

SEAL FOR CONTRACT LIFECYCLE MANAGEMENT

The value in Contract Lifecycle Management (CLM) solutions stems in part from their ability to standardize the contract authoring process through clause & contract templates and self-service wizards, and guide these new contracts through a standard workflow through to signature. While many CLM solutions have been successful in delivering these process oriented goals, a number of critical functional requirements greatly needed to meet everyday challenges in Contract Management requirements still remain unaddressed.

The challenge at the outset is that many organizations have tens of thousands of active (legacy) contracts that existed prior to the CLM implementation and reside across any number of file share drives, document management systems, personal computers and other types of “make-shift” repositories. Each legacy contract arguably contains more exposed risk due to the traditional ad hoc creation and negotiation process than any new contract being created today through the CLM system.

01 – CONTRACT MANAGEMENT 101

- How many contracts do you actually have?
- Where are the contracts located?
- What high-risk or revenue-impacting terms and clauses are in those contracts?
- How do you maintain governance over all of these contract terms?
- How do you ensure all on-going contracts will be diligently and consistently uploaded into your CLM system and the key/relevant attributes extracted, reviewed and entered?

Most organizations will import what they deem to be the “most important” of these legacy contracts with a minimal set of relevant data points. And given that CLM systems are typically implemented on a departmental basis, only the contracts belonging to that department will be imported. It quickly becomes clear that CLM solutions are simply not designed to migrate legacy contracts at the volume and breadth that organizations require, nor migrate the contract language and commercial terms at the level of granularity they need, to gain any value. In summary, these organizations never fully meet the needs of Contract Management 101 above.

Another dimension to this challenge is that the typical CLM implementation process of migrating legacy contracts and contract details is a one-time snapshot.

The contract information that is migrated to the CLM system is fixed from this point forward, leaving no way to identify other contract terms that remain as unstructured language within these contracts. This is a serious issue when organizations have no idea what contract details will become critical three to six months in the future, as in the Everyday Challenges outlined next.

02 – EVERYDAY CHALLENGES IN CONTRACT MANAGEMENT

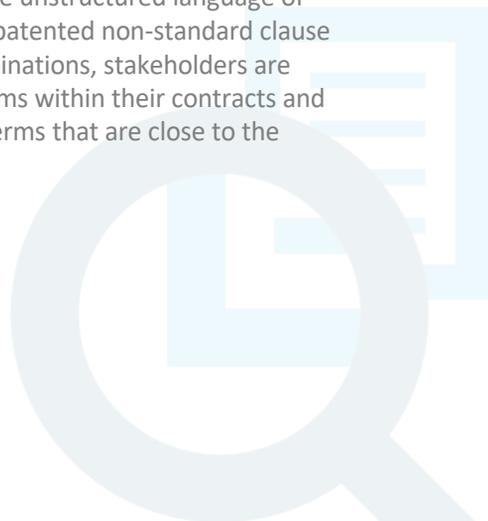
- Throughout your contracts, which ones contain Pre-Negotiated Revenue Terms that are currently unrealized – volume-based discounts, fixed renewal pricing, annual uplift allowances, and minimum threshold requirements?
- When faced with new Regulatory Requirement, do you know which contracts are affected and to what extent?
- In the event of a Breach, are you immediately aware of your responsibilities versus your third-party providers, and how to prioritize your course of action?
- When there is a Merger or Acquisition, how do you quickly assess which contracts contain higher risk terms that could affect the outcome of the event, if not derail it completely? Which contracts need to be internalized and renegotiated or divested?
- Are you readily equipped to assess which relationships and commitments and deliverables are directly impacted and determine the best recourse when there are unplanned events such as Natural Disasters, critical Litigation or Bankruptcies?

03 – THE SOLUTION

The solution to these contract management challenges lies outside of traditional CLM solutions. Seal’s Contract Discovery and Analytics solution enables enterprises to uncover hidden opportunities and risk that could dramatically impact your business, by accelerating access to the insights locked within the language your unstructured contractual documents and empowering you to take informed action.

Seal Contract Discovery rapidly locates the existing contractual documents wherever they may reside across an enterprise. Key contractual terms and clauses are automatically extracted as data through a standard set of extraction rules, rendering them for easy review, analytics, and integration to corporate solutions including Customer Relationship Management (CRM) and Contract Lifecycle Management (CLM). When leveraged on-going, Contract Discovery ensures comprehensive insight to potential risk as well as revenue and cost opportunities across ALL contracts, now and in the future.

Seal Contract Analytics empowers stakeholders to dynamically “teach” the Seal solution to find important or business specific critical contract terms buried within the unstructured language of every existing contract beyond the standard rules. Leveraging Seal’s patented non-standard clause detection, and specific contract language extraction and clause combinations, stakeholders are essentially “asking” the Seal solution specific questions about the terms within their contracts and Seal responds by locating every contract that contains the relevant terms that are close to the teaching examples for the stakeholder to review.



03 – HOW SEAL WORKS FOR YOU

- Discovers all contract documents of differing format types (text, DOC, PDF, image, others) stored on hard drives, network drives, software solutions, file shares, etc.
- Decreases the time needed to identify high-risk terms buried within your contracts and increases the time available to address urgent one-time market and/or corporate events.
- Enables dynamic, flexible creation of new extraction policies (without coding) to identify unique contract terms buried within the unstructured text of every existing contract.
- Provides the ability to define advanced policies that can detect clause groups that alter the meaning of the actual contract and immediately present this to review for confirmation.
- Provides copies of the contract documents it discovers and the terms it extracts for loading into new or existing CLM, CRM and other systems.

Contract Discovery and Analytics delivers the flexible and dynamic insight into and across ALL contracts that is the critical foundation of any Contract Management initiative. The wealth of unstructured information buried within an organization's contracts can have a debilitating effect on the level of risk to the organization, but can also have a positive financial impact on cost savings and revenue opportunities with appropriate visibility and analytics.

04 – WHAT SHOULD YOU DO NOW?

If your organization needs answers to your contract questions, get in touch with Seal today to learn more and see Seal Contract Discovery and Analytics in action by requesting a demonstration.

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