

Solutions-Implementing a Contract Template Process

The key actions required for a retained lawyer to assist clients implementing a high quality Contract Template Process is (i) to understand the business of the client; (ii) to understand the rights and obligations to be addressed in the various contracts; and (iii) to create contract templates that are user friendly and understandable for the business personnel that must utilize the business contracts.

Many lawyers do not take the time to understand your business. They draft contracts with every legal possibility that may impact a business relationship rather than tailor a contract to your business needs. As a result, many contracts are unique lengthy contracts that are not business relevant, are not client user friendly, and are not adaptable for use as a template. To improve your current business contract process and to save you money, you should implement a Contract Template Process that considers the 3 actions above. Once implemented, your business personnel will be able to review and understand business contracts without daily interpretations from a lawyer. While you should seek legal advice if you do not understand your legal rights and options before operating under the terms of a contract, using a template will limit the time you need to have your lawyer interpret the contract or draft another contract. Because of a lawyer's training, it is actually more difficult to draft a user friendly short contract in plain English than to draft the lengthy off the shelf legal contract. However, drafting a plain English contract not only provides a valuable client service; it also saves the client money in the long run.

Understanding the Business of the Client

To understand the business of clients, clients must share information about the company's objectives and strategies and the lawyer must be willing to spend non-billable time learning about the business.

Understanding the Rights and Obligations within various Contracts

Once the lawyer understands the business, he/she is in a position to draft business contracts that protect clients' rights and that outline the clients' obligations. Drafting a contract before gaining an understanding of the business is possible, but the result obtained will often be less than optimal.

Creating a Template and Making the Contract Understandable to Business Personnel

The use of a contract template forces the lawyer to understand the purpose of the contract, to be precise, and to create a contract that can be reused by simply modifying schedules or attachments. The use of templates should be encouraged as the reason that the contract is being written is to properly document a business relationship that needs to be understood by the individuals running the business and it will save the client money in the long run.

What can you do if you are interested in implementing a Contract Template Process?

Here are a few of my suggestions:

1. Find a lawyer that is willing to take the time to understand your business – Invite the lawyer to your office to see where and how you conduct your business. Prior to the meeting, provide the lawyer with links to your website or to written materials to learn about your business.
2. Determine if your lawyer has the business background needed – When you meet, spend time talking about your business first. This will help you understand if the lawyer has taken the time and interest to understand your business. Once you feel there is an understanding of your business, then you will be in a position to explain the legal rights and obligations you want outlined in the various legal contracts needed or utilized in your business.
3. Make sure you understand the basic terms and conditions of the contracts prepared - After the contract templates are prepared, be sure that your lawyer takes the time to explain the template format, the reasons for the various provisions, and the attachments so that you will be able to speak to these provisions from a business perspective. Ask if the template is re-usable and adaptable for use with similar types of contracts.