CLM x DMS: HOW SUPERCHARGED LEGAL DEPARTMENTS DELIVER FASTER, BETTER WORK

PART 2: MAKE THE VISION A REALITY

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Contents

SUPPORTING THE VISION OF CONTRACT MANAGEMENT

Successful contract management is about more than just making life easier for legal, but for *all* stakeholders in the contract management process. And as legal becomes a stronger player in the organization, you can drive better results for the business.

Here's the thing: Poor contract management can have a big impact, ranging from delayed growth and missed opportunities to contract inconsistencies and increased costs.

Effective contract management, on the other hand, can mitigate risk, protect revenue, increase customer satisfaction, strengthen business relationships, and accelerate growth.

When you use a DMS in tandem with your CLM, you strengthen your ability to manage contracts effectively and efficiently. You boost collaboration, you enhance security, and you make it easier to find the right version of the right document, right when you need it.

Make sure you don't miss our deep dive into the advantages of CLM x DMS in **Part 1: Get the Best of Both Worlds.**

PUTTING CLM X DMS TO WORK

It's clear that, when combined, your CLM and DMS offer greater benefits than either system could provide alone. But what does it actually look like when you base your contract management strategy using two effectively integrated systems? How should your contracts move from one platform to the other?

There are many ways that you can set up your CLM x DMS process, and there will likely be some additional variation depending on the platforms you choose to work with and the specific type of contract you're creating (ex. Simple or complex? Internal or external signers?).

With all that said, the following chart can give you an idea of what a typical CLM x DMS workflow may look like:
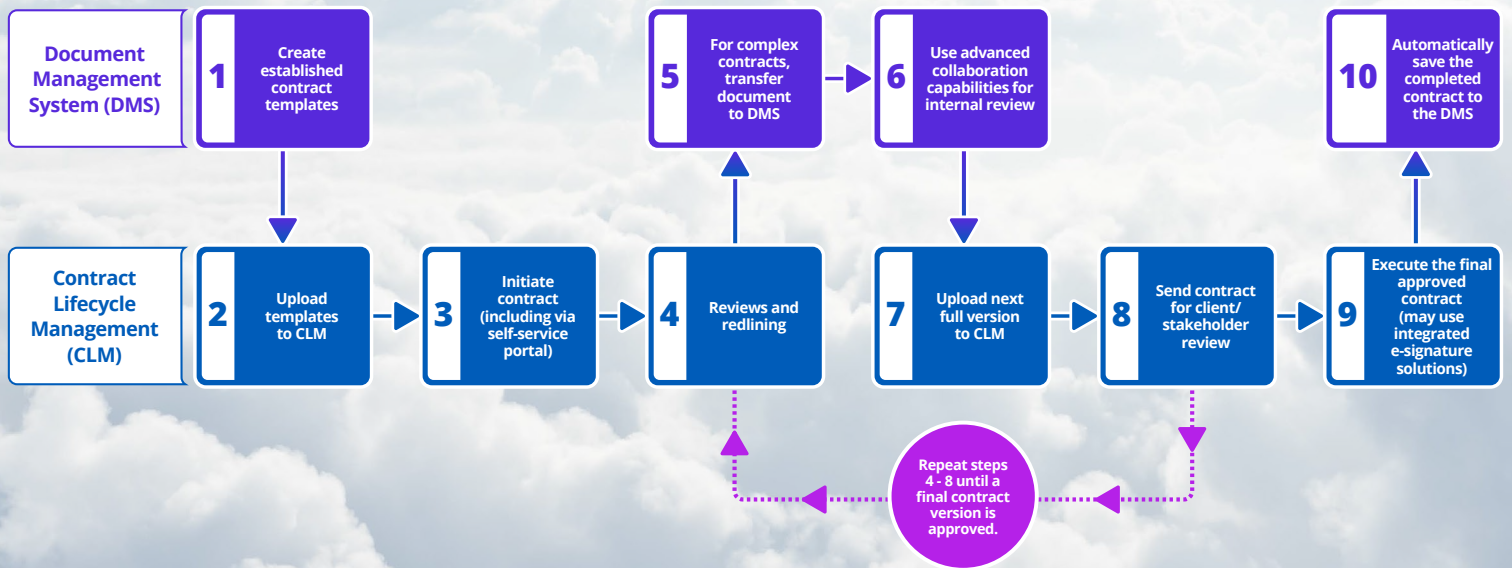
Workflow In Practice: Self-Service NDAs

Even the simplest requests can become a big burden for your team. Take non-disclosure agreements (NDAs) for example:

Corporations frequently deal with hundreds — if not *thousands* — of NDAs each year. But routing requests and reviewing these agreements can consume huge amounts of time from legal operations staff and in-house counsel, which is just the tip of the iceberg when it comes to NDA workflow problems.

