DocuSign

Evaluating Contract Lifecycle Management (CLM) Solutions: A Checklist

The following checklist details some of the most important capabilities to consider as you evaluate CLM solutions.

Generate

Contracts are unlike other text-based documents, so why generate them the same way? A dedicated CLM platform speeds up the creation process with reusable templates, clause libraries of preapproved legal language, integrated data from external systems and other features that eliminate manual tasks as much as possible. It also standardizes your contract generation process and removes the inherent risk associated with errors due to copy-and-paste mistakes.

	Vendor 1	Vendor 2	Vendor 3
Can you create documents using templates, and do the templates integrate data from other systems?	☐	☐	☐
Is there a clause library that provides preapproved legal language for use in contract generation?	☐	☐	☐
Does the clause library enable the use of playbooks?	☐	☐	☐
Are predefined, logic-based rules used to determine which fields are included in documents?	☐	☐	☐
Is there a wizard-like contract request form, and does this guided experience use conditional logic to create the agreements?	☐	☐	☐
Are there multiple options for contract initiation, including a wizard, custom workflows, forms, and a button?	☐	☐	☐

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Negotiate and Collaborate

One of the beautiful things about a CLM-specific solution is that at any given time in the negotiation process, there's only one live version of a contract. So, make sure that's the case in the vendors you review. It should be painless to send contracts for review, track changes across versions and maintain a single source of truth for who did what, when. Eliminating extraneous, unofficial drafts also reduces errors, provides maximum visibility for individual stakeholders and ensures approvals happen in the correct order, minimizing rework. And when it comes to collaborating with internal stakeholders, it should be easy to do all of these activities in real time.

	Vendor 1	Vendor 2	Vendor 3
Is internal sharing of agreements for review and editing supported?	☐	☐	☐
Can users share agreements via email?	☐	☐	☐
Is there a complete historical record of each agreement, including related edits, comments and approvals, and does the solution provide an audit trail of all these activities?	☐	☐	☐
Can users send agreements to external parties for review, and can they save changes as a new version?	☐	☐	☐
Can the solution compare previous versions of a document, highlight any changes made and route the document through the workflow automatically based on the changes?	☐	☐	☐
Are workflow notifications sent via email and in-app, and can users respond via a variety of collaboration tools, such as Slack, email and mobile devices?	☐	☐	☐
Can users redline a document and collaborate in real time with other internal users, including flagging certain clauses for review and assigning specific tasks?	☐	☐	☐
Does the solution support AI-driven risk scoring during negotiation and collaboration with multiple prebuilt, risk-based scorecards tailored to the company's risk thresholds (both in solution and Microsoft Word)?	☐	☐	☐
Is there an online editor where multiple users can review, comment and tag each other in real time?	☐	☐	☐

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Automate Workflows

Configurable workflows are at the core of CLM automation, so make sure you dig deep here when evaluating vendors.

The essential element of all automated workflows can be summed up in one word: easy. They should be so straightforward that nontechnical users can create and maintain them. The solutions should have a guided workflow experience based on best practices that are also effortless to create and maintain, because as your business evolves, so must the workflows. If done right, they can dramatically shorten the time it takes to create contract workflows and lessen the time stakeholders spend redlining, signing and routing contracts manually.

	Vendor 1	Vendor 2	Vendor 3
Can you route agreements based on risk profiling and other attributes extracted from AI-driven analysis?	☐	☐	☐
Can the solution extract negotiated terms and use those values to update relevant metadata or influence downstream workflows and approvals?	☐	☐	☐
Do document changes trigger workflows that move the document through the business process?	☐	☐	☐
Is it easy for nontechnical users to configure and maintain workflows–without writing code–using a wizard-like interface, drag-and-drop configuration capabilities and predefined templates?	☐	☐	☐
Does the solution allow on-demand, ad-hoc sending of documents for approval?	☐	☐	☐
Does the solution provide reports and dashboards to keep users informed about what work is in their queue, where documents are in flight, and what work has fallen behind?	☐	☐	☐
Can users initiate approval processes that include multiple steps and approvers?	☐	☐	☐
Does the solution use predefined workflow logic (based on user input or information detected in the agreement) to determine approvers?	☐	☐	☐
Does the workflow logic use identified risks to trigger different approvals?	☐	☐	☐
Can any action be used to generate agreements and trigger workflows in the contract lifecycle management solution?	☐	☐	☐

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Manage

To be useful, finalized contracts must be easily accessed by the right people at the right time. The best way to make this possible and simplify contract lifecycle management is to keep all your contracts in a single, permission-controlled repository. No more paper copies in filing cabinets nor PDFs stored on someone's desktop. However, centralized storage alone isn't enough. Speed and accuracy are also key when searching for contracts. This allows teams to find exactly the right portions of a contract so they can quickly determine opportunities, obligations, risks and exposure in time to act appropriately.

