

The IACCM Innovation & Excellence Awards Americas 2019

Contracting & SMART negotiation merging in technology



Ms. Lilian Caldeira
Mr. Keld Jensen

Contents

Introduction	01
Summary	02
The business challenge	04
The approach	04
The overview	05
The results	06
Lessons learned	06
Lilian, Roman & Keld	07
Conclusion	09

Introduction



Lilian Caldeira, Co-Founder and CEO of Parley Pro

A handwritten signature in blue ink that reads "L. Caldeira".



Roman Kisin Co-founder of Parley pro

A handwritten signature in black ink, appearing to be "R. Kisin".



Keld Jensen, founder of SMARTnership and NegoEconomics

A handwritten signature in black ink, appearing to be "K. Jensen".

Its very hard to predict the future, but our aim is to help design it. Our core mission is to improve and further develop the way we contract and negotiate by improving the process.

This is done through the implementation of the award winning negotiation strategy of SMARTnership and Parley Pro contract management technology.

In doing so, we are creating the future of negotiation and contracting by the use of technology.

Lilian Caldeira, Roman Kisin, Keld Jensen

Executive Summary



Modern contracting processes typically involve teams of people searching for win-win solutions. Negotiation, however, most often takes an adversarial, zero-sum approach.

In drafting a contract, a document is commonly circulated among team members, seeking input and suggested changes. One person is tasked with judging which suggestions to incorporate in the master document; often, they lose track of who suggested what, and points raised in team-member comments.

Negotiators typically operate on a zero-sum view: your loss is my gain. Such an approach damages trust and leads to less-than-optimal outcomes.

Three challenges led to our improvements and developments:

- 1) For centuries, the world of negotiation has struggled with inadequacies of information, transparency, and trust between negotiating parties, hindering and even denying opportunities to realize the full potential of commercial negotiations.
- 2) Contract management software has not adequately addressed the challenges of live negotiation, nor has it embraced the potential for generating NegoEconomics (negotiation economics) through SMARTnership.
- 3) Today, we still negotiate as we did in the 1850s, with a tendency toward a zero-sum approach to our dealings.

Parley Pro recognized that easy-to-use collaborative processes, with excellent audit trails and record keeping capabilities, could expedite and enhance both contract management and contract negotiation. They have made a major leap forward with new tools to aid both negotiating parties in spotting asymmetric values—where one side might value a given factor more than the other side—thus revealing opportunities for net gain on both sides. Previously, contract-management software has not addressed the challenges of live negotiation, nor entertained the possibility of generating NegoEconomics in SMARTnership.

Parley Pro contract management technology, combined with Keld Jensen's award-winning SMARTnership negotiation philosophy, is revolutionizing the contracting and negotiation industry by increasing trust, saving time in information exchange, identifying negotiable variables, and creating NegoEconomics.

Parley Pro offers the world's first system for implementing real negotiation tools, supporting collaboration strategies and laying a foundation for transparency and trust. For the first time, technology actively supports the negotiating parties in identifying asymmetric values and costs, and leveraging them for mutual benefit.

The Parley Pro system was originally launched in 2016. In its original form, it was meant to support and assist in negotiation. Now, with the adoption of SMARTnership and NegoEconomics principles, it has dramatically surpassed any other contract management system on the market.

Executive summary

In practice, the system has the potential to save its users millions through its elevated approach to negotiation and contract management. With its integration of SMARTnership negotiating strategy, Parley Pro can facilitate the following benefits for its users and their negotiating counterparts:



Increased transparency between the parties without risks



Establishing a better level of trust



Utilizing NegoEconomics and thereby improving negotiation outcome by up to 42%



Integrating the world of contract management technology and negotiation for the first time



Supporting the user in developing variables to be negotiated



Eliminate red lining in the contract negotiation



Save time by combining contract with commercial negotiations



Supporting the exchange of data between the parties



Intelligent software is identifying variables that will create values for the parties