Leveraging CLM x DMS, you can create a painless, efficient process. Here's what your NDA workflow might look like:

Step 1: You upload standardized NDA templates from your DMS to the CLM (managing the master version in the DMS).

Step 2: Using your CLM, you create a self-service online portal where users can request an NDA (or other contract type).

Step 3: To request an NDA, users complete self-guiding forms that will populate the required fields and provide any additional details.

Step 4: If necessary, the request will be routed to the correct internal stakeholders who are able to review, redline, and comment on the agreement. (For complex contracts, you may choose to move the document over to your DMS to access advanced collaboration features before returning the contract to the CLM to complete the process.)

Step 5: Depending on how you have configured notifications, users will receive alerts about the status of the NDA as it proceeds through the process.

Step 6: Once any necessary reviews are complete and the contract is approved, the NDA will be available for secure e-signatures.

Step 7: After the agreement is executed, the final approved and signed NDA is automatically saved in the DMS — either with the associated project/matter, or in a designated contracts folder for future reference and/or use.

In this example, you can see how your CLM and DMS work together to give you total control over and visibility into your NDA process. But it also provides more benefits:

- **Fewer errors and oversights** caused by tedious, repetitive, and manual processes
- **Less duplicated effort** as contracts are routed to the right person, every time
- **Greater contract consistency** — and no more rogue, unauthorized templates
- **Clear insight** into contracts in-progress, as well as reporting and analytics
- **A holistic understanding** of contracts within the context of specific projects or matters

In some cases, the entire process can be handled without requiring any additional time from in-house counsel — which allows them to focus on more complex and more critical projects.

The Importance of Integration

When you select a CLM and DMS, choosing integrated solutions is critical to streamlining your contract management process because it ensures that your contracts are automatically and securely saved to both your CLM and DMS. Systems that do not integrate will require you to save and upload contracts manually.

TAKE IT TO THE NEXT LEVEL WITH ARTIFICIAL INTELLIGENCE

Artificial intelligence, or AI, has a complicated reputation. For some people, AI seems too complicated or technical to be helpful in day-to-day work. At the other end of the spectrum, people view AI as a silver bullet that will solve all of their problems.

The current reality of AI is somewhere in the middle: It will not magically do everything for you, but it *can* perform highly-specialized tasks to help make your work easier, smarter, and faster.
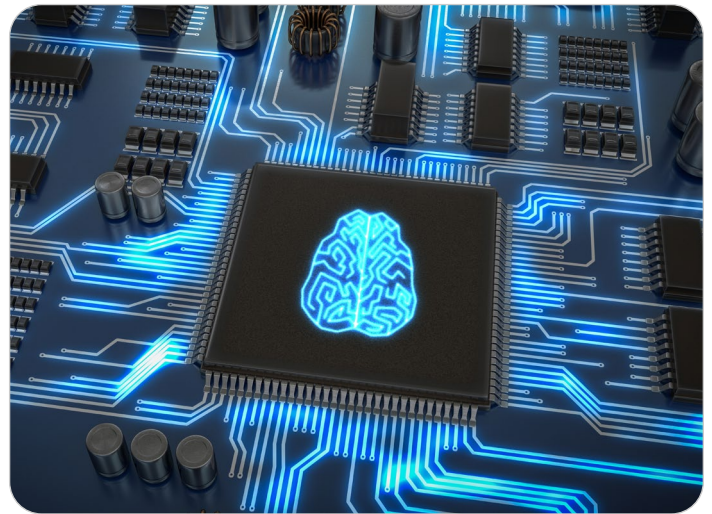
When both your CLM and DMS leverage the power of AI, you can truly take the legal department to the next level. Here's how:

AI in Document Management

On the DMS side, artificial intelligence can help simplify and even automate important tasks related to how you store and manage information within your organization.

For example, modern DMS platforms that include email management use the power of artificial intelligence with predictive filing based on the email sender, receiver, message content, document type, org-wide filing behaviors, and more.

In practice, this means that when you open an email, ndMail will automatically suggest a place to file it within the DMS — all you have to do is click to confirm. And because this solution uses AI, it gets progressively smarter over time.

Through the power of AI, users are able to store important documents and files with greater speed and accuracy. This leads to more complete information within the DMS, which is then accessible for other users to reference as needed. (And hopefully fewer *"Hey, can you send me XYZ?"* emails.)

AI in Contract Management

Want to deliver stronger, more consistent contracts, *faster?* An AI-powered CLM tool can help.