	Vendor 1	Vendor 2	Vendor 3
Can administrators fully manage access rights and customize those rights by user and group, including what tasks, views, reports, actions and permissions are available to each user or user group?	☐	☐	☐
If the solution integrates with a third-party application, can agreements be stored in both systems?	☐	☐	☐
Are there any limitations on file types, file size or storage?	☐	☐	☐
Are there robust search and filter capabilities across both the structured and unstructured content within the contract (including keyword and concept-based search)?	☐	☐	☐
Can the solution manage and visualize agreement hierarchies and correctly associate related documents within an agreement set (ex: parent/child)?	☐	☐	☐
Does the solution prescribe the use of standard attributes while providing the option to create custom attributes for specific use cases?	☐	☐	☐
Can the solution identify, record and manage obligations within agreements and associate those obligations with the appropriate counterparty?	☐	☐	☐
Are contracts and metadata automatically centralized, so multiple departments across the enterprise can use them?	☐	☐	☐
Does the solution provide side-by-side comparisons of clauses, terms and conditions across a common set of contracts in a single view?	☐	☐	☐
Can users access prebuilt reports and build their own custom reports and then export the results as a spreadsheet, PDF or other file format?	☐	☐	☐
Can users schedule reports and email them to designated recipients or groups?	☐	☐	☐
Does the solution provide visibility into bottlenecks by reporting on workflow metrics?	☐	☐	☐

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Analyze

The ability to pull insights from a CLM system is central to improving your entire CLM process. Afterall, how can you improve something you don't know? Add artificial intelligence to the mix, and the solution is even more useful. A solution that uses rich, discoverable metadata across all agreements and parties helps you track renewals, report on obligations, view agreement hierarchies and more. Equally important is ease of use from prebuilt AI models, of which DocuSign has over 120.

	Vendor 1	Vendor 2	Vendor 3
Do the AI capabilities support the ingestion, processing and analysis of text and non-text documents (Word, PDF, images), scanned images, pre-execution contracts and legacy contracts?	☐	☐	☐
Can the solution understand the intent and contextual meaning of terms, so it delivers more relevant search results?	☐	☐	☐
Is AI used to extract specific information from contracts and surface it for review and save it for easy discovery and reporting?	☐	☐	☐
Do users have the option to deploy prebuilt AI models for clause extraction as well as customize their own?	☐	☐	☐
Does the vendor have dozens or more prebuilt extractions to cover common, recurring use cases as well as niche or evolving ones, such as regulatory changes like LIBOR?	☐	☐	☐
Is there AI-driven analysis to help determine the right fallback language for clauses determined to be high-risk?	☐	☐	☐
Are there prebuilt analytics on multiple topics and subtopics, such as GDPR, procurement and M&A?	☐	☐	☐
Is it possible to create additional AI models beyond the pre-built AI models that come out of the box? Can you build the models or are professional services from the vendor required?	☐	☐	☐
Can users build and view standard and custom reports based on extracted data points, and is there an option to report on data that is extracted via the AI analysis process?	☐	☐	☐

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Integrate

Contracts are at the heart of nearly every relationship and used by every department in an organization. Yet, the systems in each of those departments often remain unconnected to one another. An integration that welds two systems together but provides no flexibility doesn't really address inefficient processes, siloed information and unnecessary risk.

That's why it's important to avoid integrations that are proprietary, highly customized, and/or designed to address a product gap in other systems. Instead, look for ones that are extensive and simple to use and maintain—even for non-techies. Afterall, your organization is more likely to use CLM when it works with systems you already use.

