Aavenir

CHECKLIST

Contract Obligation Management

Software Buyer's Guide Checklist



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Executive
Summary

Companies are moving from time-consuming, error-ridden manual obligation management processes to a partial or fully automated obligation data extraction and fulfillment using the latest technologies like AI and workflow. If you would like to investigate and interview potential obligation management solution providers; it's important to understand exactly "how" obligation management system works and "how" is it different from the contract lifecycle management (CLM) solution.

The purpose of this checklist is to help you identify the best-fit Obligation Management solution provider. The checklist contains certain key questions that organizations should consider while evaluating Obligation Management solution providers to make an informed decision based on the factors that matter most.

We hope Aavenir's Obligation Management buyer's guide checklist will help you to find the most efficient, cost-effective software considering four main areas-

1. Contract Data Collection Capabilities
2. Obligation Data Extraction Capabilities
2. Administration & Customization
3. Implementation and Support Services

In each section, there are set of questions to be answered by the vendor and you may evaluate answers according to your requirement .



Obligation Management Capabilities



Import Contracts

These questions will help you understand how contracts are gathered into the Obligation Management system. This is the first step in the obligation lifecycle management.

- [ ] Does the system import contracts from CLM repository or integrated CLM/CRM/ERP system ?
- [ ] In which format contracts data can be imported? (e.g., Image, PDF, DOC, XLS, etc.)
- [ ] Can I import multiple contracts together?
- [ ] Does the system list all imported contracts?
- [ ] Does the system automatically categorize contracts by type?
- [ ] Does the system convert non-searchable documents into searchable versions through built- in OCR/ICR?



Obligation Data Extraction

Determine if obligation compliance management system uses automated or manual approach to capture the obligations from the variety of contract formats and types.

- [ ] Can I configure custom rules or conditions to make the system understand the my contracts structure?
- [ ] Does it auto-extract standard clauses & metadata? (e.g. counterparty name , expiration date , insurance clauses, SLAs)
- [ ] Is it using Artificial Intelligence & Machine Learning to automate data extraction from variety of contracts?
- [ ] Can the system enrich auto-extracted obligations and make corrections?
- [ ] If required, can I manually validate and update extracted obligation information?
- [ ] Does the system enable full-text search across the entire contract repository or multiple contacts?
- [ ] Does the system classify obligations as per title, description, vendors, risk or type?
- [ ] Can I conduct a single obligation check across all contracts & make corrections in bulk via CLM system?



Obligation Fulfilment Workflow

These questions will help you understand how Obligation Management system validates data and fosters collaboration between teams.for obligation fulfillment.

- [x] Can I create tasks to monitor performance against milestones, deliverables, policy & regulatory needs?
- [x] Does the system automate obligation task schedules, whether one-time, recurring or triggered ?
- [x] Does the system provide configurable workflow engine to standardize obligation fulfillment process?
- [x] After obligations are extracted and tasks created, can I allocate task to stockholder(s) for fulfilment?
- [x] Does the system automatically assign obligation fulfilment tasks based on pre-defined rules?
- [x] Can I setup Discrepancy Workflow? Does it route exceptions to appropriate person to rectify?
- [x] Can the system access/send information to other approval workflows, such as ServiceNow workflows?
- [x] Can I prioritize obligation fulfilment requests?



Dashboard and Reports

Identify how obligations can be tracked and monitored to improve vendor/customer relationships, reduce revenue leakage, and realize true contract value.

- [x] Does the system track performance against contractually obligated outcomes in real-time ?
- [x] Can I monitor performance against milestones, deliverables, & policy & regulatory requirements?
- [x] After, extracting meta data from contracts , can the system provide a Contract Summary Report ?
- [x] Can the system highlight all specific obligations by vendor, business unit, customer type, geography, etc.?
- [x] Can the user conduct an Obligation Audit ?
- [x] Can the system provide useful insights and real-time status of all obligations?
- [x] Does the system create audit log to show obligation task history including comments & actions?
- [x] Can the system provide insights into bottlenecks and generate reports on overdue obligations ?



Reminders and Notifications

These questions will help you understand how the systems ensures on-time obligation compliance and reduce bottlenecks.

- [x] Does the solution provide configurable alerts and notifications for both company and supplier?
- [x] Does the system send auto reminders and notifications based on obligation status?
- [x] Can I setup automated reminders for pending tasks? Can I configure frequency?
- [x] Does your system provide alert to relevant stakeholders for obligation fulfilment?
- [x] Can I set notifications when obligations are captured , assigned, or past due, etc.?
- [x] Does the system generate notification for cancled obligations?



System Administration

Identify how the system can be administered. You may evaluate the flexibility of the system to be configured as per. Your organization needs.

- [x] Can I configure user identity and access mechanisms (IAM) for user authorization?
- [x] Does the system secure the contract to be visible to other users on system?
- [x] What type of roles and responsibilities available for the users to control visibility, access & usage?
- [x] Can I configure library of clauses, terms, and other known obligations for auto-discovery?
- [x] Can I configure obligation fulfillment workflow using Admin UI? Is it built on ServiceNow?
- [x] Can the system integrate with systems such as ERP, CRM, proprietary software to import contracts?
- [x] Does the system support backup, and/or export of full data repository?
- [x] Can I change the branding and include my company logo in the system ?

Implementation and Support



Initial Onboarding

These questions will help you understand the roadmap to implement the system in your organization.

- [x] How much time will it require to onboard the system?
- [x] What is the initial implementation pricing model?
- [x] Who needs to be involved in while on boarding ?
- [x] Is there any prerequisites for implementing obligation management system ?



Support Services

Determine if the solution provider offers required training and support to ensure smooth adoption.

- [x] Does your company provide the service for training and support?
- [x] How often are new releases available?
- [x] Does the system provide regular updates and maintainance? What is the usual frequency?
- [x] Do you offer online demos, tools and/or services to support effective adoption of the system?

About **Aavenir**

Aavenir's Ai-enabled Source-to-Pay suite revolutionizes age-old procurement processes with RFPflow, Contractflow, Obligationflow, and Invoiceflow. Aavenir Obligationflow leverages the latest Machine Learning and Natural Language Processing technologies for single click obligation data extraction, obligation tasks creation, and obligation fulfilment workflow for relevant stakeholders. Built on Now platform®, Obligationflow provides 360° visibility of enterprise-wide obligations to improve business relationships, reduce revenue leakages, and unlock the true value of contracts.

