

Contract Management in TRIM Context

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Contracts are the lifeblood of the modern business world. Without this vital legal glue, entering into arms-length commercial deals would be fraught with peril. Yet for medium to large sized organisations, contract management brings challenges of its own. In order to rely on contracts, managers must ensure that their terms and conditions are legally defensible, that the contracts themselves are easy to locate when needed, and that the document found is in fact the right document. Moreover, in a world in which electronic discovery and government regulation is becoming increasingly prevalent, it is important to make sure that preservation and destruction of these important documents is carried out in accordance with well-defined and appropriate business rules. As an industry leading Enterprise Content Management (ECM) package, TRIM Context 6 provides a solution which addresses all of these challenges, simplifying the task of managing contracts and ensuring compliance with regulations and business best practice throughout the life cycle of the document.

Contract Preparation

Modern contracts are often long, highly technical legal documents which present a number of pitfalls for the unwary business manager. The first issue likely to be encountered is that the actual content of the document is (or should be) informed by the ever-increasing volume of case law on contracts, and by reference to the relevant legislation. Given the propensity of legislation and court-imposed contractual interpretations to completely change, or even negate parts of contracts, it would be foolish to proceed in any other way for important transactions. Unfortunately, those at the front line of doing business and negotiating rarely have specialised legal training, and recourse must be had to separate legal experts, if legal expertise is employed at all - an expensive and time-consuming diversion. The obvious solution is reuse of pre-existing corporate knowledge on appropriate contractual content. Looking back at the contract preparation and exchange process, a further problem arises when disagreements as to the terms of a contract arise. In the context of this kind of dispute, it is often imperative to have a clear idea of how the negotiations surrounding the development of a contract developed, and at what stage decisions and changes were made to the document, and most critically, when particular documents were sent out or received (as time and communications can be important in determining which document constitutes the final form of the contract). TRIM Context 6 can help in both of these areas.

TRIM Context provides powerful tools to enable information reuse, allowing organisations to leverage their corporate knowledge into a cheaper and more efficient contract preparation process. At the simplest level, by providing a fully searchable and authentic corporate archive of corporate content, TRIM Context makes it a matter of a moment's work to find previous contracts of a particular type within the corporate information repository. This makes it straightforward to find and reuse contractual documents in their entirety for new transactions, an approach which is particularly helpful for very high volume, standardised contracts. More exciting, however, is TRIM Context's powerful yet easy-to-use document assembly technology. Document assembly provides a means of automatically producing documents based on document templates and a library of standard clauses stored in the corporate repository. Document assembly can provide flexibility ranging from simple templates which just need document metadata to be entered (such as the name and address of the contractual partner) for common contracts and less advanced users, up to the ability for an advanced user to select only the clauses which are appropriate to the particular contract. The entire process can be managed from within the familiar document creation context of Microsoft® Word™, meaning that it can be set up without recourse to specialist programming or IT support. This allows the construction of highly customised contracts from within the framework of approved clauses, allowing for flexibility upon a foundation of well-tested clauses. TRIM Context thus makes information reuse an integral part of creating contracts.



TRIM Context 6 also provides the tools necessary to ensure a complete historical knowledge of the contract negotiation process is maintained. Almost any form of paper and electronic information can be preserved in the TRIM Context system, allowing the retention of all of the documents, e-mail, and even voicemail surrounding the negotiations, and helping to provide a truly contextual understanding of the contractual document. Version control means that a complete copy can be kept of every major version of the contractual document itself, including a "final" version representing the last, definitive, and unalterable version of the document. Integrity of the document can be assured by using access control to limit the group of people capable of editing the document to those with the expertise and authority to do so. Communications management means that complete information can be maintained on every communication (physical or electronic) of a document, including addressee, address, and date. Taken together, this means that a company can keep track of every version of the document and all of the documents surrounding the negotiations including information on creation date, authorship, and when and to whom they were communicated, providing a powerful tool for providing complete documentation of the contract negotiation process in court.

Finally, in situations where large volumes of contracts are produced, TRIM Context 6 can help regularise and streamline the approval process by providing a powerful workflow engine. TRIM Context allows users to construct complex workflows in an intuitive graphical environment, including decision branching, looping, and approval cycles. Managers can design a workflow to fit the business processes in place in their workplace. Once set up, workflows ensure that documents pass through all of the right people in the editing and approval process, allow documents to be sent back for revision if they do not meet standards at an approval stage, and can even provide reminders when steps of the process are overdue, or where significant milestones in the process have been reached. TRIM Context thus facilitates good business processes at the contract preparation stage.

