



EXECUTIVE SUMMARY

E-Sign (UK) Ltd

Benefits of using Electronic Signatures in the Legal Industry





Summary

This paper is a summary of a larger report 'The Financial and Environmental Impact of Digitising Paper Documents in the Legal Industry', conducted by the University of Liverpool and E-Sign (UK) Ltd.

The Law Firm that participated in the study is a UK 100 law firm (referred to as 'The Law Firm').

Over a 12 month period after digitising the sending and receiving of new 'matters' to new and current clients, The Law Firm has made the following savings:

- Financial savings of **£284,840**
- Reduced signature turnaround time from **21 to 3 days**
- Reduction in use of **1.4 million pieces of paper**
- Carbon emission reduction of **8,258 CO₂e**





E-Sign Ltd

E-Sign is an advanced electronic signature provider, enabling organisations to digitise the signing of documents and store them securely.

E-Sign provides a secure digital identification embedded into an electronic signature that is unique to both the signatory and the document. The document is then securely stored within an encrypted document storage facility located in the UK.

The Impact of Electronic Signatures

The Law Firm digitised their document processes with a focus on the digital sending of "matters" to new and current clients, including the Terms of Business and the Letter of Engagement. To achieve this they used E-Sign (UK) Ltd.

Document Transaction Process

A major issue in the legal sector is the administrative time, cost and effort to produce paper-based documents, and the delay in clients returning the signed document.

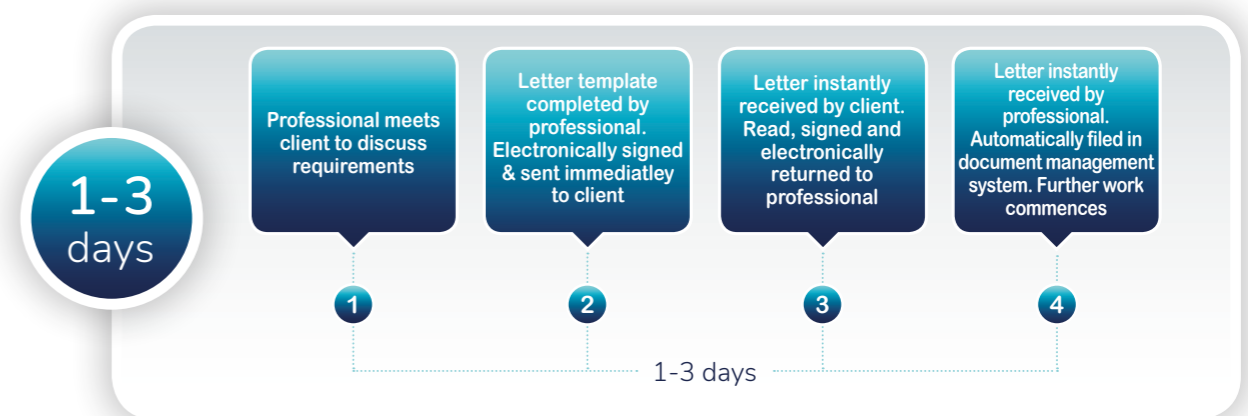
Traditional Paper Document Process



When organisations digitise the document process from inception, it can result in a **30-50%** increase in process productivity and a **3 to 10 fold reduction** in turnaround time.

The current document process now follows the below flow chart, where the turnaround time is between **1 and 3 days**.

Digital Document Process



Key Findings

Since using E-Sign and adopting the digital document process described above, The Law Firm has made savings in a number of areas which are outlined below.

Paper Savings

The Law Firm saved approximately **1.4 million sheets of paper** over a 12 month period.

- These paper savings were made by:
- Documents sent and stored electronically
- Secure instant electronic access to files to authorised personnel
- Electronic reminders and notifications of transactions
- Clear audit trails of document history
- Electronic form templates

By sending documents electronically a saving of **£11,740** was made in paper procurement. As a result of the reduced usage of paper there were significant CO₂e savings:

- The **primary production** of 1.4 million pieces of paper results in **7,616 kg CO₂e**.
- The **waste disposal** of 1.4 million pieces of paper (either by combustion or composting) generates **171 kg CO₂e**.

Print Savings

By digitising their document process and using electronic signatures, The Law firm significantly reduced the requirement to print documents to be sent to clients for signature. As a direct result of eliminating the printing of 1.4 million pages, The Law Firm saved an estimated **£105,000** on printing costs.

Postage Savings

Savings based on the cost to send one “matter” at £2.60 (£1.60 for the actual letter and £1 for a stamped addressed envelope).

The Law Firm produces 18,000 new matters a year

- $18,000 \times £2.60 =$ **£46,800 on postage**

N.B. These figures don't include stationary costs or the cost of resending letters due to delays, errors, or lack of client engagement.

The reduction in CO₂e as a result was 471 kg over the year

Storage Savings

Savings are based on each archive box storing 2000 sheets of paper, and being stored for the minimum of seven years as per regulatory requirements, at a cost of £149 per box per annum.

- $1,400,000/2000 =$ **700 boxes**
- $700 \times £149 =$ **£104,300 per annum**

With a total saving over seven years of **£730,100**

Administration Savings

The Law Firm through the use of electronic signatures was able to significantly reduce the time spent on document administration, saving approximately 50% of the time previously spent on the various tasks outlined in the traditional document process above. The average salary for administrative staff is £17,000 per annum (www.payscale.com), therefore savings of **£8,500** per administrator with a total saving of **£17,000** for The Law Firm.

Total savings

| | |
|----------------|-----------------|
| Paper | £11,740 |
| Printing | £105,000 |
| Postage | £46,800 |
| Storage | £104,300 |
| Administration | £17,000 |
| Total | £284,840 |

N.B. These figures do not include time savings or reduced cost from increased document turnaround time

Overall carbon emissions reductions

| | |
|---------------------------------|--------------|
| Waste Disposal | 171 |
| Primary production | 7,616 |
| Postage | 471 |
| Total kg CO₂e | 8,258 |

The carbon emission reduction is a direct result of replacing a paper based document process with a digital document process using electronic signatures.





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