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# **YOU DON'T NEED A NEW CLM:** You Need Enterprise Grade Contract AI *(That Actually Works)*

From Workflow to Intelligence: How to Complete  
Your CLM Journey Without Starting Over

 pramata®

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# Yesterday's CLMs don't solve tomorrow's challenges

Legal teams, Legal Operations, Sales, Finance, and everyone else in your organization needs the benefits of a contract management system to achieve the greatest efficiency—and lowest level of risk—in their everyday business operations. However, many large enterprises invested in contract lifecycle management (CLM) systems that came with promises they still haven't delivered on.

Often, companies are three-to-five years into their CLM implementation and have solved the very real problem of contract requests and workflows, but haven't solved the lack of visibility into the data locked away inside their signed contracts—much less, the ability to analyze, get insights, and take action based on that data.

Many major companies across technology, healthcare, and financial services have invested heavily in CLMs to solve their most pressing contract challenges. After lengthy implementations, these organizations successfully established solid pre-signature workflows for contract requests and approvals, but are now discovering they still don't know what's in their signed contracts or how to extract meaningful business intelligence from them.

The situation became even more frustrating when generative AI emerged as a transformative technology. When these companies approached their CLM vendors asking for advanced AI capabilities like contract analysis, intelligent reporting, and automated insights, the responses were consistently disappointing: "It's coming", "We're working on it", or "That's on our roadmap", but no real solutions in sight.

If these problems sound familiar, it might feel like you're stuck in an impossible situation.

*How can you even think about getting rid of the CLM you fought to secure budget and internal resources for?*

*How can you convince your leadership to abandon a years-long implementation that's finally yielding results in some (but not all) areas?*

*Or maybe you're newer to the organization and inherited a CLM that someone else brought in, and the level of change-management needed to "rip and replace" would never fly.*

The answer is actually simpler than you might think! In fact, you don't need a new CLM. You just need to augment your existing CLM with enterprise grade Contract AI that *actually* works.

**→ Keep reading to learn why your legacy CLM struggles to include generative AI capabilities, and how adding best-in-breed enterprise grade Contract AI is easier and more effective than you imagine.**

# The three pillars of modern contract management

Here's what most organizations don't realize: The "problem" that lead you to seek a contract management solution is actually three different problems that require three different solutions.

## ! Problem One: Workflows

→ This is where most legacy CLMs perform well:

- ▲ Contract requests and approvals
- ▲ Standard contract generation from templates
- ▲ Version control and collaboration capabilities
- ▲ Intelligent routing and departmental sign-offs
- ▲ Compliance tracking for internal processes

## ! Problem Two: Analytics

→ This is where most legacy CLMs fall short, yet where the highest business value typically resides:

- ▲ Comprehensive contract repository with intelligent organization
- ▲ Automated metadata extraction and contract summaries
- ▲ AI-powered agents for contract analysis
- ▲ Obligation management and proactive reporting
- ▲ Revenue leakage identification and vendor consolidation analysis
- ▲ M&A due diligence and integration capabilities

## ! Problem Three: Negotiation Support

→ This advanced capability layer represents the cutting edge of contract technology where AI can actively assist in improving contract terms, reducing risk, enhancing playbook compliance, and accelerating negotiations from start to finish.

- ▲ Intelligent playbook management within Microsoft Word
- ▲ AI-powered first-pass contract review and acceleration
- ▲ Automated deviation analysis against company standards
- ▲ Intelligent clause redrafting and optimization

Traditional CLMs were built to solve just one of these problems—and most do it anywhere from relatively well to extremely well. Unfortunately, tech vendors that sell CLMs tend to claim their system can solve all three problems from top to bottom, when in fact they can't.



### Three distinct functions, three different solutions

Understanding why your CLM excels in some areas while falling short in others starts with recognizing these three distinct functional areas. Most legacy CLMs were created primarily as workflow solutions, designed to streamline the pre-signature process through standardized templates, approval routing, and collaboration tools. While this addresses a very real business need, it represents only one-third of what organizations actually need.

**Today's "contract management" isn't just about intake and workflows. It's about deep contract analytics, insights, risk-reduction, instant contract generation, and much more.**

The challenge is that your CLM vendor likely sold you on a vision of end-to-end contract management transformation, when what they actually delivered was a workflow solution with limited (or no) capabilities in the other two critical areas. It's certainly not your fault for wanting to believe in a nirvana-like future state when you began looking for a solution to your contract chaos. And it's not necessarily the vendor's fault either. Most of these systems were built long before the mainstream availability of AI and simply weren't intended to handle the sophisticated analytics and intelligence capabilities that modern businesses need.

