CONTRACT LIFECYCLE MANAGEMENT GUIDE

Contract Lifecycle Management: The Complete Guide

What it is, the seven stages, who owns it, and how to implement it

A short guide to contract lifecycle management: what it is, the seven stages, why programs stall, how to implement and choose a platform, and where to read more on our website.



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AT A GLANCE

Contract lifecycle management in brief

Almost 9%
Average contract value lost to poor contract management[1]

78%
Of organizations have invested in CLM in the past five years[2]

33%
Shorter contract cycle time for billion-dollar legal departments using contract management technology[3]

Almost 4x
Faster contract cycle times for the best performers than for the worst[4]

Contract lifecycle management (CLM) is the end-to-end discipline of managing an agreement from the first request to renewal, renegotiation, or termination. It covers the process, governance, technology, and adoption around every contract a business signs. Ownership is usually shared across legal, procurement, sales, and finance, with one function setting the standard, and results depend on three layers working together: process design, technology, and change management.



The full guide online: swiftwaterco.com/clm/

[1]World Commerce & Contracting, Contract Management: An Overlooked Driver of Business Agility and Financial Performance, 2025.
[2]World Commerce & Contracting, The ROI of Contracting Excellence, 2023.
[3]Association of Corporate Counsel, 2019 Benchmarking Survey, as cited by Onit.
[4]World Commerce & Contracting, Contract Management: An Overlooked Driver of Business Agility and Financial Performance, 2025.

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THE SEVEN STAGES

Seven stages, from first request to renewal

Every agreement moves through the same seven stages. Each stage has its own owner and its own way of failing, and contracts tend to stall in the handoffs between them.



01 **Request and intake.** A business user asks for an agreement, and triage sets who handles it and how fast.

02 **Authoring and drafting.** The draft starts from approved templates, clauses, and playbook positions.

03 **Negotiation and redlining.** The parties trade markups until the terms settle.

04 **Review and approval.** Routing rules send the agreed draft to the right approvers, in order.

05 **Execution, signature, and storage.** The signed contract is filed in a governed repository with its key data.

06 **Obligations and performance monitoring.** Deliverables, payments, service levels, and key dates are tracked.

07 **Renewal, renegotiation, or termination.** The business decides before the notice date.

Read more: swiftwaterco.com/insights/contract-lifecycle-stages/

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PROGRAM DESIGN

Why CLM programs stall, and who should own them



Why programs stall

Most CLM programs stall because the technology is treated as the whole project. Scope is set by a feature list before the business process is mapped, timelines are compressed to meet procurement deadlines, integration with ERP, CRM, and matter management is underestimated, and change management shrinks to a training day.

The legal team that asked for the system is rarely equipped to run the implementation alongside its day job. The result is a platform that is live and unused.

Read more: swiftwaterco.com/insights/contract-lifecycle-management-best-practices-2026/

Who owns CLM

In most mid-size and large enterprises, ownership is distributed. Sales owns customer agreements, procurement owns supplier contracts, and legal governs legal and compliance terms across all of them. A Legal Operations Director often coordinates the program, and the General Counsel sponsors it.

Settling who owns what comes first, because misalignment among these stakeholders is the most common reason programs stall.

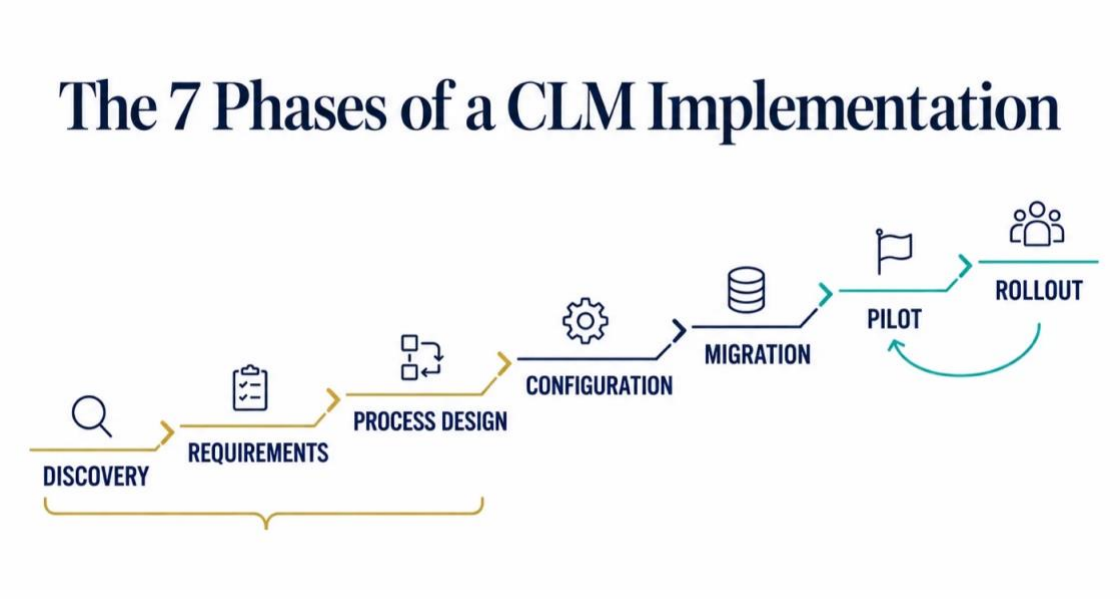
Read more: swiftwaterco.com/insights/clm-readiness-and-change-management/

