

Using UpsideContract's Workflow Engine to Improve Business Processes

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Taking advantage of a powerful and flexible workflow engine can maximize an organization's investment in an enterprise contract management solution.

Overview

Workflow, in its simplest terms, is the automation of business processes. That said, workflow is not just the ability to share information between users, nor is it merely the ability to issue alerts or notifications to users via email. Traditionally manual processes by which documents, information, and tasks were assigned or distributed from one entity to another can be fully automated according to an organization's business rules or requirements.

The benefits of automating business process via workflow include:

- Reduced operating costs,
- Improved productivity and efficiency,
- Enhanced quality through the consistent use of business rules and policies,
- Faster processing times,
- Ability to monitor and review cost, time, and quality metrics, and
- Opportunity to implement changes in business process for continuous improvement.

Applying Workflow to the Contract Management Process

According to some estimates, over 80% of business-to-business transactions are governed by contractual agreements. Furthermore, a typical company takes 20 to 30 days, on average to create, negotiate, and finalize a contract. Organizations that continue to use rudimentary tools like word processing and spreadsheet applications, along with phone, fax, and email as their primary means of collaboration are not only exposing themselves to possible operational and regulatory non-compliance, but they are almost certainly missing out on opportunities for productivity improvement and operating cost reduction.

The process of contract creation has customarily involved significant effort and several rounds of sometimes painstaking negotiation, revision, and approval resulting in extended contract cycle times. Automating contract management processes by directly modeling an organization's existing procedures is a simple method of generating workflow, however, further exploitation of automation can increase operational efficiency by eliminating many of the manual steps in the original process.

Fundamental to the concept of contract workflow is an integrated rules engine that allows organizations to map and modify their existing contract creation, negotiation, and approval processes then permits the solution to execute the newly defined business processes. The flexibility of business rules-based workflow enables dynamic determination of the workflow process to involve only those stakeholders that are required – saving significant time over manual processes.

UpsideContract enhances productivity through workflow automation

UpsideContract provides powerful and flexible workflow capabilities that can positively impact operating costs and productivity.

UpsideContract offers a true workflow engine that meets these key requirements:

Integrated Rules Engine

The rules engine is an essential element of automation that executes the various actions as defined by an organization's business rules and requirements.

The system defines and manages processes including data entry, information dissemination, user activities, and interactions with other systems.

Workflow Management

The workflow engine continuously tracks and ensures that the correct process steps are followed as dictated by business rules.

The workflow is fully auditable which ensures that corporately defined approval processes are being adhered to even when there are multiple variables within a contract.

Workflow Integration

Integration with external systems including ERP (Enterprise Resource Planning), document management systems, accounting systems, and other legacy applications enables the organization to tie key processes together to improve accuracy and efficiency.

Process Efficiency Improvement

Providing automation to the contract lifecycle in order to improve business processes is what UpsideContract's workflow engine does. The workflow engine monitors, tracks, alerts, routes, and reroutes any step in the contract lifecycle management process based on predefined rules established by the organization. With UpsideContract's flexible workflow engine, every step in a business process can be planned, implemented, tested, and further re-engineered as often as necessary to determine the optimal process that meets organizational requirements.

Through this process of refinement, organizations using UpsideContract can usually improve their overall contract management efficiency by more than 50% just by automating previously manual processes. In fact, one Upside Software customer was able to condense a 16-step manual process down to a 7-step automated process after implementing UpsideContract. By using the workflow engine within UpsideContract to automate the contract creation process, this reduced their average cycle time for a new contract from 30 days to only 11 days.

Communication with Third-Party and Legacy Applications

Companies use UpsideContract's automation capabilities in many different ways to meet their business process objectives; however, one of the most important applications of the workflow engine is ensuring seamless communication with other systems including accounting, ERP, and other legacy applications.

UpsideContract integrates business processes across multiple systems as part of a defined workflow. Workflow events can be triggered from external third-party software products and other external interfaces. For example, an inventory/shipping & receiving system that reports the reception of goods can automatically trigger a workflow that compares information about the received goods with the associated contract – the outcome of that comparison will then determine the path of the workflow from that point onward, involving the appropriate stakeholders when necessary.

Similarly, events in other third-party systems can also be triggered from within UpsideContract. For example, the termination of a contract can automatically trigger the closing of a customer's account in an e-commerce system.

Conditional Workflow Paths

Organizations are currently using UpsideContract's powerful workflow engine to specifically define rules governing workflows based on contract variables. Variable conditions that may be present in an approval process are easily handled by the rules engine. An example of a variable rule is where an approval is based on the dollar value of a contract which may require specific individuals in the organization to be introduced into the approval process based on their role or signing authority. Other conditions including contract type or legal jurisdiction can all be applied in the routing of a contract through corporately defined paths.

Workflow can be based on amounts, rule conditions, services, programs, accounting structure, vendors or vendor types, as well as other tracked information. Workflow can easily be linked to the organizational hierarchy from a role or a financial accountability perspective; multiple levels of approval can be facilitated. Electronic notification to approvers is inherent in the application as is the capability of the User to re-route when necessary.

Conclusion

By applying automated workflow within a contract management solution, procedures are properly monitored and followed precisely, ensuring that the required work is optimized and performed as intended – meeting all operational and regulatory obligations. With UpsideContract, organizations are leveraging existing technologies and implementing an automated, business rules-based contract workflow solution that eliminates the inefficiencies of manual, paper-based processing. The workflow engine within UpsideContract is XML based and allows for practically any type of rules automation, allowing organizations to streamline and automate even the most complex processes.

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