

## Embracing Legal Document Automation

The Benefits are many

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Legal document automation is not scary. Automating the creation of documents is not intended to replace, minimise or threaten what lawyers do. Lawyers always have been, and always will be, the guardians of legal documents that form the basis of all business. But by automating certain parts of the process, they can be liberated to focus on elements of the role that add real value. 1

### I. What is document automation, really?

The purpose of document automation is to automate the repetitive process of building a document from scratch each time you need a new contract. In practice, many contracts are extremely similar, with just a few variations, so document automation can bring speed, efficiency, consistency, less risk and lower costs. 2

For example, once you create an NDA template, the next time you need an NDA, you can generate it much more quickly using the questionnaire. The completed questionnaire will enable the system to dynamically create the document, selecting and inserting clauses throughout based on answers given. 3

Automating the creation of complex documents can dramatically reduce the human effort, time and costs involved in drafting. It also helps to reduce risk as once the initial template build is done, the opportunity for human error to creep into the drafting process is dramatically reduced. 4

Some solutions enable users to create a suite of related documents based on the same data input. For example, a real estate lawyer could generate a lease, a rent deposit deed and a licence for property alterations without having to repeat the data entry. 5

Successful document automation can allow colleagues to self-serve. For example, if an in-house legal department invests time into automating the templates for its sales contracts, 6

then when a new sale is made, the sales manager can answer a few questions within the software and generate a watertight sales contract without imposing a time cost on legal. This leaves legal free to focus on the biggest risks and higher valued work.

Useful across various practice areas and industries, document automation is extremely versatile and can be used across a wide range of different documents, including: 7

- Share Purchase Agreements
- NDAs
- Employment Contracts
- Consultancy Agreements
- Commercial Agreements
- Leases and Licences
- Facility/Loan Agreements

## II. Document Automation in Practice

As these case studies demonstrate, whether in a law firm or in-house practice, document automation can bring enormous benefits. Embracing this technology can drive greater business efficiency and innovation, reduce costs and risk, and provide a platform for increased levels of service. 8

### 1. Clifford Chance

Implementing automated templates in 2001, Clifford Chance was one of the magic circle's earliest adopters of document automation. Its document volume was huge, and it was reliant on a system of manual templates that were slow to build, difficult to maintain, and thus created inefficiency and risk. 9

Implementing a document automation solution eased these problems. Answering a single set of questions, their lawyers were able to 'teach' the solution an agreed template from which a robust, yet flexible, contract was generated, enabling them to focus on more interesting and more valuable work. 10

### 2. Pinsent Masons

Renowned as one of the most technologically advanced law firms in the UK, Pinsent Masons utilises innovation and new solutions, including document automation, as a way to distinguish their client service levels. 11

Pinsent Masons were also able to demonstrate to their lawyers that drafting was just a process and that document automation removes low-value, high-volume document 12

creation from their inbox, freeing time for them to take on more high-value, strategic, value-added work.

### 3. Radiant Law

Since Radiant Law launched in 2011, document automation has been a key part of its wider embrace of legal technology in delivering award-winning service levels to clients. The firm uses document automation both for internal document assembly, as well as client-facing self-serve. Radiant combines the technical expertise of its lawyers with automation solutions to build templates that optimise language and structure, empowering its clients to generate high-standard, on-demand commercial contracts. 13

### 4. Kerman & Co

Operating in a highly competitive area of the market meant that speed of turnaround and cost-effectiveness were key factors for Kerman & Co in turning to document automation solutions. Starting off with basic engagement letters, the firm gradually expanded the use of automation to include various agreements and day-today documents that represented a significant portion of the volume of a firm of Kerman's size. 14

Document automation has proved so successful and intuitive that Kerman sends questionnaires directly to its clients to fill in themselves, cutting costs on both sides and achieving precious efficiency gains. 15

### 5. AXA PPP Health

Serving around 2 million customers globally, AXA adopted document automation to generate commercial contracts for its large corporate clients and soon after expanded document automation to other areas where inefficiency created costs and risk. 16

AXA utilised the document automation process to 'hard-code' its brand identity into documents, ensuring that stakeholders could quickly generate membership policy documents in house style. More importantly, when a policy change occurred, through automation, AXA could roll the change out across scores of documents instantly, without needing an external agency to enact published changes at cost. In terms of production costs and staff time, AXA has seen a significant return on investment since implementing automation solutions. 17

## 6. Renckitt Benckiser

For FTSE100 company Reckitt Benckiser, document automation delivers consistency and simplicity, enabling its in-house legal department to deliver more for less. Initially choosing to use an external firm to perfect the documents and ensure they reflected current practice, Reckitt Benckiser worked with internal stakeholders and eventually moved to a self-serve environment, where the business was empowered to generate documents themselves. 18

As a result, business users are confident to work on contracts, which brings certainty to business dealings, reducing risk considerably, and providing a clear audit trail, which is no longer dependant on individuals remembering to file paper agreements. 19

### III. Why it's Time to Embrace Legal Document Automation

Legal document automation helps you to automate the creation of complex legal documents, which brings numerous benefits: 20



Improved consistency & standardisation



Reduced risk



Saved time and faster turnaround times



Reduced costs



Allows lawyers to focus on higher value work



Improved client relationships

Legal document automation is no longer only for the exclusive few, it is now a crucial tool for both in house and private practice, no matter their size. 21