



WHITE PAPER



Applying Innovation To The 7 Stages Of A Deal Lifecycle

A Before and After Comparison of
Managing Transactions with Litera



Over the last few decades, lawyers have embraced technology for all kinds of tasks. Firms use artificial intelligence to rapidly identify case law precedents, judicial analytics to better predict how judges will rule on issues, automation and advanced document technology to assemble and check our documents, and technology-assisted review to conquer piles of e-discovery.

But when it comes to running transactions, firms have been stuck on a slow, expensive, frustrating manual process.

Clients are demanding a change: According to Bloomberg Law, they are unwilling to pay full rates when lawyers spend an average of 48% of their time on administrative tasks.

Traditional methods of deal management no longer cut it.

All that administrative drudgery, as annoying and time-consuming as it is for highly skilled lawyers, is exactly what technology thrives on. The Litera Transaction Management solution converts the traditionally manual, laborintensive process of managing a legal project into a secure, collaborative workspace. The result? A painless and more profitable way to get deals done.

Bas Boris Visser, Partner and Global Head of Innovation and Business Change, Clifford Chance:

“One of the key elements of our best delivery strategy is to find the right resources for the right work. We ask, what are the key issues that we want to resolve and then what technology works best for that solution. We see this transaction management tool, where you work with an online platform, as a huge step up.”

The platform is based around the deal process legal teams are familiar with. This means the steps to closing do not change, only that they are made more efficient through the application of the technology. There is less manual intervention and more automation throughout the deal.

There are seven administrative stages of a transaction deal lifecycle. Find out how each stage can be vastly improved when using Litera’s transaction management solution.

1 CREATING A CHECKLIST

BEFORE

The Traditional Way

Before every new deal, a checklist is created using Word or Excel, usually based on a precedent checklist.

The condition precedents (CPs), due diligence requirements, and to-dos are copied and pasted from a schedule into the checklist.

The checklist then needs to be formatted, with parties defined and amended throughout. This process is timeconsuming and requires several hours of work depending on deal size.

AFTER

with Litera

With tools tailor-made to solve these issues, such as checklist generators, the process is significantly faster and simplified.

With Litera you can:

- Create a new checklist with no formatting required Import prior checklists, copying in your CPs
- Import prior checklists, copying in your CPs
- Replicate existing checklists from another deal, especially for sequential deals
- Create template precedent deals
- Automatically update all party names or definitions throughout the checklist

Reduce the time needed for management tasks like checklists, freeing up time for the more meaningful parts of the transaction.

“For me personally, it [Litera Transaction Management] allows me to take time to work on the more meaningful parts of the transaction.”

Tanja Maley, Associate, Fieldfisher

2 UPDATING A CHECKLIST

BEFORE

The Traditional Way

The status column of a document is updated with information and with the dates when documents, comments, drafts, or sign-off have been given for each item. There might be a traffic light system to indicate status, which also needs to be manually updated.

Any rows that need to be added or deleted are done so manually, as are any additional formatting changes.

To show or review what's incomplete or outstanding, it's necessary to scroll through each individual page.

Some deals may involve more than one checklist in order to maintain confidentiality around documents. This means all the updates to each checklist need to be completed and crossreferenced, which creates the risk of inconsistencies between checklists.

AFTER

with Litera

All relevant parties can input their comments against files and make status notes. This encourages collaboration and transparency, as well as spreads the workload among several parties; as a result, the process is much faster. Without any formatting requirements, it's also easy to add rows or make changes.

Updating a status column is optional — all data is timestamped and marked in the platform in real-time. A traffic light system is also available, which reflects the latest status of each line item. The checklist can be filtered by traffic light or other labels to instantly see what is incomplete or outstanding.

Privacy settings ensure confidentiality, removing the need for multiple checklists. These tools keep specific documents restricted to certain users, removing the need for cross-referencing.

3 STATUS UPDATES

CALLS, EMAILS, & CIRCULATION

BEFORE

The Traditional Way

Traditionally, it is important to hold regular calls or have email exchanges discussing the status of the deal. The checklist should be continuously maintained, but prior to a status call, every piece of the checklist needs to be thoroughly reviewed row-by-row. The updated or most recent version of the list is then circulated to all participants. During the call, the parties comb through the checklist row-by-row, which is a slow process. Even then, some parties may not be on the call, requiring an emailed status update.

Checklists also need to be distributed to many different parties, including other transaction parties, their legal counsel, advisers, and local law counsel.

This is time consuming because the email needs to be carefully drafted, listing all documents, adding the relevant versions, and running comparisons between different versions of a document. There are also potential roadblocks to file-sharing via email, as large documents might be blocked by a firewall.

This stage of the process creates huge inefficiencies and security risks. When documents are shared via email, they are at risk of going astray, as well as being in an unstructured environment.

Also, with different parties seeing documents, often in different email chains, it's easy to lose track of the latest version.

AFTER

with Litera

With Litera, there is far less need for frequent calls. Calls are also much shorter, as all parties can engage daily with the platform and access the status at any time.

Prior to any call, the checklist can be filtered to look for incomplete items or to find specific information and help everyone on the call focus on relevant items. Status updates are also a thing of the past with real-time updates in the platform.

Documents only need to be uploaded once – that becomes the master version, which can be edited and commented on. Version management helps show the changes made over time.

Access to any confidential documents can be restricted, and files of any size can be added to the platform.

