

How Electronic Signature Solutions Reduce Risk



As state and local governments have moved forward with digital transformation strategies in recent years, e-signatures have become a critical part of digital public sector workflows. Not only do these tools help support a modern, dispersed work environment, the right e-signature solutions also provide significant advantages regarding audit and regulatory compliance, operational efficiency and constituent service delivery.

The implementation of digital document tools has risen dramatically over the past few years, and was indispensable in helping organizations of all kinds maintain business continuity during the disruptions of the COVID pandemic. E-signature adoption across the public sector jumped 250% from 2019 to 2020.¹

But despite those massive increases, many governments still rely on outdated, paper-based documentation. For example, respondents in one Forrester/Adobe survey reported that an average of 48% of the total workforce of government agencies used digital document processes prior to the pandemic. That increased to 67% by August 2021 – meaning that one-third of the public sector workforce still uses manual paper processes. Similarly, respondents said 22% of the total government workforce used e-signatures before the pandemic; that rose to 46%

by August 2021, indicating that more than half of the workforce of government agencies still require wet signatures.²

The challenge of manual processes is especially pronounced at the state and local government levels. In the same Forrester survey, 26% of federal government respondents said their department was too reliant on paper-based processes for constituent services. But that number rose to 36% among state-level respondents and 63% among local government respondents.

Manual documentation increases risk for government agencies, including errors, delays and lack of compliance with various standards and regulations. Implementing e-signature solutions as a part of a digital workflow helps instill reliable, standardized processes less prone to human error than paper-based methods. In the long term, these solutions can lower operational costs through improved compliance and staff productivity.

The Costs of Risk

“Risk is the language of leadership and executives,” said Max Everett, former chief information officer for the Department of Energy, in a recent webinar.³ “It’s about how we manage, run and operate everything we do, including technology.”

Government agencies contend with a range of risks, including compliance, cybersecurity, finance and legal risks.

Ineffective paper-based processes and disorganized document storage can exacerbate these risks and cause expensive business problems. On IT teams, for example, failing to properly document updates to application code could create vulnerabilities that increase risk of cyberattack. Or in the case of employee litigation processes, failing to locate proper documents could result in unnecessary additional legal expenses.

“The cost of noncompliance is more significant than the effort it takes to develop strong documentation processes and policies,” says David Santiago, head of industry for the public sector for Adobe Document Cloud. “Leveraging workflow-driven digital tools is more cost-efficient than retroactively addressing compliance and documentation issues.”

Santiago said Adobe data shows, on average, digital workflow processes result in a 25% reduction in time spent on compliance and regulatory reviews. The cost of compliance overall is nearly three times less than noncompliance — about \$5 million versus \$15 million annually according to a recent study.⁴

The Benefits of Digital Documentation

To minimize risks and increase transparency and efficiency enterprise-wide, a growing number

of organizations are transitioning to digital workflows. Risk reduction benefits of digital document processes and e-signature include:

Clear audit trails.

E-signature and other digital documentation solutions track documents' paths from creation to archiving and management, which improves accountability. When documents involve elected leaders, for example, digital solutions ensure a legally verifiable signature and an audit and reporting trail long after an official leaves office.

Automatically generated audit trails are encrypted, digitally sealed, tamper-evident and securely stored. Government leaders can promptly respond to complaints, grievances, investigations and other legal proceedings with a record of who signed a document and when, reducing legal risk.

Process improvements.

By moving operations to digital document processes and/or an e-signature solution, government organizations can mitigate operational risk by preventing documents or tasks from falling through the cracks. Standardizing forms improves accuracy by reducing risk of manual error. Storing documents in a central online file repository lowers the risk of lost or overlooked documentation, and it reduces time spent searching for documentation.

"Many government approval processes tend to be manual and paper-based," says Santiago. Streamlining those processes through electronic signature-driven workflows solutions can help prevent fragmentation and gaps in decision-making."

Better constituent service.

Implementing electronic signatures as a part of a digital workflow doesn't just improve internal processes. It also enhances the experience of constituents who engage with government agencies.

By simplifying and streamlining the user experience, e-signatures save residents from having to present and sign forms in person, better aligning government processes with the kinds of touchless customer service experiences residents get from banks, online retailers and other private sector companies. Digital documentation also reduces the risk of inaccuracies when constituent submit permit applications and other important files.

Making the Switch to E-signatures

Once an organization has decided to embrace e-signatures and digital documentation, it's important to find a solution that's robust enough to handle the complex needs of government agency workflows. Some key factors to look for in a solution include:

- ✓ Dedicated support to help organizations integrate the solution within their current workflows and technology
- ✓ Integration with existing systems and applications, both on-premises and in the cloud
- ✓ A simple user experience
- ✓ Trusted, verifiable digital signatures
- ✓ A readily searchable source of truth
- ✓ Reporting and analytics to rapidly respond to audit findings, requests and assessments

- ✓ A full audit trail for transparency and accountability
- ✓ Compliance with FedRAMP, HIPAA, SOC 2 Type 2, U.S. Section 508 and other relevant standards

It's also important to remember that embracing digital document strategies isn't just a technological shift. It requires a culture shift as well, says Teri Takai, senior vice president of the Center for Digital Government.

"Implementing automation is very much a cultural change," she says. "There has to be collaboration and coordination of disparate manual processes into a single process. Then leaders can explore how automation can help streamline these processes."

Agencies know the future of efficient service delivery depends on automation and technology. Digital documentation is a critical step toward achieving that future, Everett said on the recent webinar.

"Digitalizing our documents and processes is the key to automation," he said. "You cannot automate ad hoc activities. Once you've done that well you've opened the door to automation. You're building value today in terms of clarity and knowledge gains by documenting processes."

This piece was written and produced by the Center for Digital Government Content Studio, with information and input from Adobe.

1. <https://blog.adobe.com/en/publish/2021/01/26/adobe-digital-insights-top-3-consumer-trends-shaping-e-signatures-and-how-we-will-work-in-2021>
2. <https://papers.govtech.com/Building-from-a-Strong-Foundation-Its-Time-for-Digital-Government-140394.html>
3. <https://vimeo.com/743189643/e8f0d50014>
4. <https://www.sumtotalsystems.com/blog/the-cost-of-non-compliance>



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