

Get started with electronic signature technology

Understanding the tradeoffs and benefits

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This eBook is an introduction to electronic signature, often referred to as eSignature. If you're a decision maker considering the move to eSignature, this eBook will provide a greater understanding of what eSignature is, how it works and what your organization stands to gain by implementing the technology.

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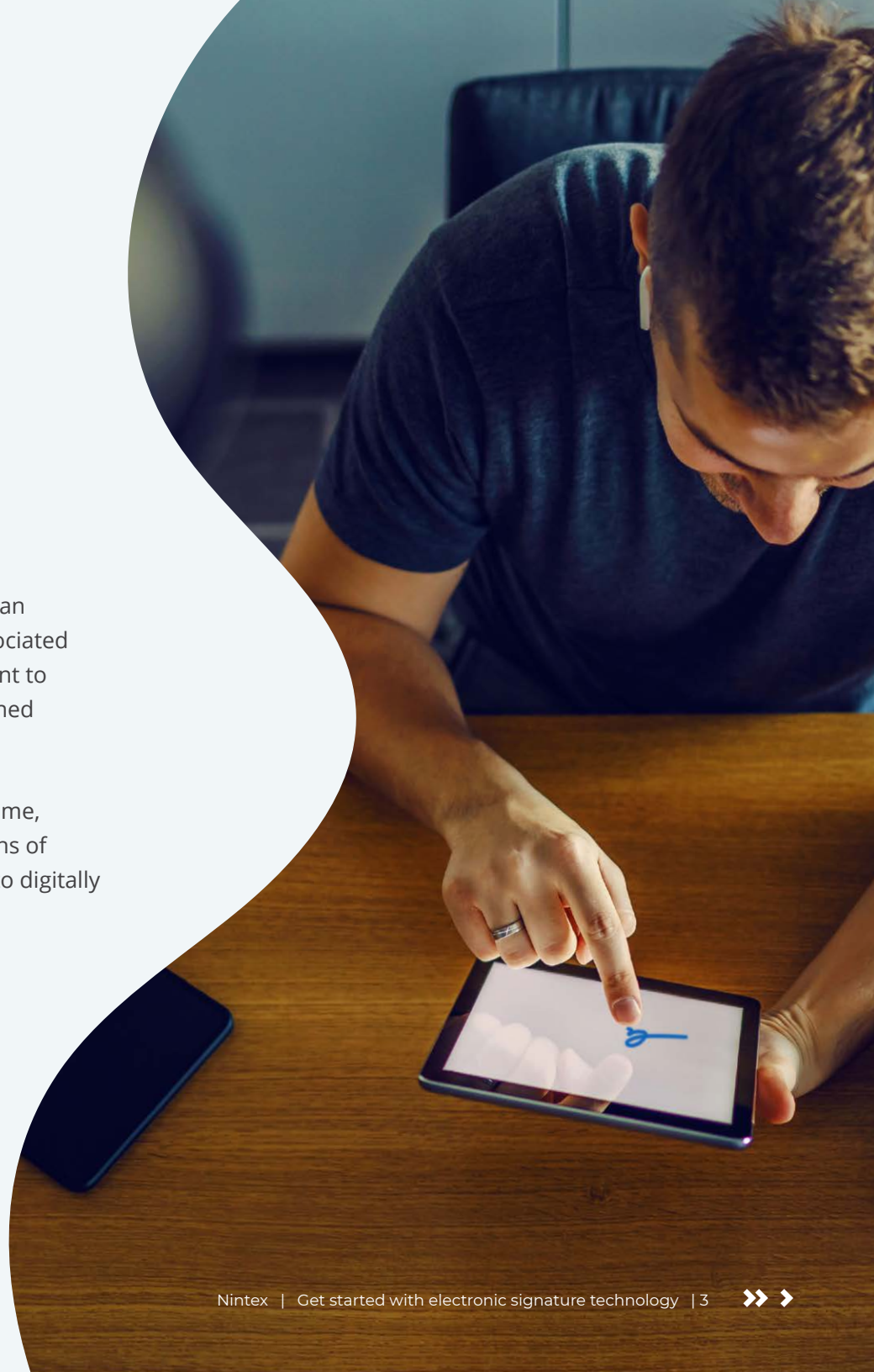


Introduction to eSignature

What is an eSignature?

An electronic signature, as defined by the [ESIGN Act](#) of 2000, is “an electronic sound, symbol or process attached to or logically associated with a contract or record and executed or adopted with the intent to sign.” eSignature can be verbal authorizations, electronically signed authorizations, or even the simple click of a checkbox.

The ESIGN Act made eSignature legally enforceable. Since that time, the prevalence of eSignature has significantly increased, with tens of thousands of organizations around the world using eSignature to digitally transform the way they do business.

