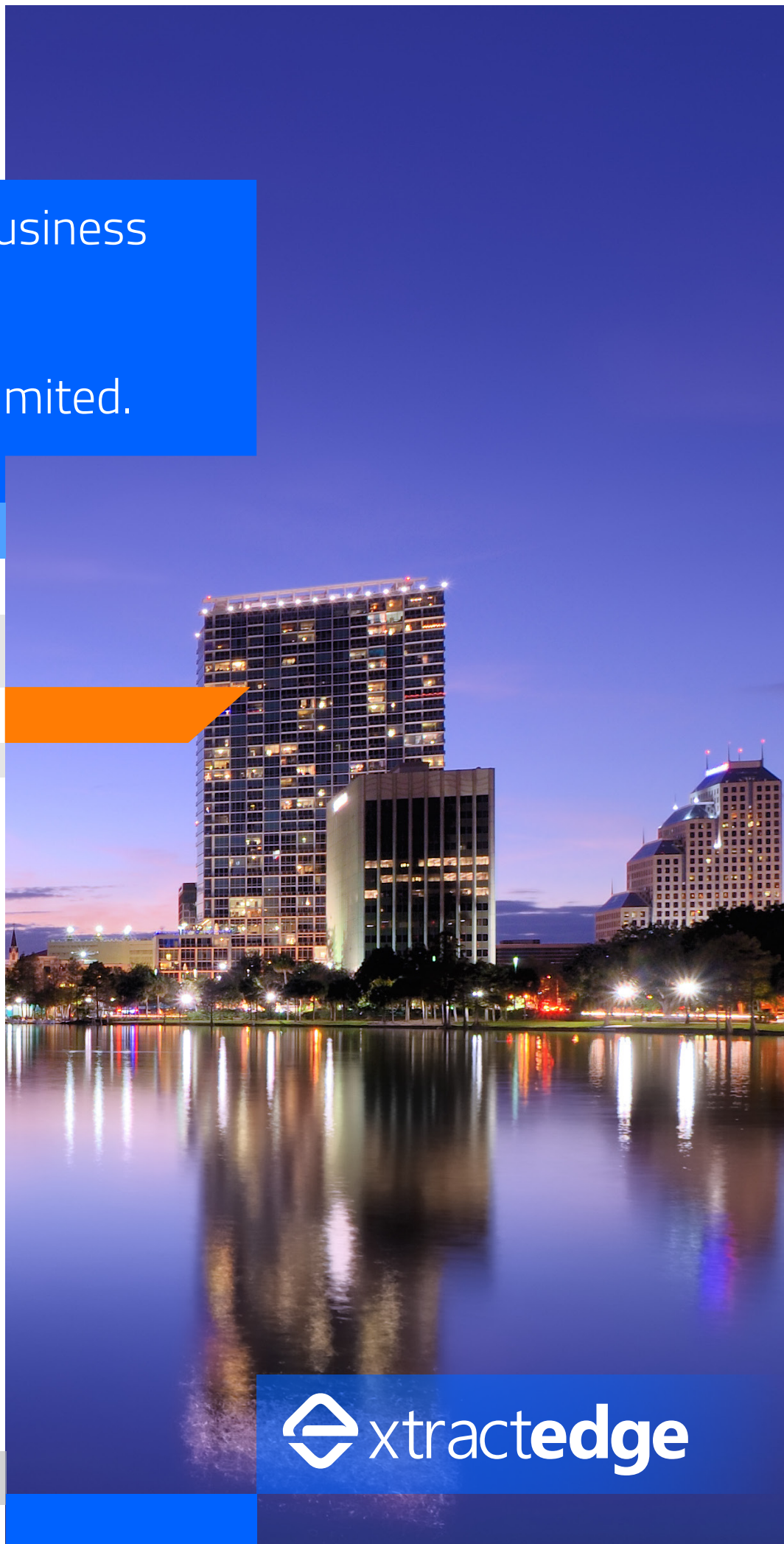


Insights make business
better.

Possibilities Unlimited.