Reducing time from start to finish



Direct integrating of negotiated variables into the contract, thereby saving cycle time

Describe clearly the business challenge or issue that required an innovative approach; the nature of this challenge or issue, how it was identified and in which ways contract or commercial improvements were relevant:

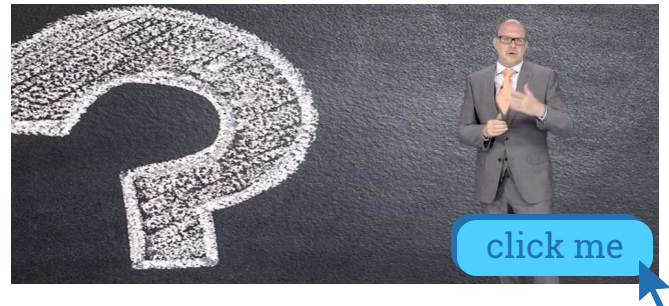
Three challenges led to the improvements and developments:

- 1) For centuries, the world of negotiation has struggled with inadequacies of information, transparency, and trust between negotiating counterparts. These challenges have hindered and even denied opportunities for realizing the full potential of most commercial negotiations.
- 2) Contract management software has not adequately addressed the challenges of live negotiation, nor has it embraced the potential for generating NegoEconomics through SMARTnership.
- 3) Today, we still negotiate as we did in the 1850s, with a tendency toward a zero-sum approach to our dealings.

Parley Pro and Keld Jensen initiated their collaboration with the goal of merging Parley Pro's expertise in contract management, negotiation and technology, with Mr. Jensen's thought-leader expertise in negotiation and collaboration. Parley Pro's unique software platform, introduced to the market two years ago, incorporates the principles of Mr. Jensen's SMARTnership negotiation and NegoEconomics.

According to IACCM's "Trending Commercial Conversations," which spans all industries, negotiation has been identified as a core need and requirement throughout the commercial world.

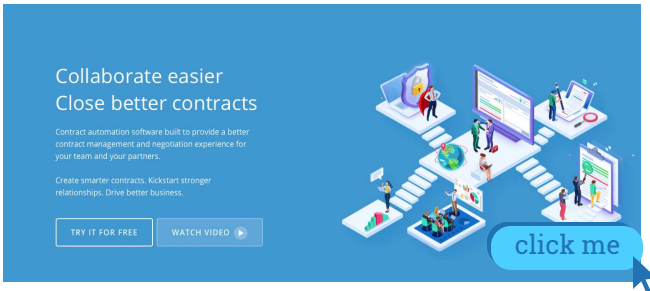
Provide a brief description of the approach that was taken to initiate the project and the barriers / pre-requisites (for example, absence of data; need for executive sponsorship; overcoming internal resistance).*



Surveying the history of contract management and negotiation, one finds no recorded instance of merging these two activities into a single system. Such a system would ideally enable users to shortcut processes, save time, increase quality, reduce errors, reduce or eliminate red-lining, more clearly envision the potential "size of the pie," and foster greater trust between negotiating parties.

The challenge, therefore, was to go where no one had gone before: to create a system which embraced both contract management and the advanced negotiating strategy of SMARTnership.

Give a short overview of the project; who was involved, how long it took, and any key discoveries along the way



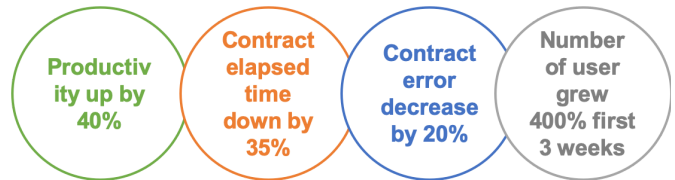
The Parley Proproject was initiated in 2016 by co-founders Roman Kissinand , co-founder and CTO at Parley Pro with CEO Lilian Caldeira.

