

DocuSign CLM Accelerates The Sales Contract Cycle, Reducing Cost Per Contract And Increasing Sales

Sales teams are under constant time pressure to find and close new deals for the financial benefit of their organizations. Sales leaders struggle with inefficient sales contract cycles that can impact the ROI of sales teams in two key ways: by increasing the time and labor costs of each contract and by limiting the number of sales they can close during any given period. Some deals that linger too long in a sales pipeline also suffer because, as the saying goes, time kills all deals.

DocuSign provides a contract lifecycle management (CLM) solution that can speed the generation, approval, and closing of sales contracts. DocuSign CLM provides for the automation and orchestration of previously manual tasks for sales-contract-related workflows. With DocuSign CLM, organizations can proactively track and manage contracts, reducing turnaround times. Importantly, DocuSign CLM is fully integrated with Salesforce, allowing customers to automate the two-way communication of data from Salesforce directly to documents and further reducing sales contract cycle times.

To better understand the benefits, costs, and risks associated with DocuSign CLM, DocuSign commissioned Forrester Consulting to interview decision-makers from five organizations with experience using the solution and conduct a Total Economic Impact™ (TEI) study.

This abstract will focus on the use of DocuSign CLM by sales teams and its value to organizations.



Sales contract cycle acceleration
83%



Annual increase in completed sales contracts
7%

INVESTMENT DRIVERS

The interviewees' organizations faced several challenges managing their contract processes. These included:

- **Contract process inefficiencies increased costs.** The organizations' prior sales contract processes consisted of physically shuffling contracts between offices for review and signature or using digital processes (e.g., word processors, spreadsheets, email) that could not reliably track contracts. These processes prolonged the creation, management, and closing of sales contracts, resulting in high time costs per contract that averaged more than \$1,700.
- **Lengthy sales processes delayed income and sabotaged deals.** Contract processes with excessive timelines had a direct result on the business. The organizations experienced prolonged sales cycles that limited the number of deals that could be completed within a certain



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time period. This delayed revenue until the following quarter or beyond, or it sunk deals that went to more nimble competitors and erased potential income.

DOCUSIGN CLM FEATURES

Organizations use DocuSign CLM to accelerate the sales cycle and to improve the time-to-value of sales contracts. Key features include:

- **Configurable and templated workflows.** DocuSign CLM enables organizations to design and automate sales-contract workflows, get contracts to the right people at the right time, and speed up handoffs and approvals. Workflows can be further accelerated with templates for approvals, redlining, signatures, and routing. Meanwhile, contracts are tracked through the entire process. This maintains a single source of truth regarding contract status and contract stakeholder participation.

“One of the top benefits we’ve received from DocuSign CLM has been increased speed to the client. We’re getting to the client quicker with better products.”

Associate vice president and Salesforce administrator, financial services

- **Automated sales contract generation.** DocuSign CLM’s automation features extend to contract generation. The system can automatically populate contracts with data from other organizational systems such as a CRM and configure, price, quote (CPQ) software, improving time-to-value of sales contracts. It also enables the inclusion of preapproved contract language,

reducing dependence on and delay from legal review for sales contracts.

- **Integration with Salesforce.** “A key factor for our investment in DocuSign CLM is that it truly integrates with Salesforce. We had used a different product previously, and it did not have true integration with Salesforce. That created a lot of slowdown, lack of use, and lack of visibility. Salesforce integration is vital to give visibility of where a contract is in the sell-side process [to the sales team].” – *Vice president of global procurement and real estate, technology*

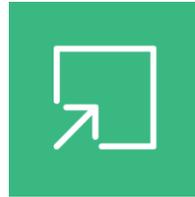
KEY RESULTS

Leveraging these features delivered several benefits to the interviewees’ organizations in their transitions to effective contract lifecycle management. These benefits include:

Organizations utilized contract workflow management and automation to shorten the sales cycle by 83%, reducing the cost of sales processes. DocuSign CLM’s digitized document workflow management and automation tools enabled the interviewees’ organizations to speed their contract turnaround times by 20 days on average. One interviewee said they saw their organization’s contract approval process time drop from nine weeks down to two days. One firm saved 16 to 18 hours per week per employee thanks to accelerated contract processes. On average, the organizations saved \$1,420 per contract managed by DocuSign CLM, including sales contracts. Interviewees shared the following:

- “Integration with Salesforce and being able to give visibility of where a contract is in the process [to the sales team] was huge. We went literally from having to get department sign-offs on a piece of paper to [having] an automated process for approvals of contract.” – *Vice president of global procurement and real estate, technology*

- “We used to have to go through each and every page manually and look through every document to make sure everything — Social Security numbers, tax ID numbers, etc. — was input correctly. We were manually modifying up to 40 documents. Now it’s a button click.” – *Associate vice president and Salesforce administrator, financial services*
- “I promised the board that the maximum throughput time for contracts [would be] five days. On average, it now takes two days.” – *Senior project manager, logistics*



Reduced contract cycle time
 —
20 days

Accelerated sales processes led to an increase in sales contract completion rates of 7% annually and an improvement in client experience.

With DocuSign CLM, the interviewees’ organizations were able to accelerate contract processes by 83%. The increased efficiency of contract processes allowed teams to close deals they previously would have lost to competitors due to lengthy contract timelines. As additional deals closed, the organizations were able to increase their annual revenues. Additionally, some used the time saved from process improvements to spend an extra 45 minutes to an hour with their clients, improving client service and client experience. Interviewees shared the following:

- “The fact that we could improve time-to-close of sales contracts made it easier for my board to make the decision to go with DocuSign CLM. [Board members] also knew that the throughput time of any new rates or adjustments to the rate could be introduced within a couple of days.” – *Senior project manager, logistics*
- “It [previously] took nine weeks for a single contract to get signed, processed, and delivered back. Now, our sales representatives start a document, they take the 45 components they need, and they get the contract generated and signed by all parties within 5 minutes, if needed.” – *Senior project manager, logistics*



Increased time spent with a client
 —
1 hour

“We’re giving clients a better experience by engaging with them more. DocuSign CLM gives us time to really sit with them without having to spend so much time in the back office.”

Associate vice president and Salesforce administrator, financial services

TOTAL ECONOMIC IMPACT ANALYSIS

For more information, download the full study: “The Total Economic Impact™ Of DocuSign CLM,” a commissioned study conducted by Forrester Consulting on behalf of DocuSign, November 2020.

STUDY FINDINGS

Forrester interviewed decision-makers from five organizations with experience using DocuSign CLM and combined the results into a three-year composite organization financial analysis. Risk-adjusted present value (PV) quantified benefits include:

- Decreased contact turnaround time and cost of contracting, saving more than \$4 million.
- Reduced risk exposure in contract lifecycle valued at \$572,000.
- Accelerated revenue from improved contract processes worth more than \$337,000.



Return on investment (ROI)

356%



Net present value (NPV)

\$6.03M

DISCLOSURES

The reader should be aware of the following:

- The study is commissioned by DocuSign and delivered by Forrester Consulting. It is not meant to be a competitive analysis.
- Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the report to determine the appropriateness of an investment in DocuSign ****Product****.
- DocuSign reviewed and provided feedback to Forrester. Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester’s findings or obscure the meaning.
- DocuSign provided the customer names for the interview(s) but did not participate in the interviews.

ABOUT TEI

Total Economic Impact™ (TEI) is a methodology developed by Forrester Research that enhances a company’s technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders. The TEI methodology consists of four components to evaluate investment value: benefits, costs, risks, and flexibility.

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