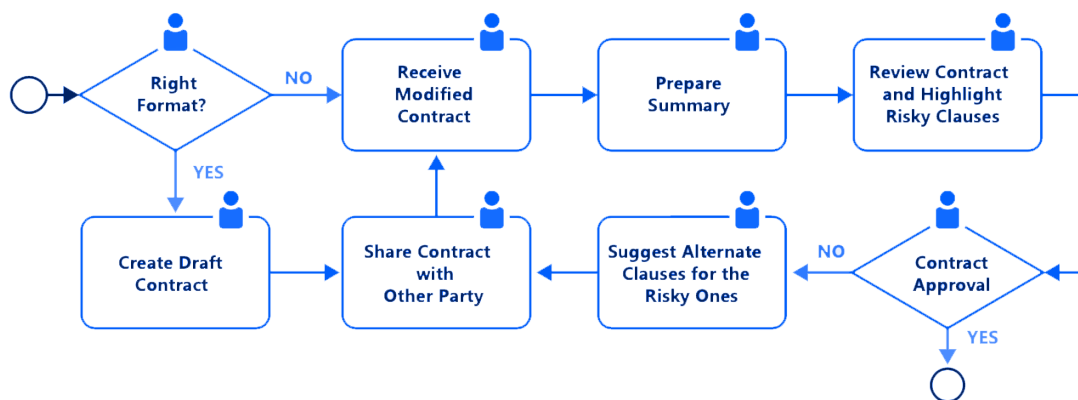
9x improvement in
productivity with
automated
contracts analysis
and risk review for a
Fortune 500
conglomerate



Key Features

Our client, headquartered in Tokyo, Japan, is a 100-year old group competing in various industries such as construction, machinery, railway systems, electronics, financial services, and more recently digital technologies. Their \$86B revenue footprint is diversified across their 879 subsidiaries, in over 46 countries.

Client's erstwhile contracts review management process:



Our client's procurement team was manually creating, reviewing and conducting risk analysis of the contracts.

Challenges

Loss Of Productivity: 25% Of Procurement Staff's Time Was Spent On Contracts Analysis

Our client's contracts review process was heavily dependent on people manual and time consuming. Even a senior member of procurement staff needed at least 3-2 hours to review a draft contract, retrieve past examples of clauses such as obligations, warranty, compliance, timeframes and their corresponding terms to build counterproposals.

Non-Standardized Risk Review: Analysis Was Subjective And Prone To Errors

Much of the knowledge was tacit, and its sharing was limited to the ability of a staff member to coach another. As a result, risk analysis was open to subjective interpretations, or in worst-cases, errors in risk scoring.

Inability To Ramp Up: New Members Of Procurement Staff Had A Steep Learning Curve

There was no centralized knowledge repository with easy access for everyone. Hence, it was difficult for new staff members to ramp up quickly and perform contracts analysis swiftly.

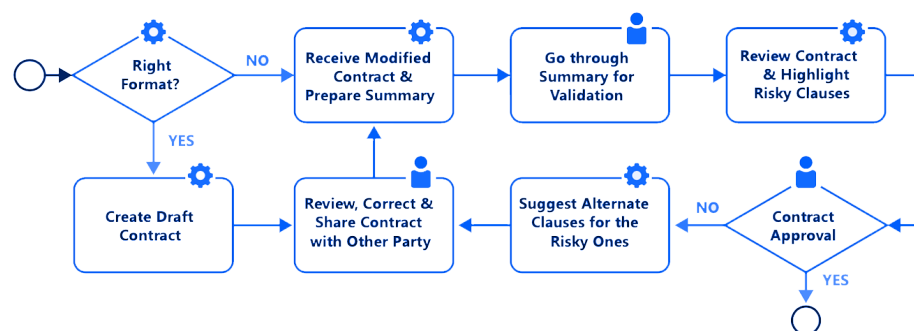
The current procurement team, was able to process only contracts per year this caused delays in contract signing, project kick-offs and so on. The business' ability to scale was disproportionately affected by the procurement team's capacity to review contracts; our client needed this bottleneck eliminated immediately.

