

Part 3: The Future of Contract Negotiations



Contract negotiations involve making critical decisions that ultimately impact a company's health. These decisions lay the groundwork for potential exposure to risks and liabilities as well as avenues for increasing revenue streams — the very lifeblood of business.

More leading companies now rely on negotiation-focused contract lifecycle management software (CLM) like [Parley Pro](#) to inform strategic decision-making processes and streamline contract negotiations.

Here we examine several factors influencing the transition to technology-enabled contract negotiations. In this final post of our contract negotiations blog series, we see a future that is already here. We see a more informed era in which CLM software delivers the efficiency and insights needed to negotiate more intelligently in our fast-paced, digital world.

Technology is Shifting Contract Negotiation Strategies and Tactics

In times past, negotiators relied on an assortment of inefficient tools and time-consuming manual techniques to draft and review contracts and track negotiations.

Today, CLM platforms like Parley Pro offer a smoother, streamlined negotiation experience. All parties come together online to negotiate within structured workflows, in real time, and in one location. As shown in Part 1, [The Fundamentals of Contract Negotiations](#), parties can collaborate more effectively and create even more value from their relationship.

As discussed in Part 2, [Benefits of Technology-Enabled Contract Negotiations](#), parties also find consensus faster with:

1. Full control and instant answers through a user-friendly, interactive dashboard.
2. Greater clarity with changes reflected on everyone's screen as issues are resolved.
3. Clearly organized communications on a live discussion board.
4. Consolidation of information and faster insights with enhanced analytical capabilities.
5. An automated approval process and a readily accessible audit trail.
6. Faster, easier initiation of contracts with template and clause libraries.
7. Continual optimization as teams track metrics to identify additional ways to optimize processes.

More organizations across the globe count on these features to deliver an efficient and productive negotiation process with helpful insights lighting the way to data-driven decisions.

Forrester's 2019 CLM [Report](#) says, "The CLM market is growing because more contract managers and legal professionals use CLM to address the challenges of creating, managing, and getting the best business results from their contracts. Contract management and legal pros increasingly trust CLM providers to act as strategic partners, providing firms with the right tools to get the best value from their contracts."



Contract Negotiations made simple.

Faster Data-Driven Decisions

CLM software is constantly improving to help negotiators make smarter data-driven decisions faster. Natural language processing helps determine the intent and legal meaning of contract clauses and language. Machine learning powers automation that results in faster, more accurate contracting drafting and review.

“We expect that in the next five years, improvements in natural language processing and automation will eliminate nearly all contract drafting and review work for legal teams,” says **Roman Kisin, CTO and co-founder of Parley Pro**. “Decision-makers will spend even less time on edit and review processes. They’ll be able to devote more time to proactively solving problems and driving value during negotiations.”

Growing Popularity of Tech-Enabled Contract Negotiation Platforms

The need for technology-enabled contract negotiations is especially sharp in the face of modern business challenges such as the increasingly complex regulatory environment and the uptick in M&A activities. These and other factors alter market forces and drive unpredictability.

[Research](#) by Wolters Kluwer found that “faced with increasing information complexity, changing client demands and shifting market forces, legal professionals are increasingly turning to technologies that help them achieve better outcomes and offer higher value through data-driven analytics and insights.”

Legal teams turn to CLM software first because it’s already proven itself to be a useful, trustworthy technology tool. HBR Consulting’s 2018 [Law Department Survey](#) found that **55%** of departments already use CLM software. A further **29%** of companies plan to implement contract management solutions in the future → the highest percentage among the 19 different technologies surveyed.



55% of Legal Teams already use CLM software.

Contract Negotiation Platforms: A Client-Centric Approach

The bottom line is CLM software does more than just optimize contract drafting, data analysis, and legal review for greater overall efficiency. It is also a key part of a client-centric approach to technology adoption.

Clients, vendors, employees, business partners, and others know advanced platforms like [Parley Pro](#) empower your organization to deliver cost-effective services and fast action in response to their needs.

As more organizations seek to modernize their operations, business leaders will demand the speed, accuracy, and wealth of insights only negotiation-focused CLM software like Parley Pro can provide.

See how your organization can lead the way towards a more efficient and informed future. [Schedule your free demo](#) of Parley Pro today!