Preservation, searchability, and authenticity

Once an agreement has been concluded, it passes into the most useful phase of its life, in which it is used as a practical guide to the relationship between the parties. Contracts are working documents - unless the relevant document can be quickly identified for use, they are next to worthless for everyday business. In order to provide the greatest benefit, however, a record must be authentic, reliable, and useful. It must also be capable of being found, and most importantly, it must be preserved. TRIM Context 6 provides the tools to ensure that the maximum benefit can be extracted from a contractual document. Authenticity, the ability to trust that a document is what it purports to be, is ensured through the application of access control during the editing phase, the ability to declare a document final to prevent further editing, and by mediating all access to the document through the ECM system to prevent unauthorised changes. Reliability - that is, the ability to trust that the document or documents can tell you all that you need to know to understand a transaction - is maintained by ensuring that the contract is maintained in its context with all of its metadata. The contract can be stored with other documents related to the transaction, complete with all of the metadata necessary to fully understand it. Finally, the usefulness of the record is ensured by TRIM Context through the provision of powerful tools to ensure searchability and accessibility of documents. TRIM Context allows searches on record metadata for rapid identification of well-known documents. Where these searches are not precise enough, however, TRIM Context even provides search on the full content of documents (that is, it can search within documents) with hit highlighting to enable the user to quickly find the relevant portion of the text in context. Users can even get access to the documents while away from the office by using one of the web interfaces to TRIM Context (such as WebDrawer or TRIM Context *ice*), or by marking the file for offline use in the ECM system, allowing access to the document without a network connection. Moreover, TRIM Context's document viewer ensures that common document formats can be read by users, even without the installation of the program which created the document. Thus, through the use of access control, logging of all system events, rich metadata and searchability TRIM Context allows users to have a complete grasp of where all contracts are, what they refer to, in what context they were created, and in doing so to trust that they represent an accurate record of the transaction or relationship in question.

Destruction

Throughout the life cycle of a document, the uses and usefulness of a document evolve. Most documents will eventually reach the end of their useful life, and can become a burden on the corporate information system, or even a danger, if they contain sensitive material. Therefore it is important to have a clear plan for how long to retain any given document, including when it should be either archived or destroyed. TRIM Context 6 provides strong support for retention schedules, allowing schedules to be applied to records on an individual basis, or based on their location in the classification scheme. After the destruction of a document, the metadata concerning the document is maintained to allow the company to know what has been destroyed and when, allowing them to defend both their document retention practices and their application of them if they are ever challenged, and ensuring regulatory compliance. While it is important to consistently apply retention schedules to documents in this way, it is also important to be able to put the process on hold in certain circumstances.

TRIM Context 6 provides litigation hold functionality which allows the extended preservation of selected documents without bringing the entire records management system to a grinding halt. TRIM Context 6 thus provides a strongly rule-based system which allows for the defensible destruction of out-dated documents while providing the flexibility to provide for temporary suspension of the rules where this becomes necessary.

Conclusion

Contracts are amongst the most critical documents possessed by a modern organisation. As such, their preparation should be treated with the utmost care. Intelligent reuse of preexisting corporate knowledge through devices such as document assembly helps to ensure the legal integrity and consistency of contracts. After negotiations are finalised, it is equally important to make sure that the document is actually useful, by ensuring that it is accessible to those who need it, is authentic, and is reliable. Finally, it is important to ensure that corporate systems do not become clogged with outdated, useless and potentially dangerous information through the application of well thought out business rules to the information. TRIM Context 6, as the industry leading Enterprise Content Management system, addresses all of these issues and more, and ensures that contract management is performed as efficiently and effectively as possible.

About TOWER Software

TOWER Software, a leading enterprise content management (ECM) provider, delivers electronic document and records management (EDRM) solutions. TOWER Software's award-winning solutions empower organisations to manage and secure their vital information assets. The TRIM Context® solution is a single, integrated platform that manages business information throughout its complete lifecycle. By relying on its proven domain expertise, strong strategic partnerships, and powerful solutions, TOWER Software enables organisations to improve the accuracy of information on which business decisions are made; maximise efficiency by finding business critical information more quickly and easily; and achieve and maintain standards compliance across industries, resulting in sustained competitive advantage. TOWER Software is a privately held company with operations in North America, Europe and Asia Pacific.

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