Solution

Our client commissioned XtractEdge Contract Analysis to automate the analysis of buy-side contracts such as purchase agreements, service agreements, license agreements, rental/lease agreements. XtractEdge Contract Analysis leverages AI to build contract summary quicker, perform risk analysis more efficiently, and offer alternate clauses/legal wordings at scale.

Understanding Existing Process:

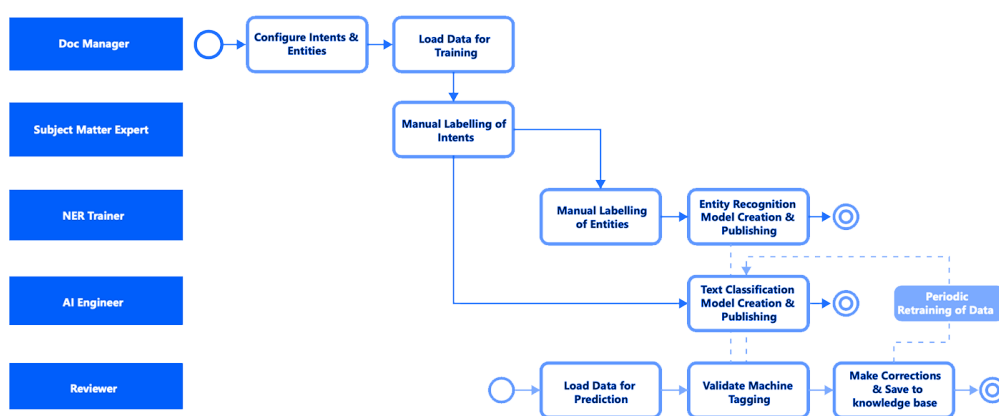
We began by working closely with the contracts and procurement teams to understand the current processes. We observed the tasks performed by each staff member to identify inefficiencies, opportunities for automation and potential to improve.



Configuring XtractEdge Contract Analysis:

We began by understanding the key clauses and terms to be extracted based on the type of the contract. Existing contracts were used to build training datasets. XtractEdge Contract Analysis was used to tag the clauses and terms for machine learning; the data created was the input to our advanced neural network models.

We also set up a framework for SMEs to review machine-tagged sentences to provide feedback that would help improve accuracy with time. An Infosys AI engineer was constantly tuning the AI model and triggering model creations based on feedback from the client's legal and procurement teams.

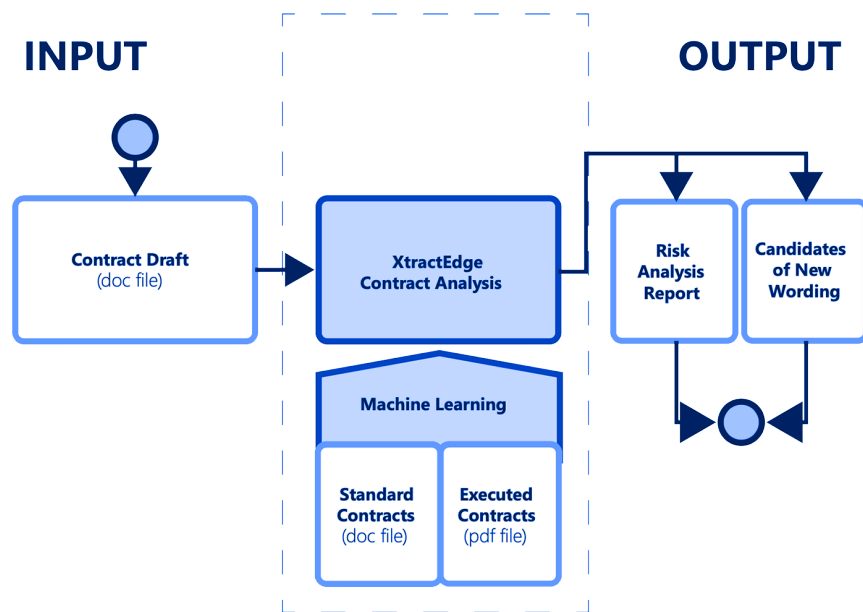


Solution Scope

The XtractEdge team was tasked with the automation of three distinct areas risk scoring, contract summary and review dashboard.