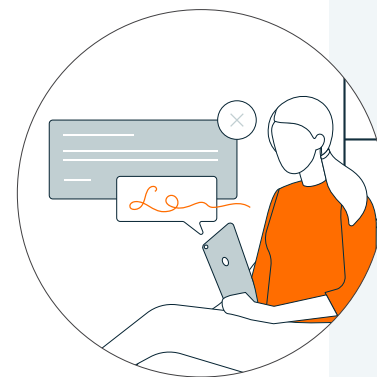


The difference between digital and electronic signatures

Digital signatures embed a unique digital “fingerprint” into documents and the signer must possess a certificate-based digital ID to link the signer and document. When a digital document is sent and the signer has a digital certificate, they must share the public key with the document’s originator and then enter their private key when signing. While this process does verify signer identity, it is cumbersome and often impractical because most signers do not have these digital certificates.

In comparison, eSignature technology, such as Nintex AssureSign, not only complies with the [ESIGN Act of 2000](#) and the [Uniform Electronic Transactions Act \(UETA\)](#), making them extremely secure and legally enforceable, but provides a practical solution for signers to quickly execute agreements from the office, home or a mobile device without the requirement for a private key.

What makes eSignatures enforceable?



There are three requirements for an electronic signature to be considered legally binding:

1. *The signer is who he or she says.* There are varied methods of attribution based on the needs of the business, however none are legally required by U.S. law.
2. *The signer's intent to sign is captured.* The method and purpose are clear the signer intends to sign.
3. *The document or record is verifiable.* This boils down to process: how was the document signed, what did the signer do, and how do you prove what is represented electronically is actually what happened?

Adoption of eSignature

Electronic signature today is ubiquitous as a basic business need. This rise in eSignature can be attributed, in part, to the passage of the [ESIGN Act](#), but also to the rising numbers of mobile workers.

According to our recent survey of businesses and employees worldwide, 79.5% of respondents are working remotely at least some if not all of the time, and that number is likely to grow as businesses continue to transition to a hybrid work environment. This spike in the mobile workforce puts pressure on businesses to provide options for executing documents while on the go whether internally, like new hire forms, or externally, like sales contracts.

In addition to mobility, eSignature has seen increased adoption thanks to the broad definitions outlined in the ESIGN Act. The act provides a vendor-neutral framework stating that “a contract or signature may not be denied legal effect, validity or enforceability solely because it is in electronic form.” It is this definition in the legislation that makes electronic documents and records just as viable as their paper equivalents in the United States, allowing companies and individuals to speed up their business processes and save tremendous amounts of time, money, and paper.



Why organizations are adopting eSignature

There are many reasons to transition to eSignature, and every organization's main and compelling reason will be slightly different. However, the most common drivers for making such a change to any organization are **cost, security, and customer experience**.



COST

Do you know what your cost of doing business without eSignature is? Enterprises historically have used a lot of paper. Paper is part of the line item of “office supplies” to small and even medium sized businesses, however to the enterprise, paper is a cost center. According to Aragon Research, **enterprise businesses spend approximately 1-2% of total revenue on paper.**

Consider all the different types of documents that you send out to “do business”: sales contracts, change orders, field services, and employee/contractor onboarding, just to name a few. These days, there’s a good chance that those documents are sent out electronically as a PDF or secure document.

But then the recipients print, sign, and send them back through the mail or via courier. The time it takes for you to receive the signed documents and the cost of physically sending them back, add to your cost of doing business.

Time is money

Sales is a process bound by time. Just as the retail shopping experience was sped up dramatically by e-commerce, so the enterprise sales process - more accurately, the time it takes to complete the sales process with an agreement - can be decreased significantly with the use of eSignature technology.

From Aragon Research: "Sales contracts that are signed electronically can have a dramatic effect on time to sign and as a result accounts receivable." Speed is always an advantage in any competition, and enterprise sales are no different. If your sales force can decrease the time it takes to close deals, your organization's effectiveness improves.

Then ask the question, how efficient is it to physically sign and send all these documents? What could your organization have accomplished for the customer in the time that it took to physically receive the signed documents back?

What does a customer cost?

Customer experience has a cost as well. For example, in the banking or financial industry, does the customer like waiting for their account to be updated? A great customer experience can be the difference between loyal customers who become advocates and customers who are easily wooed away by your competitors.



SECURITY

Many organizations have stringent security and compliance requirements for the way they operate. Security for eSignature is no different. Top security concerns center around unauthorized changes to a signing process (and the signature itself) and the integrity of the signature throughout a document's circuit.



How electronically signed documents are secured

Nintex AssureSign signers gain peace of mind by knowing that their documents will maintain integrity at each step of the process. When a user sits down to create a Nintex AssureSign document or form, a unique mathematical hash value is placed on the document.

This hash value, which can never be changed or modified, prevents Nintex AssureSign documents from being tampered with. If unauthorized changes are attempted at any point, the unique hash mark will indicate this, deeming any variation from the original document initiated as invalid.

Secure in transit

Nintex AssureSign puts security in place while documents are “in motion”, meaning as they move from one user to the next. Nintex AssureSign uses 256-bit encryption to keep data secure while in transit from the originator to the signer and back.

Each document also has a digital audit trail that records unique identifying information such as IP address, geo coordinates, browser, OS information and time stamp. These identifiers signal who the signer is and can never be tampered with or altered.

The audit trail ensures that each document is technically and legally unassailable, upheld in courts of law.



Maintaining such high levels of security and integrity is what has made Nintex AssureSign successful with medium-sized companies, larger enterprises, and Fortune 500 companies.

