ZorroSign

In the 1920s, while the Europeans were using the personal bike instead of the horse, we were looking towards the Model T Ford. Over the years, bicycles gradually became a children's toy, and by 1940 most bicycles were made for children. The re-birth of the adult bike only happened in the 1960s when BMXs followed children into adulthood, and when the bicycle became seen as a fitness device.

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A GUIDE TO BUYING AN E-SIGNATURE AND DIGITAL TRANSACTION MANAGEMENT (DTM) SOLUTION FOR THE LEGAL INDUSTRY

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*#BakersDozen is a series of interviews with leading professionals in the fields of law, consulting, finance, tech, and more.*

Akbar brings over 20 years of software industry experience, managing multi-million dollar B2B software product lines selling into worldwide SMB and large enterprises and managing large cross-department teams.

With all the advancements in electronic signature technology, the maturity of digital transaction management (DTM) solutions, and widespread use and acceptance of eSigned documents today, there is an increasedinterest in adopting these technologies by law firms and legal professionals. The right electronic signature and DTM solution will deliver tremendous benefits such as cost and time savings, ease of use, error elimination, environment friendliness, and more. There are several solutions in the market with different levels of flexibility and robustness. However, most fall short on two or more factors leaving customers frustrated and with buyers' remorse. There are also concerns regarding legality of electronically signed documents, acceptance in court, privacy, and security of eSignatures and electronically signed documents.

More importantly, law firms have been holding back adopting eSignature solutions because how easy it is to alter digital documents and forge electronic signatures using free tools such
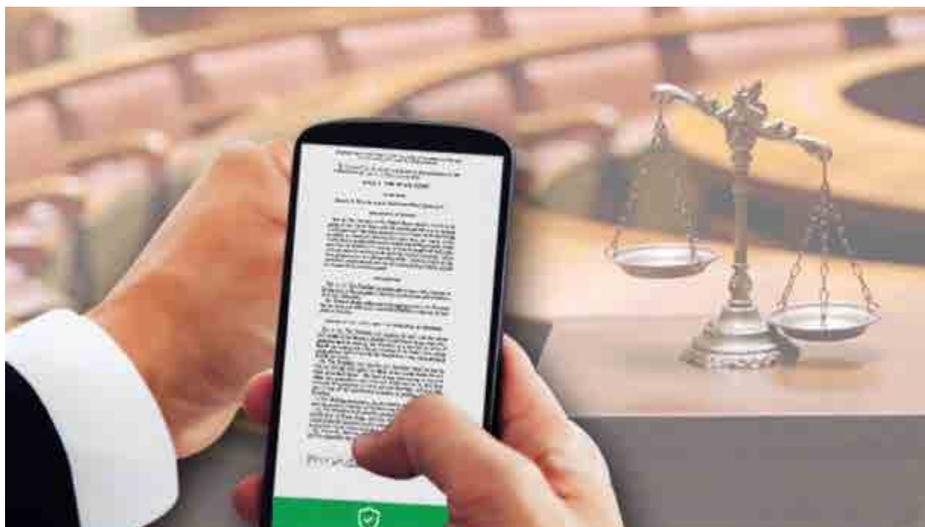
as Adobe Acrobat Reader. Because when documents are called question or used as evidence, these documents are either shared digitally (as PDF) or as printed copies. We are not talking about Non-Disclosure Agreements and consent forms. For serious transactions such as high value deals or high impact contracts, lawyers prefer pen-on-paper (wet) signatures and hard copies shipped back to them. High-value document transactions include Wills, M&A, real estate deals, insurance, government documents, and more. Deals where reputation and high dollar values are at stake.

Here, we offer guidelines for law firms and legal professionals regarding what to look for when buying an electronic signature and DTM solution. This guide is designed to help pick the right solution not only from an operational efficiency perspective but also from accuracy, and legal acceptability of electronically signed documents. We also found that the right solution will keep the same billable hours (and sometimes increase them) because you are shifting valuable resources away from mundane chores to more productive and increased revenue-generating activities.

Electronic signature products alone are not enough because in order to manage the entire document signing process a solution must be able to handle complex workflows, store documents, offer security and privacy protection, support audit trails and document retention policies, and much more. Therefore, we focus on Digital Transaction Management solutions as a product category. A complete solution, if you will.

ADVANCED DIGITAL TRANSACTION MANAGEMENT (DTM)

Electronic and digital signature capabilities are an integral part of a DTM solution. Signing a document is just one piece of the entire digital transaction management process. It's the "document signing ceremony" that is unique and special for each organization. It represents their process and is reflected by their culture, business practice, and behaviors. A simple DTM solution would allow a user to sign a document and send a document to somebody for signature.