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IMPLEMENTATION

Implement in phases, with the process first

A successful implementation works through three layers in order: process, technology, and change. The contract process is mapped and redesigned before any platform is configured, and adoption is planned from the start: when the way people request, track, and escalate contracts stays the same, usage falls away within months of go-live.



How long it takes

45 to 90 days	A contract repository implementation
4 to 6 months	An end-to-end implementation with about a dozen templates
Up to 12 months	An implementation with sales or procurement integrations
6 to 12 weeks	A pilot on one priority contract workflow

Swiftwater's published guidance. Training and support run longer than the implementation itself.

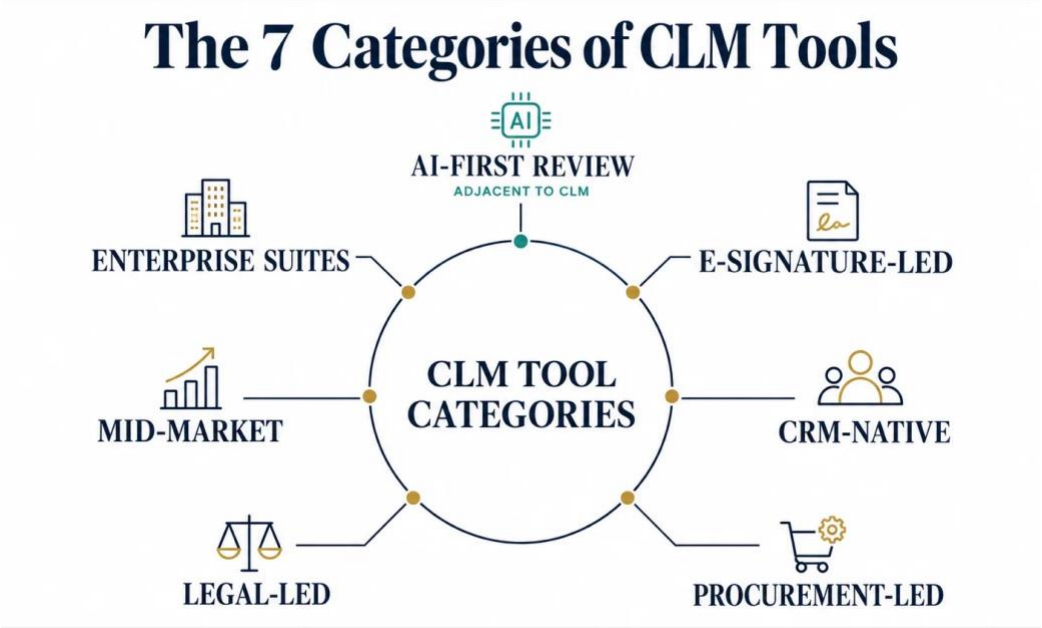
Read more: swiftwaterco.com/insights/clm-implementation-plan/

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PLATFORM AND SYSTEMS FIT

Choose the platform after the requirements

Selection goes wrong when a vendor demo sets the requirements. It goes right when the requirements are written first and every vendor runs the same script on your own contracts.



Settle the system of record

Contract work spreads across Salesforce, ServiceNow, and a dedicated CLM when each team lets the system it already uses absorb it. Requests can start where they naturally live, but the executed contract needs one system of record, and for most organizations that is the CLM.

Read more: swiftwaterco.com/insights/clm-vs-erp-crm-document-management/

Run a scripted selection

Decide ownership, requirements, and integration boundaries before the first demo. Send every vendor the same scenarios and sample documents, then score configuration independence, native AI, demonstrated adoption, integration fit, and total cost, with price considered last.

