



# **A GUIDE TO AUTOMATING CONTRACT CREATION, WORKFLOW ACCOUNTABILITY, AND COMPLIANCE**



[evisort.com](https://evisort.com)

# INTRODUCTION

Unseen yet indispensable, contracts guide almost every action a business takes, determining how much revenue it can expect to receive and what expenses it should plan to incur. The proper management of contracts is therefore essential to business success. Delays in the process can cause serious harm—not just delays in the time it takes to close a contract, but the time it takes to create one.

Yet creating a contract quickly and well is easier said than done.

The process can be divided into five discrete steps:

1. **Request**
2. **Drafting**
3. **Negotiation**
4. **Review & Approval**
5. **Execution**

Put like that, it may look like a simple, well-defined exercise. But all too often, the march to signature drags out due to lack of compliance, lack of visibility into accountability and approvals, slow collaboration, and bottlenecks in moving the business forward.





# WHY GETTING TO THE SIGNATURE STAGE IS SO DIFFICULT

Despite the existence of technology, including Artificial Intelligence (AI), for streamlining and accelerating contract management, many organizations are still encumbered by the fear of change, preferring the traditional way of doing things even if it costs them more time and money. The higher-value the subject matter, the more complex the legal issue, the more numerous the parties involved, the greater the downside.

While there is no single reason the pre-signature process goes wrong, most problems fall into four categories.

**FIRST**, organizations rely on inefficient manual processes, leading to mistakes such as files saved in the wrong data format or incorrect data entered into a spreadsheet. One study found manual-entry errors have been found to be acceptable at thirty percent.<sup>1</sup> But, why is that acceptable? The result is confusion, rework, additional expense, and, in some cases, due-diligence violations.

**SECOND**, organizations use multiple tools for communication and storage, hindering collaboration between legal and business units. Important conversations take place across multiple email threads. Outdated documents continue to circulate as email attachments, leading to uncertainty about the current state of play. As the number of parties involved in the contract increases, these kinds of problems can reach massive proportions.

<sup>1</sup> Data entry services. *Why Good Enough Isn't Enough for Data Entry*, (April 25, 2017) <https://ardem.com/data-entry-services/why-good-enough-isnt-enough-for-data-entry/>



**THIRD**, organizations have no way to achieve transparency and accountability because no one has full visibility into the approval process. Documents sit unnoticed waiting for approval or are sent to the wrong stakeholder for sign-off. Legal gives the greenlight when finance should have been looped in to review unfriendly payment terms. Under conditions like these, the notion of an audit trail is a pipe dream. The consequences, however, are anything but. If edits are entered on old versions of the contract, or the contract isn't finalized on the needed terms and conditions, and the mistake goes unnoticed, the results could be serious to say the least.

**FOURTH**, organizations may fail to comply with the terms of their contract because provisions that needed to be reviewed by the appropriate team were missed during review. For example, organizations that contract with third-party vendors, who work with data privacy and various other federal compliance issues, may be at risk for due diligence violations if those provisions are not included in the contract. Such violations hinder the contract's effectiveness and can be costly for the organization.





# WHAT PROSPECTIVE BUYERS SHOULD LOOK FOR IN A CONTRACT-CREATION SOLUTION

There are many ways contract creation can go wrong. Luckily there are well-established methods for doing it right, using technology designed for the purpose. These are the essentials any buyer should look out for.

## MAKE CONTRACTS SELF-SERVE

Companies waste time and money filling out contract templates and reformatting existing documents by hand. Automated, self-service templates approved by Legal are a much better option. These function like a traditional template, except you can select from preapproved negotiated clauses and provisions, written on your terms and conditions, to immediately create a contract that works in your favor post-signature. Look for solutions that offer a clause library and a template form-field creator to provide data that allows you to customize and finalize a contract in minutes.

## IMPROVE COLLABORATION

Unsurprisingly, problems with collaboration are not unique to the world of contract management. Any employee would agree that good team collaboration comes from easy communication, mutual trust, clear responsibilities, and visibility into the process. In an era of multiple communication tools, organizations need to look for a simple, shared workspace that can be accessed by any party, where people can assign and receive tasks and check who is responsible for what. This approach provides transparency which in turn promotes mutual trust and helps everyone work faster and more confidently.

### ENFORCE VERSION CONTROL

Tracking multiple emails and document uploads to other communications tools, such as Slack or Salesforce, can be extremely tedious. Here again, you want to simplify your communications as much as possible. Choose a tool that centralizes documents in one location and manages version control automatically. This eliminates the chaos that comes from having multiple competing documents and ensures that edits are entered on the most recent version. That way no work gets lost. No input is unheard. And you can be confident that signatures are going onto the version with the latest edits agreed upon by all parties.