The more sophisticated DTM solution would allow users to create various types of workflows and templates, have alerts and notifications, define expiration dates, and validity of the documents. It will also allow for exception handling, capture audit trail, track bottlenecks in each transaction, and automate tasks based on content. More advanced DTM solution would have intelligent forms management, a rules engine, ability to manage organization and department access, users, roles, and permissions. It would also have a built-in Document Management System and many other capabilities to handle any type of business scenario and policy.

ELECTRONIC SIGNATURE

An electronic signature is the verified intent to sign a document or the contract. It makes the document verifiable. The "intent" can be captured by a number of ways such as by typing your name, using a signature pad with a pen, or using your finger on a tablet screen. The challenge here is to ensure and verify the right person is signing the document. Most solutions in the market capture the "image" of a signature and paste it onto a document. They all show intent, however there is very little security around it.

The more sophisticated solutions work with the actual bits and bytes of the computer code that represents a person's signature rather than simply using an image of their signature. It's similar to how a pen alters the DNA of the paper by writing on it.

Digital signature, on the other hand, has an encrypted digital certificate which guarantees that the contents of the document have not been altered in transit using a public and private key paid instead of passwords or licenses. It is used to validate the document to ascertain its authenticity if it has not been forged. It is also used to secure the document. Its highly grounded in security.

POST-EXECUTION FRAUD AND FORGERY DETECTION

An advanced DTM solution will offer a way to detect if a signature has been forged and if the document has been tampered with, expired, rejected, or cancelled. Was it signed by the people who were supposed to sign it? It would have other features such as full audit trail,

attachments, and it would include advanced security features such as mobile biometrics.

When an electronically signed document is printed or shared in the PDF format, these features ensure that the document being shared is legitimate. It also means non-repudiation and legal enforceability of eSigned documents.

DEPLOYMENT MODELS

Cloud or SaaS model is very popular and its ideal for some types of software products and solutions. However, different types of businesses have different types of regulations, policies, and rules that govern things such as where the computer code lives, where does the data live, who has access to it, is the system compliant with various regulatory standards. Advanced DTM providers offer following deployment models or configurations:

a   Traditional Cloud or SaaS model which typically comes with monthly pricing and yearly subscription contracts.

b.   A Private POD Cloud is where an instance of the DTM solution would be privately hosted and fully managed by the vendor. One instance per customer. The instance of the code and the data are not shared and are for exclusive use of that one organization. Private PODs have a high cost but they remove the burden of owning, operating, and managing hardware and software from the customer.

Some organizations require that their data reside within the confines of their country. These organizations are sensitive to data security or may be required by law to keep data inside a boundary. In this case a Private PODs can be deployed in the Cloud in a given geographic location.

c.   Some organizations are required to keep their technology stacks and infrastructure within the confines of their own data center. On-Premise deployment means an entire copy of the application is installed behind the customer's own firewall, in their own data center and on their own hardware. In some cases customers manage and operate those instances themselves and in other cases they allow 2nd or 3rd party to manage their instance. This allows for maximum customization and configuration of the system with 100% control.

INTEGRATIONS AND API

Increasingly law firms are outsourcing their technology. Vendor-provided tools offer streamlined processes, intuitive user experience, and customized process handling. In this situation an electronic signature solution must be integrated into the existing applications so the user experience is seamless and consistent. Users prefer that they don't bounce between various applications in order to get a job done. The robust eSignature and DTM solution offers a fully Restful API and Web-hooks so users can sign and execute documents without leaving the law firm's software application.

Things to look out for when purchasing an eSignature and DTM solution:

- The ideal eSign solution is the one that contains both, the electronic signature and the digital signature.
- The signature must come with full-audit trails along with the biometrics of the signatory.
- The signature must be very flexible. It must have different fonts, colours and styles in it.
- Any document signed digitally must be highly secure and the documents must be completely traceable, tested against expiration, alteration, fraud as well as rejection.
- The signatures must not expire after a specified time and it must not require any additional digital certificate to prove its validity.
- Lastly, it must have the capability to define the signature for various purposes.
- It must be able to define the expiration date of the template apart from the important document as well as user deadlines.
- The solution must have the ability to keep an audit trail of actions taken by each user.
- A DTM solution must be able to handle all types of workflows for the "document signing ceremony" irrespective of their complexity.
- It must also have the feature to create templates for documents that are frequently used.
- Lastly, it must have the ability to define user-specific workflows as well as bottlenecks.

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