Read more: swiftwaterco.com/insights/how-to-choose-clm-vendor/

The landscape by fit: swiftwaterco.com/insights/contract-lifecycle-management-tools/

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AFTER GO-LIVE

Keeping a CLM useful after launch



The first six months

The first six months of a live CLM surface the real configuration needs. Workflows, approval rules, and templates are tuned to how legal, procurement, and sales actually use the system.

Duplicate records are merged and missing metadata filled in, so people trust the repository and its reports. Ongoing administration, including a fractional CLM administrator, keeps it running.

Read more: swiftwaterco.com/solutions/contract-management/clm-administrator/

Where AI fits

AI contract review reads agreements and flags clauses, risks, deviations, and key data, so lawyers review faster and more consistently. It augments human judgment and works best against a documented playbook.

Tools range from AI-first review products used on their own to playbook-based review built into a CLM. Settled templates and clean data make either one more useful.

Read more: swiftwaterco.com/insights/ai-contract-review/

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FREQUENTLY ASKED QUESTIONS

Five questions we hear most

What is a contract lifecycle management system?

A CLM system is the software that supports the contract lifecycle, from the first request through renewal or termination. The software is one component. Process design, governance, adoption, and data architecture decide whether it delivers value or becomes another underused platform.

What is the difference between CLM and contract management?

Contract management broadly means handling agreements. CLM is the structured, end-to-end version: defined workflows, templates, approval rules, a governed repository, obligation tracking, and reporting that make contract handling repeatable at scale across legal, procurement, sales, and finance.

Is CLM a CRM tool?

No. A CRM runs customer relationships and the sales pipeline; a CLM runs the agreement itself. The two exchange data: a sales request can start in the CRM, while the executed contract and its key terms live in the CLM, which sends status back to the CRM.

Do you need templates and playbooks before CLM?

In most cases, yes. A CLM automates the process it is given. Before configuration, put in place a standard form suite for the high-volume contract types, a playbook with preferred and fallback positions, and approval paths that match how the business signs.

How can you judge a CLM vendor's implementation support?

Ask who will staff the project and at what experience level, and request references from projects of similar scope. Have the vendor configure a scripted scenario on your own contracts, and ask for evidence of adoption after go-live.

More answers: swiftwaterco.com/clm/

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The CLM guide library

Fifteen guides to go deeper. Each one is free to read on our website.

01 **Contract Lifecycle Management: The Complete Guide**
swiftwaterco.com/clm/

02 **The 7 Stages of Contract Lifecycle Management**
swiftwaterco.com/insights/contract-lifecycle-stages/

03 **Contract Request and Intake: How the Lifecycle Starts**
swiftwaterco.com/insights/contract-request-and-intake/

04 **Contract Workflow Management: Routing, Approvals, Design**
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09 **Contract Lifecycle Management Tools: The Landscape by Fit**
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10 **How to Choose a CLM Vendor (and Why Discovery Comes First)**
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11 **CLM vs ERP, CRM and Document Management: Which System?**
swiftwaterco.com/insights/clm-vs-erp-crm-document-management/

12 **10 Contract Lifecycle Management Best Practices for 2026**
swiftwaterco.com/insights/contract-lifecycle-management-best-practices-2026/

13 **What Is a Master Service Agreement (MSA)?**
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14 **Statement of Work Template and Examples for Professional Services**
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15 **AI Contract Review That Speeds Up Business**
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WORK WITH SWIFTWATER

Start with the process, then the platform



Swiftwater operates at the intersection of legal operations expertise and technology delivery. Our CLM engagements start with a process and readiness assessment, before any platform demo: we identify the gaps, align the stakeholders, and design the implementation program before a single configuration decision is made. Our professionals have delivered CLM implementations for Fortune 100 clients across technology, pharmaceutical, and energy sectors, and every engagement is led by a named senior practitioner.

Contract management services

Process design, platform implementation, migration, and ongoing administration, run as one program.

swiftwaterco.com/solutions/contract-management/

CLM Discovery Sprint

A fixed-fee, vendor-neutral diagnostic of 4 to 6 weeks that maps your process and settles ownership before any configuration decision.

swiftwaterco.com/solutions/contract-management/discovery-sprint/

This guide is provided for general informational purposes only and is not legal, financial, or business advice. CLM program and contract system decisions should be validated against your organization's specific structure, regulatory obligations, and counsel guidance, and you should consult a qualified professional for advice on your situation.

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