

Is an Electronic Signature Solution in Your Future? Better Not Tell You Now.

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Businesses today are starting to look seriously at using e-signature solutions to help them be more competitive by closing deals faster, saving money, reducing errors, and eliminating the paper jam that happens in the mail room.

A place to start is using a search engine to yield a list of providers seeking to engage and provide a solution. They all sound pretty similar – many still touting technology terms to stun you into thinking it must be important, others focused on how easy this is. You'd hear about PKI, XML, and Biometrics. You'd see important discussions about ESIGN, UETA, and a host of state and local laws, and of course the inevitable free solutions.

How do you decide what is right for your business? After all, these are contracts that require a legally binding signature. They are important documents, possibly documents which reflect actual closed sales or large transactions – of course you want secure, fast, and fully legal. But you also want fast and easy too. Is it possible? What are all these companies babbling about?

A great place to start is to examine your company processes and needs. Many vendors offer only a portion of the functionality required to address your unique requirements. You will soon be armed with the key criteria that will allow you to differentiate between the electronic signature tools that basically have great marketing but little substance and those that actually deliver the benefits you should expect from a web-based electronic signature service that will generate a rapid ROI for your company.

To begin, here are some of the electronic signature solutions that show up in a typical search:

Signature pad solutions – These will capture signatures onto a document and many will even lock the document down so it can't be changed after it was signed. But is that the whole solution? What about the management of the flow of documents? What about remote signers who are not in your office? Ultimately, this solution will only fit a business process where both parties are physically in the same place to do the signing.

Free Web-based solutions – Such solutions promise to get documents signed for only pennies per month. These services promise to electronically stamp a signature into a document at the end. But as the old adage goes, “you get what you pay for”. Thus, you really can’t expect some of the key criteria for a legally binding electronic signature, like user authentication, encryption, or process control tools to help you keep transactions moving when things change? Not to mention exact, signature placement into the document. Critically, when was the last time you chose shareware to manage your business?

PKI solutions – These toolkit-style offerings inundate you with promises of high security by throwing around words like X.509, and cryptographic processes. The problem with these solutions is usually found in the fact that these are both complicated and restrictive. Most will not work unless you buy special software for each of your customers, and train them on how to use it. Needless to say, that option has questionable economics.

If it is evident that none of these examples line up with your requirements, you have effectively narrowed your search for an electronic signature solution.

12 Key Considerations for Electronic Signature Success

On one hand, electronic signatures offer significant speed improvements and lower cost. On the other, there are technology and business risk factors if you aren’t knowledgeable on what to expect from a technology or supplier. Here 12 key elements that, once accounted for in your project, will put you well on the road to enjoying transactions at the speed of email delivery.

1. **Free has a price** - Low-price providers as a rule do not provide the most robust solutions. For important transactions (i.e., with any chance at all of being audited), most businesses see the value of working with “stress tested” enterprise software providers. Extra support costs, security holes and incomplete functionality may make shareware a bad deal for your particular needs.
2. **Document sources** - Do you need a solution which allows any document to be sent for eSignature-- not just one or two types? The process of getting any document into the electronic signature system needs to be flexible, including originating directly from the application that created them. Many applications do not create standard formats, and some don’t allow you to save a file.
3. **Placement Matters** – Is simply stamping the eSignature randomly in the document and calling it signed enough for your situation? Such an approach is not acceptable to many institutions. A robust solution allows for placement of signatures and initials in exact locations – anywhere the paper process would also do it.

4. **Collecting information during the signing process** – Do you need to collect more than just a signature? Many times a signature is combined with filling in data on a form. You then need a solution that allows flexible management of the form filling process, and a history showing who signed where and who added what data.
5. **Walking the signers through the process** – Signing a contract can involve signing and initialing in several locations. To avoid confusion, select an application that does a solid job of guiding each signer through the steps each is to take. This ensures they do not provide data in the wrong place or miss a signature. Without this, signers could just make the same mistakes as on paper only faster—to no one's advantage.
6. **Making it as familiar as possible** – Signing is an emotional event. Systems which only stamp a signature box onto a document may be stretching the law. What's more, they are also ignoring a human consideration that people like to control their signature – even online. Users like familiar metaphors such as envelopes, documents, SIGN HERE tabs, and real signatures.
7. **Controlling the transactions once they start** – Often overlooked until after implementation are the process controls like email address correction or document forwarding for either review or additional signature. Without controls in place to manage change when needed, electronic signature tools will almost certainly disappoint.
8. **eSigning should match internal Business Rules** – It is critical to control how a transaction takes place. Typically, first a customer eSigns after authentication, then the document comes back for counter signature by a manager. Then it is sent to accounting for recording and storage. Tools need to be in place to ensure these events occur the same way every time and fit your business rules exactly.
9. **Encryption and tamper proofing** – Documents absolutely must be encrypted with government standard, tamper-proof tools. You don't need to learn the lingo; you need assurance that eSignatures, eSigned documents and the audit trail would stand up in court. Enterprise class services are most likely to spend the resources necessary to do this as a matter of course.
10. **Signer authentication** – How do can anyone be sure of user identity? Certainly no one believes that a verified email is enough. Without authentication tools to ensure the right person is at the other end of the transaction, there is simply no guarantee of enforceability. Look for at least two options for authentication, and not the same one applied to all signers. Additional options may be needed for higher levels for sensitive transactions.

11. **Flexibility** – Again, only enterprise-class systems are built to handle eSigning from an ecommerce site, as well as from the desktops of the phone sales department selling worldwide, and also for those customers who come in to sign in person. For tracking and audit proofing, they should all be stored in the same system regardless of how they were originated.

12. **Confidence** – For something as critical as signatures, all of your short-listed vendors should have been tested and validated by recognizable companies across multiple industries, and be able to stand behind the security of electronic signature-related data. A vendor you will not regret choosing is one with a proven track record from companies in different markets executing valuable, highly valuable transactions, as opposed to low-value or no-value documents.

At the end of the evaluation, many companies are finding that the best partner for their business is DocuSign. Having developed the most robust solution in the market, DocuSign has addressed many customer requirements that competitors either never considered or continue to overlook. This focus on delivering value allows DocuSign customers to execute millions of transactions in real time with complete confidence in the security, authenticity and enforceability of each and every electronic signature.

To learn more about the companies for whom DocuSign is the only safe choice for the contracts, agreements and documents that matter most to their business, go to www.docusign.com/signspointtoyes

About DocuSign

DocuSign offers an electronic signature service that provides the simplicity, speed and security required to deliver, sign and store documents. Designed from the ground up for business-class usage, this service integrates the technical infrastructure and legal compliance needed to operate an end-to-end signing service. DocuSign customers span a variety of industries and range from the largest corporations to the smallest branch offices. DocuSign, Inc. is a privately held company based in Seattle, Washington.