024, the manual effort for contract review will be reduced by 50% due to adoption of AI based contract analytics solutions.

- Gartner

BUT only 12% of surveyed LDs are using AI tools in their processes

- State of the Industry Report, CLOC

50%...
But 12%

CLM was employed by 74% of respondents.

- State of the Industry Report, CLOC

74%

80.8% of in-house lawyers have to participate in contract management.

- Benchmark Survey, ACC

80%

Bringing it back to basics: What is CLM?

CLM is a **complex web of activities** performed across many departments at a company. It often has no clear owner and becomes an organically growing combination of processes. CLM must be tackled by breaking it into phases and making incremental improvements.



The good news about having a cycle is, that every time you do something repeatedly, improvements should occur, and there are opportunities to identify changes to make the entire cycle go faster. The business is interested in speed. They expect the legal team to handle the complexity and the legal issues, but at the end of the day, they require speed. Anything that can be done to increase the velocity of the agreement cycle will be much appreciated by the business and will certainly shed light on the law department functioning as a true business partner to the company.

Contracting is everyone's problem

Contracting is a problem for every corporate law department

- “Too many contracts”
- “Not enough time”
- “The business is frustrated with us”
- “Legal is the black hole”

Contracting is a process that touches almost every part of a company

- Many departments may be involved in contracting
- ... But legal departments are ALWAYS part of the decisions

HOW CLM READY DO YOU FEEL?

1. Being honest, I am pretty clueless
2. I know the basics, but am not sure where to begin
3. I've started, but am not seeing much change
4. Pretty good processes in place, but could be better
5. I think we've mastered it and are pretty CLM efficient



Key functions and tasks (for LEGAL) across CLM



Pre-Contracting

- Developing key terms and toll gates
- Setting contracting requirements for various engagement types



Request

- Identify specific info needed to start legal review
- Include guidance and self-help
- Reduce the number of random requests for help lacking context



Create

- Reuse samples and leverage executed contracts to create templates
- Clause libraries can be used to create dynamic and flexible templates
- Enable the business to start with pre-defined locked templates



Negotiate

- Real value for Lawyers' time
- Test risk tolerances here
- Decide how information is sought from subject matter experts



Approve

- Consider other approvers outside of Legal (Finance, IT, HR, Security)
- Audit trail of internal approvals enable compliance efforts
- Ripe for automation if rules are clear



Sign

- Legal should NOT be involved in this phase of the contracting process
- Electronic signatures are now standard
- Administrative task to be handled outside of Legal



Store

- The repository of a CLM system is the most sought-after feature
- Contracts should be searchable for content and text
- Storage can be handled outside of Legal

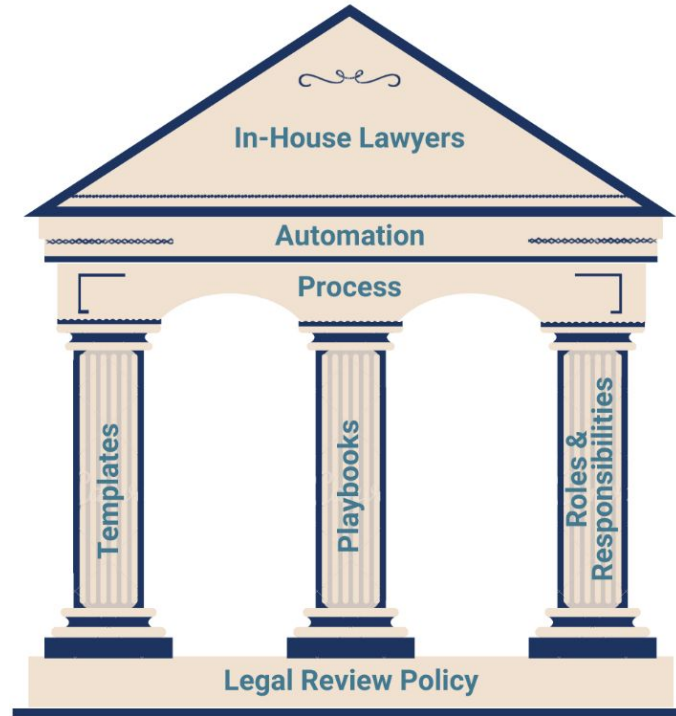


Manage

- Post-signature obligation tracking should be a business function
- Automation of basic alerts and reminders is common feature
- Opportunity to use clause libraries for simple renewals and amendments



CLM Operating Framework



WHERE DO YOU START?

WHAT TECHNOLOGIES ARE YOU USING TODAY FOR CONTRACTING?