	Vendor 1	Vendor 2	Vendor 3
Can changes made by end users be imported back into the system of record?	☐	☐	☐
Can nontechnical users establish connections out of the box?	☐	☐	☐
Is there a centralized way to manage all CLM connectors in one place?	☐	☐	☐
Does the solution support an open API for initiating contract analysis with other systems, including sending documents for analysis and pulling extractions and risks for review?	☐	☐	☐

Salesforce Integrations

Can the solution integrate into any Salesforce object across the entire platform, and does it offer multiple SFDC integration points without requiring other solutions?	☐	☐	☐
Do users need a Salesforce license to use the solution, and can agreements be shared with non-Salesforce users?	☐	☐	☐
Can the solution tie Salesforce fields to agreement metadata, and does its workflow engine trigger updates on Salesforce fields?	☐	☐	☐
Can the solution create new records in SFDC and link records in SFDC to those in the CLM solution?	☐	☐	☐
Can users generate new agreements directly from the Salesforce UX and automatically populate the agreement with data from Salesforce and the CLM solution?	☐	☐	☐

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Services and Support

Implementing a new technology solution within your organization can be transformative and extremely beneficial. However, any new tool or process will have a learning curve that looks different for everyone. Without adequate training and change management, your users will not adopt the solution. The most successful CLM implementations include a holistic training plan that offers a range of self-serve, in-person and virtual training courses and community resources to ensure your team has access to the support needed to be successful.

	Vendor 1	Vendor 2	Vendor 3
Do you offer value engineering to quantify the financial value of your solution and measure the impact on customer experience?	☐	☐	☐
Will the solution be implemented by the vendor's professional services or by an implementation partner? To what degree are project resources "certified" or credentialed as CLM experts?	☐	☐	☐
Do you have a customer community where customers interact and share best practices? How many active users do you have?	☐	☐	☐
For a Getting Started with CLM solution (ex: DocuSign CLM Essentials) can it be implemented in 6-9 weeks? For a standard CLM solution (ex: DocuSign CLM) can it be implemented in 3-4 months?	☐	☐	☐
Do you offer standard training, custom training, post-implementation, hand-off training, and on-going training options?	☐	☐	☐
Do you offer 24-hour, global support? Do you offer phone, email and chat support?	☐	☐	☐
Do customers have a named Account Manager?	☐	☐	☐
Do customers have designated Technical Support Representatives? Is this an additional charge or included?	☐	☐	☐

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Trust and Track Record

Implementing a CLM system involves trusting a vendor with your most sensitive business contracts and data. You need to be confident the vendor you choose has implemented the policies, standards, processes and training necessary to meet the highest security and privacy standards. Look for providers that have dedicated security professionals through the company, from engineering, technology and development teams, to specialist intelligence and investigations experts monitoring systems and data around the clock.

CLM is a rapidly evolving space and there are many emerging technologies. It's important to trust your contracts to a vendor with an established record of leadership (Gartner Magic Quadrant for CLM, Forrester CLM Wave), platform availability and a breadth of customer references.

	Vendor 1	Vendor 2	Vendor 3
Do you have a dedicated security team?	☐	☐	☐
Do you secure sensitive customer data via encryption at rest and in transit?	☐	☐	☐
Do you conduct periodic penetration testing by qualified third-parties?	☐	☐	☐
Do you have a documented and regularly exercised security incident response process?	☐	☐	☐
Is Personally Identifiable Information (PII) sold or shared with third parties? Do you have internal controls for the export of PII?	☐	☐	☐
Do you offer a Trust Center that provides on-demand transparency into service performance, availability, and security best practices?	☐	☐	☐
Are you FedRAMP Authorized as a company and listed in the FedRAMP marketplace? If yes, please provide the link to the listing in the FedRAMP marketplace.	☐	☐	☐
Is your solution ISO 27001:2013 certified? Are you certified to all of ISO 27001:2013's optional and mandatory requirements?	☐	☐	☐
Is the audit trail auto-generated, digitally signed, and tamper-evident?	☐	☐	☐
Are you GDPR compliant?	☐	☐	☐

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Deployment: one size doesn't fit all

Not all companies are at the same place in their digital transformation efforts, so when evaluating vendors, it's important to find out whether the vendor has one solution or multiple editions to meet differing customer needs. If they have multiple editions, the next thing to determine is the ease of upgrading to each new edition.

Best practices also advocate following a phased implementation for most companies. Doing so expedites the implementation and allows you to realize the benefits faster. So, determine if the vendor supports a crawl, walk run approach or if they have a one-size-fits-all philosophy.

For deployment guidance specific to DocuSign CLM, please explore the following materials:

Getting Started with DocuSign CLM: implementation Planning Guide →

Customer Success Website →

For more information

For more information on DocuSign CLM, contact sales@docusign.com.