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# Why legacy CLMs fall short on analytics & AI

If your CLM was supposed to solve all your contract problems, why are you still asking the same questions you had before you bought it?

The frustrating reality is that legacy CLMs simply weren't built for the contract intelligence capabilities that deliver the highest business value. When you invested in your CLM, you likely expected to gain reliable visibility into renewal dates, contract obligations, pricing trends, and risk exposure across your entire contract portfolio. Instead, you probably discovered that getting answers to basic questions about your contracts still requires manual effort, if it's possible at all.

***Why can't you easily run a report on all contracts with auto-renewal clauses?***

***Why is it so difficult to identify which vendor agreements are up for renewal in the next 90 days?***

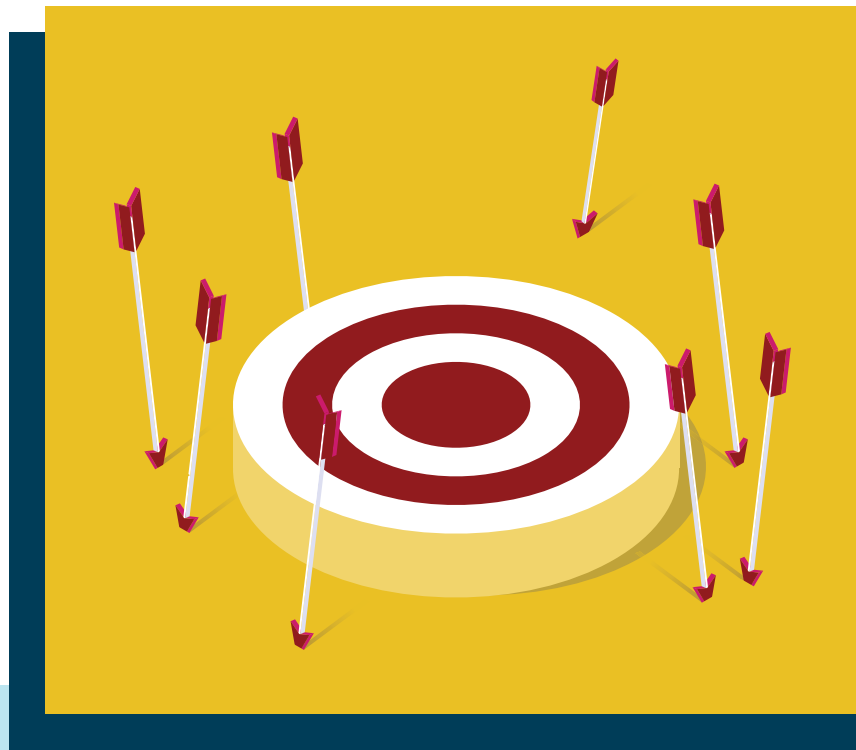
***Why can't you quickly find all contracts that include specific price escalator clauses or liability limitations?***

The answer isn't that you chose the wrong system or implemented it incorrectly. The answer is that legacy CLMs weren't built to provide these capabilities in the first place.

## What you thought you were buying vs. what you got

When CLM vendors demonstrate their systems, they often show impressive dashboards, reporting capabilities, and contract analytics. What they don't always tell you is that for these features to work, it requires extensive manual data entry and quality control, custom field mapping, and ongoing maintenance. In other words, lots of heavy lifting!

You might have had the option to pay the vendor or other third-parties to do this legwork for you, or take on resource-intensive work internally, and even so, you might be left without the fully functioning capabilities you saw in the demo.



“Before Pramata, our CFO would ask questions whose answers lived in our contracts. Well, we have over 230,000 legacy contracts. I had no way to extract the information for her. Now, I can answer those questions within minutes—and she can even do it herself!”

**Kari Walden, Assistant General Counsel, Jack Henry & Associates**

## Legacy CLM key shortcomings

**Missing legacy contracts:** Most CLM implementations skip legacy contract migration entirely because it's complex, expensive, and time-consuming. This means your most important agreements—often your largest customers and most critical vendor relationships—remain invisible to any analysis or reporting capabilities your system might have.