“Our clients are able to follow a deal in real time. They can log in to the checklist and get live updates.”

*Martin Gunnheim, Associate,
Arntzen de Besche*

4 FILING, SEARCHING FOR, & SAVING DOCUMENTS

BEFORE

The Traditional Way

The assembly of documents involves saving emailed files onto a document management system or another shared drive. The files must be renamed and checked to ensure they are the latest version.

If a particular document hasn't been saved, it is extremely difficult to find it through a trail of emails, in which many versions might have been shared, reviewed, and renamed along the way.

There can often be great inconsistencies when it comes to gathering final execution versions.

Plus, different partners and associates often have different filing preferences, which is very time-consuming for those responsible for the document administration process.

AFTER

with Litera

With Litera, all documents in the checklist are immediately uploaded to a single, central, and secure workspace.

Any new comments or versions can be created or added. There is no need to rename files, as the latest version is always visible and a full audit history of each file is maintained.

The most obvious time-saver is that there is no longer the need to search through emails trying to find the right version of a document.

All files are saved on the platform and remain organized in the central filing system.

If a key stakeholder is away on holiday or out sick, for example, someone else can easily go into the system and see the status, history, and versions of all the documents.

5 MANAGING SIGNATURES

BEFORE

The Traditional Way

The signature process consumes a significant amount of time in the closing process. Signature pages are created from scratch or by using copy and paste methods.

After the pages are created, the signature packets have to be compiled for each signer and distributed via email or post, all while someone is manually tracking the status of every signature page.

Collecting all signature pages and creating the executed deal documents can take hours – sometimes days or weeks. The trainee or associate needs to check through each document to ensure all relevant signatures have been received and collate any version that have already been signed with a PDF editor or by scanning.

AFTER

with Litera

Each execution version of a document in a checklist can be prepared “as you go” or as a bundle with Litera. They can be designated from the latest version, and all parties can access them securely online so there is no need to try and control or manage multiple emails.

Users can automatically create signature blocks, pages, packets for all signers. Then, all parties can either sign electronically or upload their own signatures to the designated execution version, which is then auto-checked to show the signature has been added.

A trainee can then go on to the platform, see all the signatures are provided, check the signatures are correct, and then collate the final version on a built-in PDF editor – all in one place.

This is hugely more productive, professional, and cost-efficient for everyone involved in the preparation of the final closing.

6 POST-CLOSING

BEFORE

The Traditional Way

Documents need to be dated, with all dated documents circulated to the relevant parties. Closings via email can be chaotic, and the legal team may not realize documents or signatures are missing until after closing. Then, they would need to follow up with parties to satisfy these items, which is difficult once the momentum of a deal is lost after closing.

Missing documents lead to expensive delays, client frustrations, and can negatively impact the firm's reputation.

AFTER

with Litera

Dated pages can easily be uploaded to Litera and collated in the built-in PDF editor. There is no need to circulate them to different parties as they can be invited to view them online.

There is no risk of missing documents or signatures, as it is immediately obvious in the checklist which documents are complete, which signatures have been received and which are still outstanding.

This is a huge timesaver for legal teams. Moreover, even when there are more signatures to be collated, this can be done and received through the same Litera platform.

7 CLOSING BINDERS & BIBLES

BEFORE

The Traditional Way

Creating the bible or closing binder can take weeks after the final closing has happened. It's an intensive process, which involves going through documents to copy files into new folders and relabel them for the closing binder.

Alternatively, if there are physical documents, they need to be scanned, compiled, relabeled, and added into new folders.

An index needs to be drafted and populated with the fully signed execution versions, another time-consuming process. It's even possible to discover both signatures and documents were missed in the post-closing process.

Also, different parties may require multiple closing binders or bibles, greatly increasing the time needed.

AFTER

with Litera

When it's time to create the closing binder or bible with Litera, it is a case of selecting the bulk download of the assembled files. That's it — the job is done. The software can even automatically generate a file index.

If multiple versions of the closing binder or bible are required, the project can be replicated and amended as necessary, so different versions are available for different parties. Alternatively, any party on the platform can download their own binder, which will only give them access to the documents they had access to during the live deal, keeping confidential documents secure.

Creating a closing binder with the Litera transaction management solution saves around 70-80% of the time usually spent in this process.

The final closing binder can be delivered to clients within 48 hours of the deal closing. Transactional teams can move onto the next project quickly with less

"Our experience in the past was that once the deal was closed, we still had to do a lot of work organizing the CPs and getting them in order and producing the bible of documents. Now, we can actually do the bibling the second after the deal has closed."

Atle Gabrielsen, Partner, Arntzen de Besche



In summary

There are significant productivity, efficiency, time, and cost savings available to legal teams using the Litera Transaction Management platform. Each stage of the process is enhanced and more streamlined, while replicating the workflow the teams are accustomed to.

Clients and all stakeholders are both more empowered and engaged throughout the deal lifecycle, which creates a better experience. Legal teams are adding value and using their considerable skills to good effect, rather than spending time on administration.



About us

Litera is the leading provider of software for drafting, proofreading, comparing, repairing, and cleaning documents in the legal and life sciences industries worldwide. Our core products empower users to generate, review, and distribute high quality content quickly and securely, from any device. Today, Litera supports thousands of documentintensive organizations across the globe, helping them satisfy the complex demands of clients and regulators.