### CREATE AUDIT TRAILS

Closely related to accountability is the ability to produce a valid audit trail. A good audit trail will provide a chronological picture of actions and who performed them, making it much easier for organizations to monitor compliance. Look for features that track dates of action, responsible parties for each task, and the work people actually performed.





# EVISORT FOR CONTRACT CREATION AND WORKFLOW APPROVAL AUTOMATION

Evisort Contract Workflow was designed with these principles in mind. It streamlines the process from contract creation to signature, making it easy for businesses and employees to ensure that contract signing runs as efficiently and quickly as possible.

## EVISORT CONTRACT CREATION AND WORKFLOW



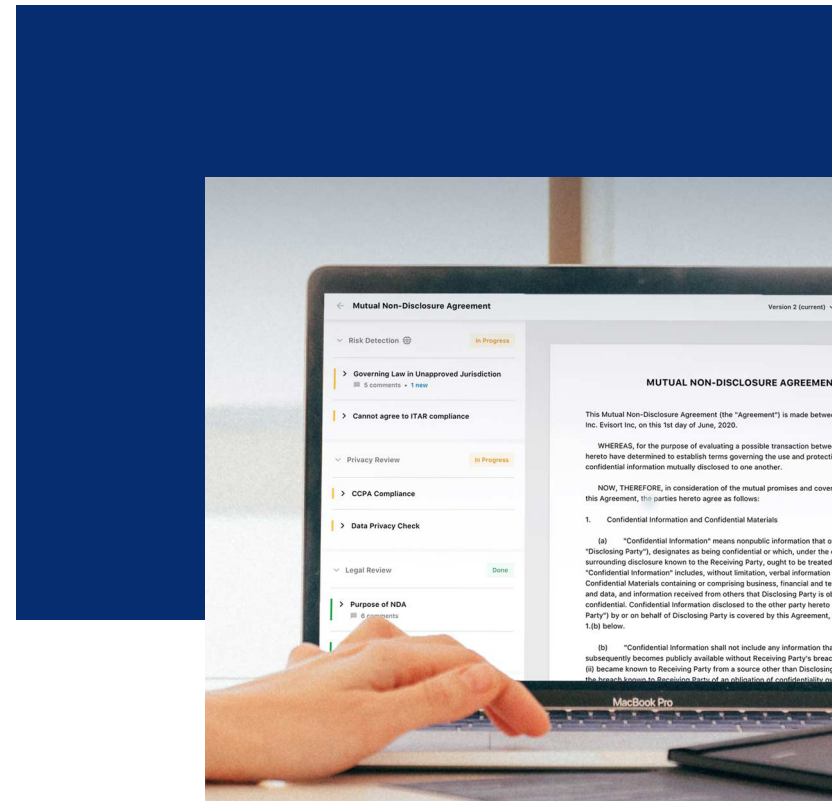
# THE EVISORT DIFFERENCE

Evisort Contract Workflow automates the entire contract creation process from self-service request to signature, reducing time to contract from months to minutes.

Evisort keeps your organization compliant by ensuring deals are on your terms and conditions. Legal-approved templates are created by leveraging key data preserved in stored contracts. Self-serve contract request and intake completes a contract in seconds and initiates the review and negotiation process.

Unique to Evisort is permissioning that gives specific business users access to specific templates, automatically adding approvers to document review based on the type of document and the clauses that appear within it.

Evisort provides a single location for workflow approval and accountability, which helps organizations streamline their contract-creation process with 100% visibility. It combines communications and version management on the same platform, ensuring all parties are working on the most recent document.





# THE EVISORT DIFFERENCE

It also simplifies contract review by placing documents side-by-side on the same screen during redlining. Businesses no longer need to sift through countless emails and storage units fearing they missed an update.

Lastly, Evisort syncs directly from the same page to DocuSign and Adobe Signature to simplify contract execution and initiate other important checklist items such as onboarding and payment setup.



For more details on how Evisort can support your contract creation and workflow approval process visit:  
[www.evisort.com](http://www.evisort.com)

## ABOUT EVISORT:

Founded by Harvard Law and MIT researchers, Evisort leverages artificial intelligence (AI) to help businesses categorize, search, and act on business-driving documents of any type. Evisort's AI understands meaning and context in legal language, eliminating the need for manual data entry and the parsing of contracts and business or legal documents.