Risk Scoring

XtractEdge Contract Analysis accepts any contract draft as an input, performs automated analysis and gives two distinct outputs: A risk analysis report which will tag specific clauses/terms in the contract as high, medium or low risk and recommendations for alternative wording.



Contract Summary

XtractEdge Contract Analysis extracts the metadata of the contract and automatically builds a contract summary in structured format. This summary will include items from the contract, for instance, title of the contract, term, object, license grant, warranty, indemnification, limitation of liability, assignment, etc. Procurement teams can use this information to review any particular contract or use it as a source for future contract analysis.

Review Dashboard

XtractEdge Contract Analysis will automatically build a consolidated dashboard with individual clauses enabling team members to collect review comments from all stakeholders.

Solution Scope

Outcomes with XtractEdge Contract Analysis:

9X

Increase in productivity

90%

Cost savings per contract

9x Improvement In Employee Productivity

Before XtractEdge Contract Analysis, each employee was spending about 150 minutes in reviewing one contract. After XtractEdge Contract Analysis, this reduced drastically to less than 15 minutes, in total, empowering them to spend the 2+ hours saved in building meaningful relationships with vendors and suppliers.

90% Cost Savings Per Contract Review

With XtractEdge Contract Analysis, our client had the potential to achieve about 90% savings in labor cost per contract review at under \$25 from \$220 per review earlier.

Standardized Risk Scoring

With XtractEdge Contract Analysis, risk analysis and scoring for contracts were standardized, using predictive and cognitive modules. The system performed a thorough risk analysis, making it more accurate and objective.

This also established an organization-wide cognitive knowledge base for the entire procurement team to refer to, at any time. Moreover, XtractEdge Contract Analysis's real-time review dashboard enabled both business and procurement teams to collaborate on contract review, empowering newcomers to learn in the process.

Potential To Dramatically Increase In Scale

Before XtractEdge, assuming the client had a bottleneck at 260,000 contracts per year, the projected number of contracts they will be able to process in future is 2,340,000 for the same period. The efficiency of this is bound to increase with further use.

Making Better Contracts

With clear visibility into past contracts, our client's procurement teams were able to create better contracts across the board. With automated risk scoring and suggestions for alternate clauses, XtractEdge directly reduces our client's risk profile, make contracts stronger, and their negotiation posture better.

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About XtractEdge Contract Analysis

XtractEdge Contract Analysis helps you identify key clauses and terms, mitigate contractual risks and reduce the negotiation cycle by extracting insights from contracts. It leverages advanced ML techniques including Computer Vision and NLP to help customers achieve complete control over their contractual data to make smarter business decisions.

Visit www.edgeverve.com/xtractedge-commercial-insurance to know more

About XtractEdge

XtractEdge is a comprehensive suite of Document AI platform & products that enables enterprises to extract actionable insights from a wide variety of enterprise documents, contracts, and legal agreements. XtractEdge is recognized as one of the top Document AI platforms for large enterprises delivering on the promise of quicker time to market, superior customer experience, faster claims processing and underwriting, efficient contracts management for smarter business decision making.

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About EdgeVerve

EdgeVerve Systems Limited, a wholly owned subsidiary of Infosys, is a global leader in AI and Automation, assisting clients thrive in their digital transformation journey. Our mission is to create a world where our technology augments human intelligence and creates possibilities for enterprises to thrive. Our comprehensive product portfolio across AI (Infosys Nia), Automation (AssistEdge) and AI enabled Business Applications (TradeEdge) helps businesses develop deeper connections with stakeholders, power continuous innovation and accelerate growth in the digital world. Today EdgeVerve's products are used by global corporations across financial services, insurance, retail, consumer & packaged goods, life sciences, manufacturing telecom and utilities. Visit us to know how enterprises across the world are thriving with the help of our technology.

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