

Application of Robotic Process Automation on Business Contract Management

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Outline

- Introduction
- Concept of contract management
- Concept of Robotic Process Automation(RPA)
- RPA's application in Lanner Electronic
- Conclusion

Introduction

Motivation and Background of the research

- More and more contracts signed by the parties
 - Heavier workload of legal staff
 - A growing interest in artificial intelligence (AI) applications
 - RPA's fast and accurate problem-solving abilities
 - RPA's strength of working around the clock without taking a rest
- Introducing RPA technology into contract management process

Concept of contract management

- **Contract management** or **contract administration** is the management of all relevant issues of contracts, such as regulating the behaviors of purchasers, suppliers, or employees in the process from negotiating the terms of the contracts to accomplishing parties duties, or categorizing contracts.
- Three types of contracts: **Fixed-price contract, Incentive contract, Cost-plus-fee contract**
- Structure of contract:
 - Preamble
 - Performance content
 - Clauses for breach, damages, remedies

Concept of contract management

- **Contract hierarchical processing**
→ designate which contract should be settled first
- **Investigating future partners**
→ avoid collaborating with untrustworthy partner
- **Contract filing and conflicts settling**
→ reduce the rate of negligence and keep the evidence
- **Price evaluating**
→ affect company's benefits directly

Concept of Robotic Process Automation(RPA)

- **RPA** is a technology that applying software to simulate the behavior of human beings while operating computers
- **4 stages of RPA:**
 - Assisted RPA: copy info from one window to another one on one computer
 - Unassisted RPA: install on several computers and operate itself without labors
 - Autonomous RPA: be virtual labors that has multifunction
 - Cognitive RPA: make the Robot have the ability of making decision logically

Difference between traditional contract management and RPA contract management

- **Traditional contract management:**

→ need to file contracts manually which not only consumes time but is prone to error

- **RPA contract management:**

→ encode the information of images into words and put them into the right forms or into companies' internal systems automatically

→ Cut down about 15% to 90% of labor cost

→ Save at least 30% manual work time



Applying RPA system to contract management process

- Applying RPA system to **contract drafting stage**

→ RPA can make decisions in the contract drafting process and manage them for staff in several aspects, such as choosing the types of contracts, evaluating prices or cost, collecting data of potential partners

- Applying RPA system to **contract implementation/performance stage**

- Applying RPA system to **contract termination/renewal stage**

RPA's application in Lanner Electronic

- What I have learned from the internship in legal department
- Present contract management process and operation mode
- The perspective on how RPA may affect the company's contract management

Conclusion

- Nowadays, it is a trend to use artificial intelligence to help human dealing with some routine work in our daily life. There have already been a lot of applications of AI in order to increase the convenience of our daily life, such as foodpanda, digital customer service. And RPA is the most advanced AI technology nowadays. Therefore, according to the essay "The Future Digital Work Force: Robotic Process Automation", it mentioned that if companies do not set up this technology in its operations, they may not sustain in a business competition in near future.

Thanks for listening