1. Email, email, and email
2. Some combo of email and other corporate technologies (e.g. Salesforce, Coupa, Ariba)
3. CLM system (either only or in conjunction)

2023 InnoLaw CLM Market Study

Priority focus areas for in-house legal teams 2023

1 Leveraging technology

2 Risk mitigation and management

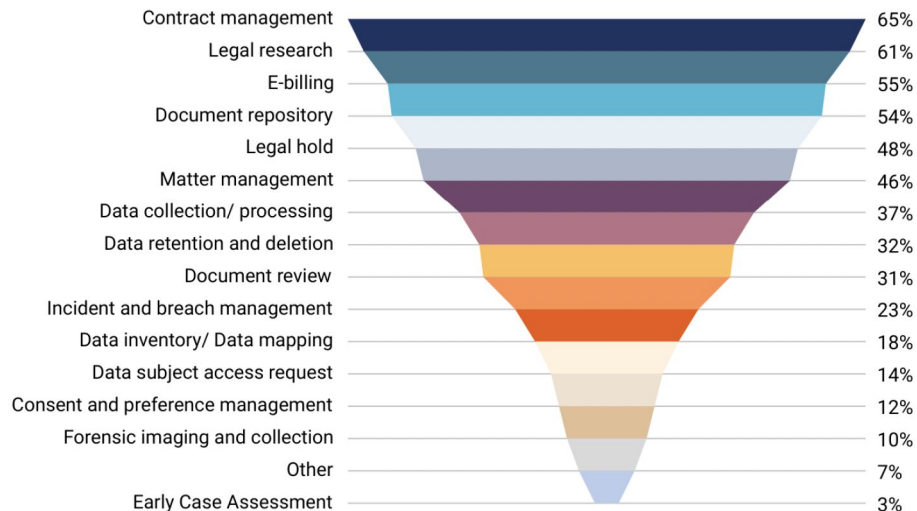
3 Increasing legal operational efficiency

4 Regulatory compliance

5 Cost control

6 Being effective business partners

Legal tech investments for 2023



2023 InnoLaw CLM Market Study



90%

InnoLaw client insight: 90% of ILG's clients report being unable to keep up with the speed, complexity and volume of available technologies. This lack of clarity often results in either stalled progress or a rushed rselection of a solution that is a "bad fit" for the organization.

48%

of organizations have foundational improvements to make before implementing CLMS

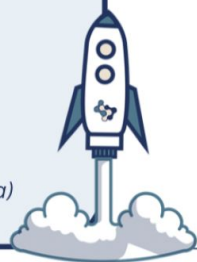
(InnoLaw CLM Launchpad data)



54%

of organizations have a CLM system today

(InnoLaw CLM Launchpad data)

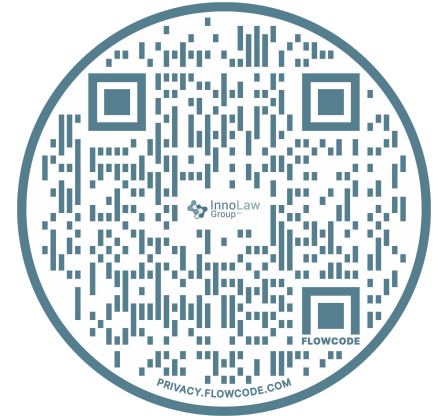


Where are you on your CLM Journey?



Launchpad

an InnoLaw Group PLLC platform



2023 InnoLaw CLM Market Study



Gartner predicts that by 2026, 25% of existing legal tech providers will no longer exist

(Gartner 2023 Legal Technology Trends and Predictions)



39%

of organizations are dissatisfied with their current CLM system

(InnoLaw CLM Launchpad data)

53%

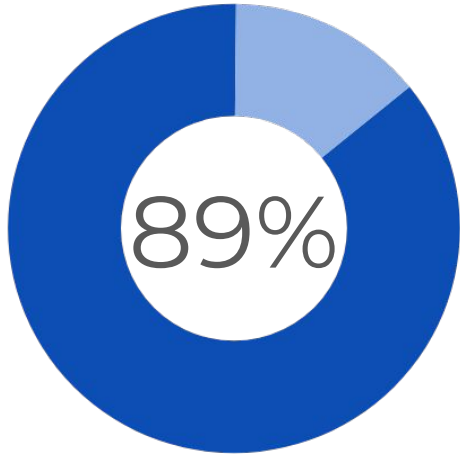
of organizations are considering switching CLM system

(InnoLaw CLM Launchpad data)



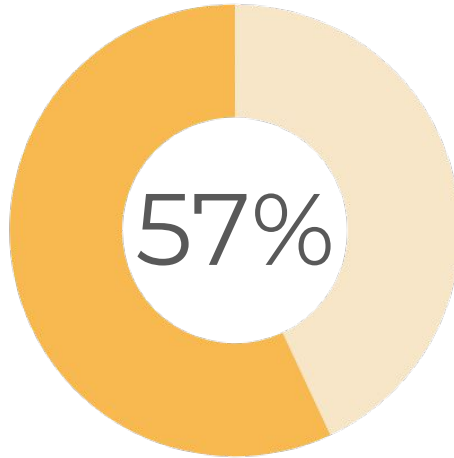
HOW DO YOU CHOOSE
THE PERFECT PARTNER?