Many legal departments will institute a contract playbook that establishes negotiating principles, defines contract terms and clauses, and provides checklists for contract reviews. By providing these guidelines, a playbook helps in-house counsel deliver stronger legal services and stay aligned with business goals.

Advanced CLM platforms leverage AI to make contract playbooks even more effective, efficient, and consistent. With AI, your CLM tool can review contracts for missing clauses, identify inconsistencies with previous contracts, and help pinpoint the actions you need to take before moving a contract to the next step.
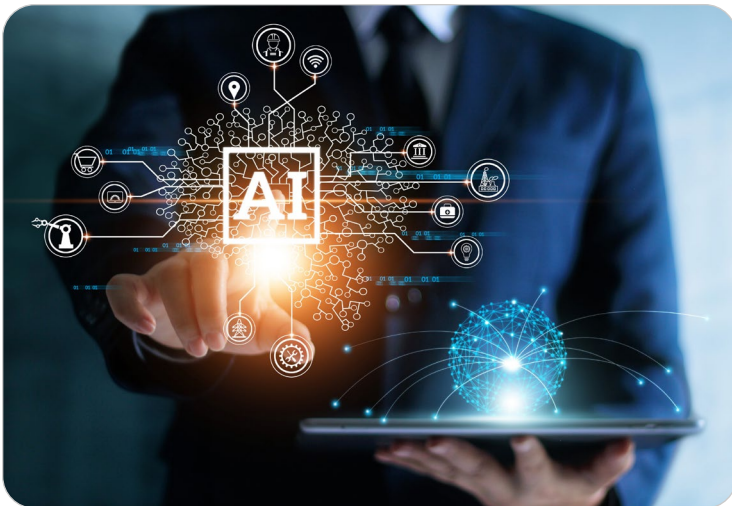
Of course, the AI will not make changes without human approval — but this type of automated redlining can reduce the number of pages requiring human review from several hundred to a couple dozen.

AI-powered CLM tools help ensure that your contracts are more consistently positioned and less vulnerable to misinterpretation. Plus, tools are not subject to fatigue, burnout, or forgetfulness like humans are.

Ultimately, the goal of leveraging AI within your CLM is to lower the number of contracts your team needs to manually review, speed up the process of manual reviews when necessary, and increase consistency across all your contracts.

EXPERIENCE THE POWER OF SYNERGY

When you combine the powerful tools available in your contract lifecycle management tool and your document management platform, the whole is greater than the sum of the parts. Consider how these benefits fit into the bigger picture of the legal department and the wider organization.

When all of your contracts, supporting documents, emails, and conversations live in one place—your DMS—you can more easily **find what you need when you need it.** You can more easily maintain **one single source of the truth.** Using both your CLM and DMS, your team can keep things straight and **avoid costly delays and errors** on both short- and long-term projects. You will gain **greater peace of mind,** especially with the enhanced security capabilities offered by a document management system. Artificial intelligence in both systems brings an added dimension of **efficiency, productivity, and confidence** to the CLM x DMS experience.

But most importantly, as you leverage the combined power of document management *and* contract lifecycle management, your team can focus on doing great work, supporting business initiatives, and building stronger internal and external relationships. You can truly *Work Inspired.*

About NetDocuments

At NetDocuments, we pride ourselves on providing innovative solutions that our customers can depend on. Our DMS was built with a cloud-first strategy to ensure each of our customers could benefit from our powerful search tools, seamless collaboration features, and innovative security and compliance measures. Our new tool, Analytics, is the latest addition to those efficiency features, aiming to support firms as they strive to meet the high expectations of their clients. Analytics puts key information in front of the right people at the right time with minimal effort, enabling firms to optimize upon their current process.

If your firm is ready to take its productivity to the next level and *Work Inspired,* contact us today at **(866) 638-3627.**

About Onit

Onit is a global leader of enterprise workflow and artificial intelligence platforms and solutions for legal, compliance, sales, IT, HR and finance departments. Onit transforms best practices into smarter workflows and operational efficiencies for its Fortune 500 customers with solutions including enterprise legal management, matter management, spend management, contract lifecycle management and legal holds.

Onit's **contract lifecycle management** software gives legal and business teams end-to-end automation of their entire contract management process, reducing hours spent on contracts by 20%. Its **ReviewAI** uses AI to quickly and accurately review, redline and edit all types of contracts, resulting in a 51.5% increase in productivity and acceleration of contract review by up to 70%. **ExtractAI** from Onit handles the post-signature phase of contracting, using artificial intelligence to simplify contract data extraction and obtain usable data from executed, legacy and third- party paper contracts. For more information, visit **www.onit.com** or call **1-800-281-1330.**