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HOW CAN CONTRACT AUTOMATION REDEFINE THE ROLES WITHIN YOUR TEAM

edilex

White
paper

AUTOMATION EXISTS EVERYWHERE IN OUR WORKPLACE

You organize meetings and then create a series of repetitions to avoid manually creating a new meeting every week. You take a photograph of your invoices and submit your expense accounts which are calculated by interpreting the numbers on the image. You work in ERP systems and follow the evolution of your customers and prospects in your CRM.

Contract automation is not a new thing and it has come a long way beyond field merging and emailing software. The best contract automation software is now able to eliminate manual work entry entirely and delegate much of the drafting-related tasks to non-lawyers, interns and technicians to allow lawyers to spend time where they are most needed.

The 2020 global pandemic has transformed the way we work and made people more connected than ever. It also legitimized accelerating digital transformation with industries that were lagging the most, particularly in legal technology adoption, not just within legal teams, but across the enterprise.

This white paper introduces the basic concepts of contract automation and helps you rethink the ideal team structure to successfully automate your contract drafting process.

LEGAL DRAFTING – A BROKEN PROCESS

Contract automation is equally relevant to sales teams, HR teams, operations teams, finance, purchasing, etc.

The contractual needs of these teams flow from all sides and too often rely on the legal team, which struggles to accomplish all the work required of it, resulting in a significant backlog of work in progress. This is how the system works: contracts are written by and for lawyers, rather than for all the end users they concern.

However, contracts are present everywhere in companies: Sales teams draft sales contracts and NDAs when concluding transactions. Human-resources teams send employment contracts when new hires are made. Procurement teams will monitor acquisition contracts and service agreements. To ensure adoption of contract automation, the drafting process cannot rely entirely on the legal team.

When we ask our clients what are the biggest irritants they face, several topics quickly come up on the table:

Much of the work creates little value

Legal teams spend a lot of time on repetitive contractual tasks that become costly for the value they create, in addition to running out of time to spend all day reviewing templates of contracts. If legal is perceived as a bottleneck by colleagues in other work teams, it is a sign of too much friction in the contractual workflow, creating tension between key teams in the company. If this sounds familiar, chances are contract automation could solve your problems and improve your efficiency. It's not uncommon to find that a company's head of legal affairs spends a good deal of their time reviewing contracts and directing people to the correct document templates to use rather than hunkering down on advice. internal.

There is a risk related to the control of the versions circulating in the company

When finding the right template is not a challenge in itself, it is often necessary to validate that the version that we have in our hands is up to date and that it is the last to have been produced. It is very difficult to deal with locally saved copies or people starting from a precedent they have already made.

People don't know which template to start from

"Do I need the unilateral NDA or a mutual version?" Often the use cases as to the template to use differ and the teams do not know how to differentiate

them well. Sometimes there are so many templates for each use case that teams simply don't know which one to choose to meet their needs.

Lack of standardization

The larger the company, the greater the lack of standardization. Each team ends up having their version of a contract and uses it without question. This lack of standardization affects knowledge transfer and contributes to the lack of control over the writing process.

Back-to-back emails and changes

Email back and forth and back-to-back changes are a classic in negotiating and reviewing draft contracts. It is not uncommon to go through more than ten versions of a contract before finally returning to the initial proposal. It is then necessary to manage the multiple emails and classify the versions of the document to find your way around, which takes a lot of management time.

LEGAL IS EVERYONE'S BUSINESS.

All business functions should be involved in legal Ops and risk management. This is why we are working to change the way legal tasks are done.

Our tools allow all professionals to get legal tasks done quicker and more securely than ever before.

TO EACH HIS ROLE – FOR A SUCCESSFUL AUTOMATION PROCESS

To successfully maximize the automation process, you must first establish a system where each level of user will have a defined role. The advantages of a good drafting automation system go beyond the speed of pro-

ducing a document: It allows you to delegate a large part of the tasks related to drafting directly to non-legal work teams under a self-service format.

The management of creation, editing, modification and revision permissions makes it possible to control who in the company can make a decision on the addition, deletion or even the selection of a particular version of a clause. It is therefore possible to configure each template to define a permission framework serving as a flawless guide for the most neophyte. This speeds up learning and getting started for each team and ensures that the legal team does not have to intervene with each modification and iteration of the draft contract.

The main roles to be determined upstream during implementation are as follows:

Template Owner: Who creates and designs the templates?

An efficiently automated workflow gives lawyers more control than ever over the templates they publish. The template owner has authoring access and is able to lock editing functions to critical parts of the content. Plus, instead of creating new Word versions of the latest template and hoping users find it on the server, they can simply define and update a centralized template, meaning there's no parallel versions that exist for other users.

Contract Creator: Who creates the contracts and what contracts do they create?

To speed up drafting and truly reduce the burden on the legal team, automation must enable self-service contract drafting. By having confidence in the relevance and accuracy of the template and having control over it, the legal advisor can enable non-lawyer teams to generate their own contracts from the defined and approved template. One of the quickest ways to do this is for the automation tool to guide users through a series of alternative choices depending on how specific you want the final contract to be. The different rules programmed between the clauses of the template will take care of maintaining the legal integrity of the contract by automatically adding or removing sections related to the choices made. Of course, during Edilex automation, our team provides you with customized templates configured to offer you a turnkey experience.

Contract Reviewer: Who reviews and approves draft contracts before signing?

The legal team can stay in control by having approval rights before contracts are signed. This process is common and ensures a review of the legal team on the choices of alternatives present in the template. Other stakeholders, such as team managers, may also need approval. Edilex allows the addition of collaborators at any time in a contract project to facilitate collaboration and reduce friction in the workflow.

Beyond the different roles to be assigned, several useful features allow the legal team to confidently delegate the drafting of contracts :

Locking of templates and clauses

Edilex offers the possibility of locking each element of a template individually, allowing you to customize the experience of drafting a contract from a template while ensuring control of the extent of possible modifications to the source.

Full Timeline of Actions

Anytime access to changes and previous versions. Follow the timeline of changes made before approving and sending for signature.

All the possibilities under the same template

Bring together all the alternative clauses and optional sections by building a network of rules and an inter-clause interaction via conditional logic.

A real-time collaborative view

Edilex offers the possibility of inviting collaborators on a draft contract in order to draft, revise and comment on the work in progress. All employees can access the same version of the contract and follow the evolution of the modification.

Smart Fields

Clause entry fields contain contract metadata, ensuring that key fields like party identification, dates, monetary values and more can be tracked and accessed quickly. Edilex can also develop custom APIs to connect to your CRM to avoid double entry and always have the right information at your fingertips.

An Automated Workflow can provide significant benefits to your business:

Accelerate projects

A self-service process, with defined templates and a pre-approved change framework means your operations teams don't have to wait for the legal team to produce and approve their documents.

Achievable Time Savings

Users of Edilex software report up to 75% end-to-end time savings for drafting contracts from automated templates compared to traditional processes.

Reduced burden on the legal department

The legal department that has automated the contract drafting workflow can spend most of its time working in added value for internal clients and business-carrying cases while keeping control over delegated self-service work.

Traceability of information

By accessing the audit log, you will be able to follow each element of modification and thus understand the progress of negotiation during the renegotiation of a contract or during routine verification of legal analysis.

Up-to-date content

By having all your contract templates and contracts generated, negotiated, approved and stored in a cloud-based platform, maintaining information and ensuring that you have up-to-date and uniform legal content for everyone becomes simple!

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