The first advances relating to negotiation strategy were made some seven months ago, beginning with Kissin and Caldeira’s association with Keld Jensen of the Thunderbird School of Global Management at Arizona State University.

The project has been in development for more than 7 month will continue its development process for the years to come.

One key discovery during the development of Parley Pro was recognition and clearer understanding of the fact that humans are essentially social animals, and behave as such. In a business setting, they do not suddenly become “business automatons. ”When given the opportunity to interact and communicate freely, it is possible for people to build trust and form positive social bonds—which can lead, in turn, to more productive and mutually beneficial negotiations. After gaining these insights, Parley Pro turned their focus to improving the user experience, leading and encouraging users to engage in contract improvement.

List the results achieved. These should cover areas such as financial contribution; efficiency indicators); effectiveness indicators



In practice, the system can assist users to realize as much as 42% additional value in most negotiations. This is done by identifying and leveraging asymmetric values and costs between the negotiating parties. The system can actively assist both parties in building trust through information-sharing, where each is willing and able to do so.

In addition, the system can reduce time consumed in the negotiation and contracting processes by eliminating the need for several currently typical phases, and jumping directly to contract negotiation.

Describe the lessons learned / next steps. In what ways has this project paved the way for future improvements and the on-going development of contract and commercial capability



The need for the world to understand the change from a zero-sum universe to a true collaboration universe is essential.

The system therefore requires an introduction and some initial online training - not to operate the technology but merely to change the mindset of collaboration and contracting.

Based on IACCM list of most negotiated, the technology has also been altered to assist the user in creating more and better variables to negotiate.

The system will be commercially available on the broad market within the next three months. We anticipate a soft launch in specific markets and industries. The system carefully follows recommendations from IACCM.

Lilian Caldeira
CEO and founder
Parley Pro



LILIAN CALDEIRA is CEO and co-founder of Parley Pro, a cloud-based, modern contract lifecycle management platform that helps businesses achieve better contracts faster, through smart negotiation, workflow automation, and contract data visualization.

Lilian has more than 25 years' experience in business consulting, including service as a Senior Vice President at VCommerce, before it was acquired by Google. She has also worked with such brands as Home Depot, Saks Fifth Avenue, and numerous banks and financial institutions.

Ms. Caldeira has a remarkable depth of experience and perspective on the intersection of technology and law, and how this “digital convergence” drives efficiency in business processes—with a particular focus on the contract lifecycle.

Keld Jensen
Author, professor and founder of
SMARTnership negotiation



KELD JENSEN is an internationally recognized expert and advisor on negotiation, trust, and behavioral economics. He works with governments and major corporations in applying the techniques of SMARTnership negotiation—value-based collaborations—while maintaining a busy teaching schedule at top-ranked universities around the world. Mr. Jensen has made more than 200 international TV appearances, and contributes regularly to Forbes magazine, reaching more than 2.8 million readers. His corporate clients include; Vestas, Novo Nordisk, LEGO, Johnson & Johnson, Carlsberg Group, Siemens, Rolls-Royce, DHL and Bang & Olufsen.

A prolific author, Keld has written 24 books to date, with his works available in more than 38 countries. In 2016, he was named as one of the world's Top 100 Thought Leaders in Trust. In 2017, his concept of SMARTnership won the Best Negotiation/Tender Award from Denmark's Organization of Public Procurement Officers. In that same year, he received the prestigious Innovation Award from IACCM (the International Association of Contract and Commercial Management).

Roman Kisin
Co-founder
Parley Pro



Roman Kisin

Legaltech pioneer, built solutions from inceptions through acquisitions. 9 patents in corporate legal technology.

Conclusion

The world is changing so quickly that it's hard to keep up. Perhaps things seem more complicated now, or just plain unfair. But sound planning, analyses of trends and thorough research in the field of negotiation can help shape meaningful strategies.

We have prepared ourselves to weather the coming storm, in fact, we expect to be soaring above the clouds through our highly responsive initiatives with Parley Pro. Change will have never looked so good.