**Inaccurate or missing critical data:** Without sophisticated document analysis capabilities, legacy CLMs rely on manual data entry for essential information like renewal dates, obligation deadlines, and financial terms. Even when this data is entered, it's often incomplete or inaccurate, making reports or analytics unreliable.

**No understanding of the full contract relationship:** Most legacy CLMs treat each document as an independent file rather than understanding how master agreements, amendments, orders, and addenda work together. **This means you can't actually determine what terms are currently in effect for any given relationship.**

**Fundamental architecture limitations for AI:** Effective Contract AI requires several foundational elements that legacy CLMs simply don't have:

- ▲ Clean, organized contract data with duplicates and non-contract files removed
- ▲ Intelligent document organization that understands contract families and hierarchies
- ▲ Accurate data extraction that recognizes legal terminology and contract nuances
- ▲ Proper context management to handle complex legal document analysis
- ▲ Specialized AI training on millions of contracts and legal language patterns

**Systems built before the AI revolution:** Most legacy CLMs were built years ago, before generative AI became viable for business applications. Their underlying technology struggles to support or incorporate these new sophisticated data models, AI frameworks, and processing capabilities necessary for reliable contract intelligence. Not to mention that many lack the clean contract data that generative AI depends on.

### M&A: The icing on your cake of CLM limitations

Nothing reveals the shortcomings of legacy CLMs quite like mergers and acquisitions. What should be an opportunity to gain comprehensive visibility into your expanded contract portfolio instead becomes a nightmare of incompatible systems and impossible integration challenges.

#### Common post-M&A contract challenges include:

**Impossible integration:** Each acquired company brings its own contracts, storage systems, and document formats. Traditional CLMs can't easily absorb and organize this diverse landscape, leaving you with multiple disconnected repositories and no way to analyze your complete contract portfolio.

**Lacking due diligence support:** M&A due diligence requires quickly analyzing thousands of contracts to understand obligations, risks, and opportunities. Traditional CLMs lack the analytical horsepower to support efficient due diligence, forcing legal teams to take on months-or-years-long manual review processes.

**Risky and expensive overlaps and redundancies:** After an acquisition, you need to identify overlapping customers and vendors, standardize terms across entities, and create unified reporting. Traditional CLMs simply weren't designed for this level of sophisticated contract analysis and consolidation.

**With all these shortcomings, or even just a few of them, it's easy to get the feeling that your CLM wasn't built for the level of contract intelligence your business actually needs. But the solution is simpler than you might think! Rather than replacing your entire system, you can now add purpose-built enterprise grade Contract AI that delivers these missing capabilities immediately.**

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# Take a best-of-breed approach

**Instead of waiting for legacy CLM vendors to catch up, smart organizations are adding purpose-built Contract AI to get the capabilities they need today.**

**Here's the reality:** Your legacy CLM vendor would need to completely rearchitect their platform to deliver sophisticated Contract AI and analytics capabilities. Even if they commit to building these features, you're looking at years of development time, followed by more years of testing and refinement.

Meanwhile, organizations that take a best-of-breed approach are already leveraging enterprise grade Contract AI, like Pramata, to make smarter business decisions, reduce costs, and identify revenue opportunities.

The good news is you don't have to choose between keeping your CLM investment or getting Contract AI capabilities. You can have both. Here's how:



## 1. Immediate time to value without the implementation nightmare

**Start seeing results immediately:** Purpose-built Contract AI solutions like Pramata are designed to deliver value quickly, not after another multi-year implementation saga. While your CLM vendor promises future capabilities, Contract AI platforms are ready to analyze your contracts and provide insights today.

**Begin with what matters most:** You don't need to tackle every legacy contract in your portfolio on day one. Start with the relationships that drive the most business value—your top vendor agreements, largest customer contracts, or highest-risk relationships. Quick wins build momentum and organizational support.

**No more waiting for “the roadmap”:** Enterprise grade Contract AI gives you immediate access to the analytics, reporting, and intelligence capabilities your business needs, rather than hoping your CLM vendor will eventually deliver them.



## 2. Superior outcomes from purpose-built solutions

**Contract AI is built for contracts:** Generic AI applications struggle with legal terminology, complex document relationships, and the precision requirements of contract analysis. Purpose-built Contract AI platforms are trained on millions of contracts and understand legal language, clause variations, and document hierarchies in ways that legacy CLMs never will.

**Clean, organized data without the manual effort:** While legacy CLMs require you to clean and organize your contracts before you can analyze them, enterprise grade Contract AI platforms handle this automatically. You get a clean, searchable contract repository without the manual effort.

