Large enterprises face tremendous hidden risk with respect to their contracts. In an environment of rapidly changing market, business and regulatory conditions, a company’s vast and complex contractual obligations can pose the potential for unexpected and unpredictable loss, both financial and reputational. We offer unprecedented insight into expansive portfolios of contracts to help organizations identify those risks and proactively resolve costly issues early on.

How contracts expose companies to risk
Service agreements, indenture and credit agreements, derivative contracts, employee agreements, statements of work, purchase orders, partnership agreements, contractual obligations with third parties – contracts are an essential component of doing business. However, there’s unmonitored and untapped risk within most organizations because most companies lack adequate transparency into their contracts. This lack of visibility and access to contracts puts them in jeopardy with third parties, counterparties, clients, and regulatory agencies that increasingly require near-real time transparency into a company’s contractual risk. It also hinders their ability to gain the insight required for optimal, timely decision making.

The main problem is that most companies do not have an efficient way to understand and report on risks in their contracts across the organization. Contracts are typically stored by business unit, in different formats, with no centralized way to search on and identify potential risks. Manually reviewing contracts is a slow, time-consuming manual process that is prone to substantial risk of error. Other approaches, such as off-the-shelf automated software, scan the corporate network for contracts, but they are similarly prone to error of missing critical contracts and extracting the most relevant information. And while most reporting and analytical tools within an organization provide some level of reporting, they fail to identify risks.

Our solutions
We offer a digital contract management, analytics and remediation solution that consolidates data using machine learning – regardless of how, where or in what format it’s stored. Our solution quickly scans the entire data pool to retrieve relevant documents, extract and characterize material terms. It also intelligently reports those findings so clients can respond quickly to changing market, business and regulatory demands, and make informed decisions in a timely manner. We also assist clients in implementing remediation measures to address the risks or opportunities identified. With more than 200 technology-enabled contract professionals staffed in the United States, EU and India, we can quickly deploy an expert team trained in using our technologies to re-paper or redraft contracts, as needed, consistent with the client’s remediation playbook. This powerful combination of technology and professional workforce enablement is capable of addressing a tremendous breadth of complex issues that plague organizations today.
Our contract analytics solution enables companies to:

- Evaluate the real risks inherent in their contracts and plan the appropriate actions
- Quickly respond to regulatory demands
- Remain compliant with its contractual relationships
- Optimize future contracting standards to generate greater contract value
- Realize the full negotiated potential of individual contracts
- Proactively identify contractual and counterparty risk
- Remediate, renegotiate or re-paper contracts as needed

We provide a single, searchable database of all contracts, available metadata, objectively coded fields and associated text for each contract to provide business and risk leaders, as well as clients and regulators, any and all answers to questions related to a contract or a contract portfolio. For the most nuanced and specific questions and needs, our dedicated team of experts can design complex analytics against virtually unlimited fields of data in order to quickly and accurately comply with any demand.

**Contract analytics dashboard**

Our web-based contracts analytics dashboard provides clients with insight into individual contracts, robust analytics of all contract data to understand business metrics and historical trends, as well as the ability to predict future trends. Features include:

- Simple and complex search capabilities across all contracts within the organization (both PDF and Microsoft Word) to quickly identify regulatory and business risk factors, risk to third parties, financial viability and other risks in contracts based on the user’s need.
- Insights and summaries of patterns across various contracts.
- Visualizations to quickly view the important contracts and terms to act on, including heat maps, concept clouds, time series analysis and more.
- Clear identification and reporting of documents flagged for specific needs.
- The ability to track and manage workforce remediation efforts, including individual and remediation team progress and issue resolution.

**Our approach**

We offer an innovative, cost-effective approach to contract risk analysis compliance using a combination of intelligent, comprehensive coding techniques, advanced analytics and subject matter expertise to mitigate risk, optimize performance, enhance accuracy and provide flexibility and defensibility. Our big data analytics platform aggregates company contracts from many sources, identifying key contract facts and trends, which are stored in a single secure repository in one of our global ISO 27001 data centers.

Our approach includes:

- **Contract collection**: We collect contracts from a variety of sources and types (such as PDF and Microsoft Word) within the organization, working closely with the client to determine the comprehensive scope of contractual relationships within the organization and with third parties.
- **Contract consolidation and processing**: We classify contracts by type, then consolidate them into our proprietary data analytics platform and process the data, extracting text and metadata for searching on key terms such as contract agreement types, critical terms, key business elements, contract ID numbers, termination dates, counter party...
name, counter party contact and related information, provider information (city, legal entity, etc.), services provided, service description, recipient roles, service fees, most favored national status information, and other business elements. We work with the organization to continually add new contracts.

• **Risk identification:** Working in close collaboration with the client, we identify and prioritize areas of potential risk based on specific areas of interest defined by the client.

• **Data modeling and sampling:** Our data scientists and analysts develop algorithms designed to detect specific issues of concern and potential compliance violations. Applying statistics and other sampling methodologies, we iteratively identify and analyze representative indicators of risk, which are then used to refine the algorithms.

• **Professional workforce remediation:** Our expert team of more than 200 trained contract and legal professionals support the technology-enabled process by addressing any project activities that require human intervention, including handling of contracts that exhibit handwriting or poor text quality, and manual “scratch-and-replace” of terms for re-papering efforts.

• **Real-time updates:** For simple, predictable requests, the database will update in real time and have standard reports ready for export at the push of a button.

By adopting an innovative approach to contract risk, organizations can now maintain effective recovery and resolution preparedness while realizing substantial cost and time-savings over their traditional approaches.

For more information on Conduent Legal and Compliance Solutions, visit us at: www.conduent.com/legalsolutions or call 1-844-ONE-CNDT