There's a Lot of CLM Regret



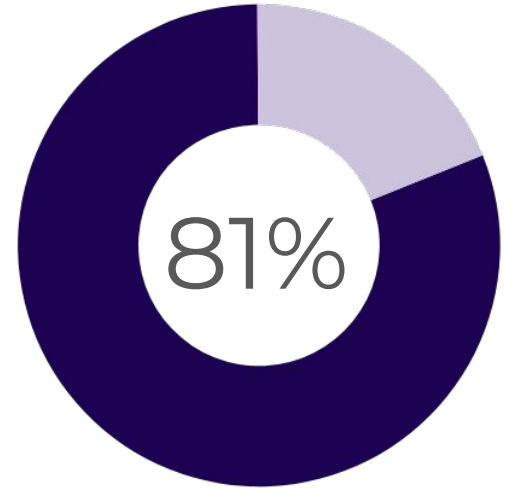
of in-house legal teams have struggled to implement new technology.

(ContractSafe, 2024)



of employees (across all departments) say the tech they use makes them LESS productive.

(Freshworks, 2022)



of In-house lawyers experience problems with their Contract Management solution.

(ContractSafe, 2024)

Why?



Eyes bigger than stomach

Overview - Find the Right Solution

1. **Scale/Complexity** - Start with this!
2. **Features** – Identify from pain points
3. **Vendor** - Easy to work with?
4. **Blockers** - Any other gating factors?

1. Scale/Complexity - Find the Right Solution

	“SMB”	“Enterprise”
Volume	Low to moderate (1,000s)	High (100,000+)
Budget	\$5k-\$35k	\$35k+
Implementation	Fast / easy / no fee (weeks)	Project / fee (months)
Team mindshare / time	Light / easy	Will invest time / energy
Org complexity	Modest	Complex
Ongoing admin	Minimal	Ok to staff (.5 FTE+)

Pick your lane and stay in it :-)

2. Features - Find the Right Solution

Fundamentals every org should have...

- ✓ A Single Source of Truth that is Searchable
- ✓ Date Management
- ✓ Reporting

High ROI / low risk

2. Features - Find the Right Solution

Next, what additional pain points are critical to address?

- Organization of new requests > intake workflows and forms
- Contract creation > templates
- Contract review > automated review / AI
- Managing edits > in-app editing / collaboration, clause library
- Approvals > approval workflows
- Execution > eSign

More features = More complexity / risk

3. Vendor - Find the Right Solution



1. Free trial?
2. Transparent pricing?
3. Easy to reach?
4. Implementation fee?

Is the sales process easy?

4. Blockers - Find the Right Solution



User management

- (SSO, 2FA, role-based access)



Security

- (SOC2, ISO)



Privacy/Compliance

- (GDPR, data residency, HIPAA, FedRamp)

HOW TO IMPLEMENT A NEW CLM?

WHAT INTIMIDATES YOU ABOUT IMPLEMENTING A CLM?

1. Getting all the different teams on board
2. Migrating thousands of documents
3. Getting everything set up and organized
4. Time-to-ROI
5. Personal time investment
6. Nothing. I'm ready to go



Overview - Implementation Tips

1. Land and Expand
2. Stop the Bleeding
3. A Quick Win
4. Feed the Big Fish
5. One Bite at a Time
6. Breathe a Sigh of Relief



1. Land and Expand - Implementation Tips



- Start with your own team
- Expand from there

2. Stop the Bleeding - Implementation Tips

- Start saving new contracts in your new solution ASAP



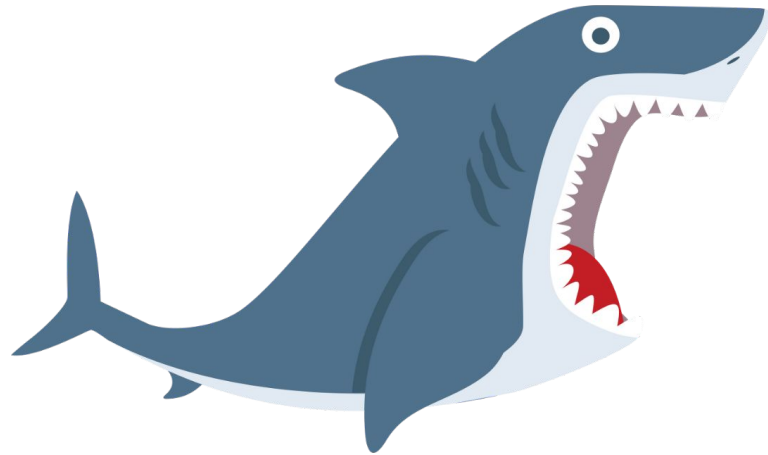
3. A Quick Win - Implementation Tips



- Bulk upload legacy contracts into your new solution
- You can organize it later
- Instant searchable, single source of truth

4. Feed the Big Fish - Implementation Tips

- Focus on organizing the most important legacy contracts
- Learn what's important and set the foundation



5. One Bite at a Time - Implementation Tips



- Tackle the remaining contracts one category at a time
- Start incorporating additional functionality – intake forms, templates, approvals, eSign, etc.

6. Sigh of Relief - Implementation Tips



OPEN FLOOR FOR
QUESTIONS