**Integration that actually works:** Modern Contract AI solutions integrate seamlessly with your existing CLM, enhancing rather than replacing your current workflows. Your team continues using familiar systems while gaining access to capabilities that deliver real business value.

“When we were comparing vendors, no one else had a solution that would organize contracts into parent-child relationships right out of the box. Pramata did. Everyone else told us we could build a file structure. With 230,000 contracts that would be next to impossible!”

Kari Walden, Assistant General Counsel, Jack Henry & Associates

“When we realized how much the organization would benefit from Contract AI, I didn’t have to make the case to replace a system that we already had, and that did what we needed. I was able to show how much greater ROI we’d get by adding Pramata into the mix to fill the gaps.”

**Kari Walden, Assistant General Counsel, Jack Henry & Associates**



### 3. Strategic benefits that protect your prior investments

**Keep what works, add what’s missing:** Your CLM investment isn’t wasted—you’re strategically filling the gaps. Continue using your workflow systems for contract requests and approvals while adding the analytics and intelligence capabilities your business actually needs.

**Prove value before expanding:** Start with targeted use cases that demonstrate clear ROI, then expand Contract AI capabilities based on proven business impact. This approach builds organizational confidence while delivering measurable results.

**Future-proof your contract strategy:** Rather than being locked into one vendor’s limited roadmap, best-of-breed approaches give you the flexibility to adopt the most advanced capabilities as they become available.

#### Customer spotlight: Jack Henry

When financial technology company Jack Henry & Associates, Inc. implemented a new contract lifecycle management system (CLM), extracting data and using it to drive business decisions post-signature wasn’t even part of the equation. Several years in, the company was satisfied with its chosen vendor and was receiving great value from its pre-signature workflows, but with AI-powered solutions newly on the scene they saw an opportunity to enhance their contract intelligence with the addition of a new “post-signature” AI platform.

The team demoed 80 different options and found that most couldn’t provide the value they were looking for while also working in conjunction with the CLM they’d spent so much time implementing and wanted to keep. After an extensive proof of concept with Pramata, importantly, using the company’s own documents for testing, Jack Henry knew it had found the right partner.

“We didn’t need to replace anything we were already using; Pramata was a fantastic addition to our CLM tech stack that has made the team more powerful and efficient. People can find answers to contract questions that would have taken my team days of manual research—in minutes. We can pull data from contracts and make true data-driven decisions that move the needle on business and financial performance.”

**Kari Walden, Assistant General Counsel, Jack Henry & Associates**

**Successful and forward-thinking organizations aren’t replacing their CLMs—they’re strategically complementing them with enterprise grade Contract AI that delivers immediate business value.**

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# Ready to take the next step?

Here's the truth: The contract management industry oversold capabilities that weren't ready and may never be delivered by some vendors. For many companies, these systems are providing real value for workflow management, and that value doesn't need to disappear just because they can't deliver on analytics and AI promises. But it's not enough.

That's why companies that want to use Contract AI are increasingly seeing the value of adding to—not replacing—their existing systems.

The future of contract management isn't about choosing between legacy CLMs and contract AI: It's about combining them strategically to create a comprehensive solution that delivers both operational efficiency and business intelligence.

Enterprise grade Contract AI is available today. The question isn't whether this technology will eventually become essential for competitive contract management—it's whether you'll be an early adopter who gains advantages while competitors wait for their legacy vendors to catch up.

If you're ready to start thinking about how adding enterprise grade Contract AI to your current CLM tech stack can change the game for your entire organization, here's what you need to do next:

- 1. Assess your current state:** Identify which of the three pillars (workflow, analytics, negotiation support) your organization has successfully implemented and which represent gaps or opportunities.
- 2. Identify high-ROI use cases:** Focus on areas where contract intelligence and visibility can deliver immediate business value—revenue leakage prevention, vendor management, renewal optimization, risk reduction, contract compliance, or M&A support.
- 3. Start with a focused implementation:** Begin with a targeted approach that demonstrates value quickly while building organizational confidence in the technology.
- 4. Plan for expansion:** Develop a roadmap for gradually expanding contract AI capabilities based on business priorities and demonstrated ROI.

Ready to move beyond workflows and unlock the full potential of your contracts? Contact Pramata to learn how our enterprise grade Contract AI can complement your existing CLM investment and deliver the business intelligence your organization needs to thrive.

GET A DEMO