Business benefits of adopting eSignature

A digitized, paperless signature function has considerable business advantages, including great gains in efficiency.

Even before the COVID-19 pandemic caused a global boom in remote working, employees and employers were already exploring the “work anywhere” possibilities that technology enables. Paperless, frictionless flexibility shifted from valuable to vital when working-from-home moved from optional to essential.

Now, the world is making another transition – this time to a hybrid workplace model that caters equally to both remote and on-site work – with the benefits of eSignature technology now a firm fixture of the working landscape.



DEPLOYING ESIGNATURE TECHNOLOGY HELPS ORGANIZATIONS TO:

Free processes from paper to maintain business continuity during unforeseen circumstances like COVID-19.

Streamline approval processes that involve multiple stakeholders.

Use less paper which is better environmentally and economically.

Transmit documents digitally instead of resorting to slower "snail mail".

Get paid quicker and improve cashflow.

Provide customers with **faster access** to their services and goods.

Free up employees who now waste less time and energy on paperwork and administration.





eSignature technology has a vital role to play in ensuring all participants in signature/document-related processes can easily and successfully play their parts

When documents can be signed and exchanged digitally by anyone, wherever they are, businesses who facilitate this have a significant edge over competitors who are still doing things the manual, paper-based way.

As well as improving your bottom line, eSignatures provide the kinds of experiences that make an organization better for employees to work for, and better for customers and partners to work with. It's one of the benefits of eSignature technology that can make a huge and noticeable difference.

Key industries using eSignature

Across the board, industries who adopt electronic signature technology into their everyday business processes save substantial time and money. Below are several examples.

INSURANCE

The insurance industry was one of the early adopters of electronic signature technology. At first, the players were unsure that their customers would embrace eSignature, but customers wanted to get their insurance paperwork done faster, and eSignature improved the speed at which agreements got executed.

BANKS & CREDIT UNIONS

Financial firms have thoroughly embraced eSignature for things like opening an account, transferring money, and agreeing to terms and conditions.

FEDERAL, STATE & LOCAL GOVERNMENTS

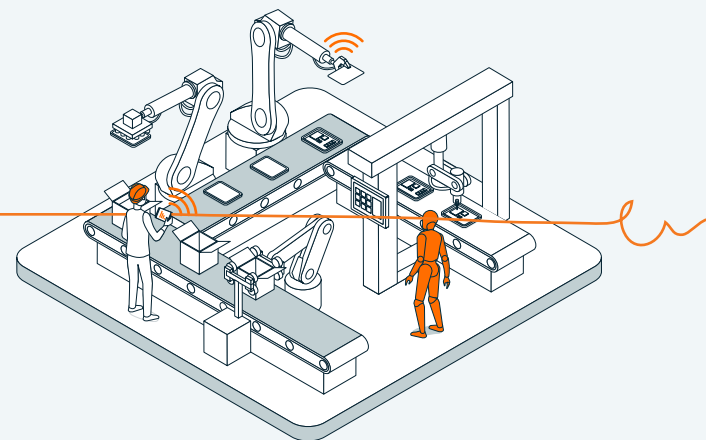
Government agencies have actively sought out eSignature technology to become more efficient. Common examples are filing taxes electronically and applying for a local business permit.

HIGHER EDUCATION

Colleges and universities are utilizing eSignature technology to make it easier to enroll, get loans, and pay tuition without physical paper to sign.

RETAIL & MANUFACTURING

These businesses have a multitude of contracts going back and forth with suppliers and customers. eSignature fits perfectly into this model for completing and tracking agreements around the globe.



How eSignature works in practice

A Nintex AssureSign client, Rhodes Retail Services, Inc., wanted to establish a paperless employee onboarding process. With many new hires working from remote locations, having an in-person signing process imposes many challenges and delays. Leveraging Nintex AssureSign, Rhodes Retail Services can easily route documents electronically, via email for example, allowing new hires to virtually sign and submit documentation to headquarters, taking only a matter of minutes.

The signer's intent is made clear through the browser-based Nintex AssureSign signing process. The newly-signed document is now verifiable because of the process through which the document was sent, signed, and returned, all of which is tracked and recorded using Nintex AssureSign's audit trails.

Since Rhodes Retail started using eSignature, the company has been able to reduce their onboarding process from a week down to just two days. Speed, efficiency, verifiability, and customer experience are just a few reasons why entire industries have made the switch to eSignature.

We believe organizations today have no time to lose but everything to gain when it comes to adopting transforming technologies. **With Nintex, organizations can gain all the benefits of eSignature technology without delay. With the power and ease of the Nintex Process Platform you can combine eSignatures with process automation, document generation, and other powerful technologies, to digitize and transform processes across your business.**

ABOUT NINTEX

Nintex is the global standard for process management and automation. Today more than 10,000 public and private sector organizations across 90 countries turn to the Nintex Platform to accelerate progress on their digital transformation journeys by quickly and easily managing, automating and optimizing business processes. Learn more by visiting www.nintex.com and experience how Nintex and its global partner network are shaping the future of Intelligent Process Automation (IPA).

