

How to Redline in Word

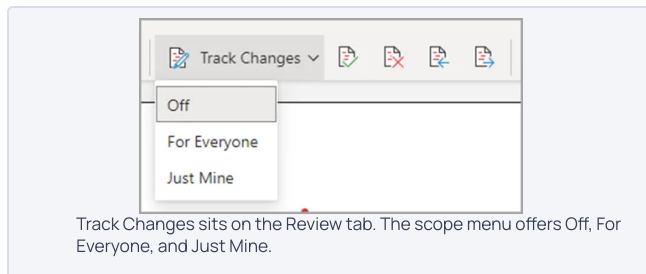
Track Changes

The six-step Track Changes workflow, and how to build a redline from two documents.

The short answer. Turn on Track Changes from the Review tab and edit the document the way you normally would. Word marks insertions with an underline and deletions with a strikethrough, so the other side sees exactly what moved. That has been the answer for two decades. Page two covers Compare, for the documents that come back without any markup or comparing different versions.

1 Find the Review tab

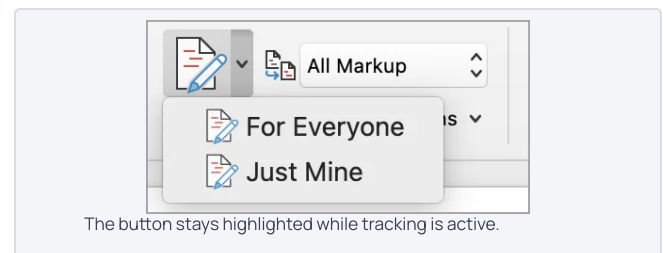
Open the contract in Word. If it came from the counterparty, **save an unedited copy first** so you keep a clean reference version. Every Track Changes control lives on the Review tab.



2 Turn on Track Changes

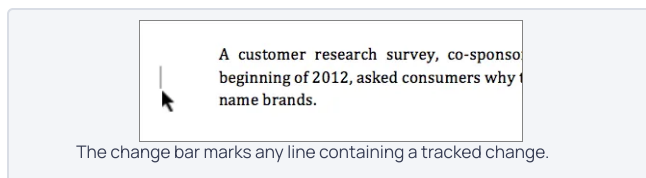
Click **Track Changes**. The button stays highlighted while it is on. Choose For Everyone to record all reviewers, or Just Mine for your own edits only.

Shortcut **Ctrl+Shift+E Windows · Cmd+Shift+E Mac**



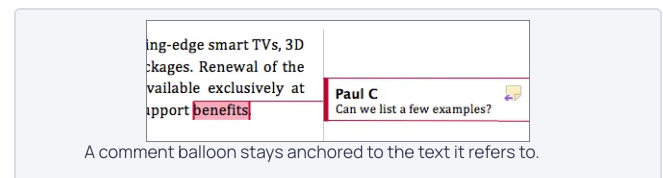
3 Make your edits

Type and delete as usual. Word underlines insertions in your reviewer color, strikes through deletions, and notes formatting changes in the margin. A **vertical change bar** flags every line that carries a change, and each reviewer gets a different color.



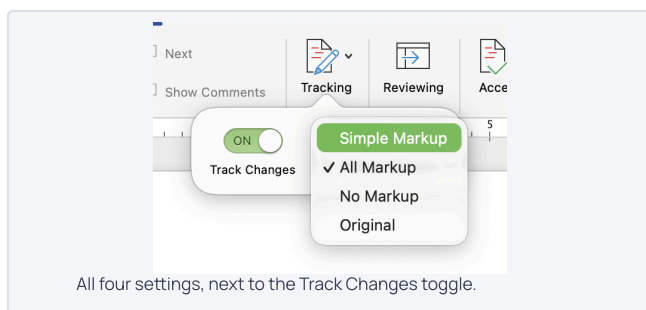
4 Comment where the redline needs a reason

Select the text, click **New Comment**, and type your note. Comments anchor to the text and travel with it through later revisions. Explain why you moved a position instead of rejecting and retyping the clause.



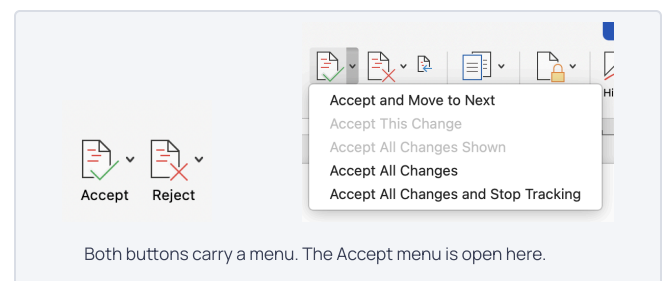
5 Choose how the markup displays

Display for Review has four settings. All Markup shows every change. Simple Markup shows margin indicators only. No Markup shows the document as if everything were accepted. Original shows it as if nothing were. Work in All Markup, send in Simple Markup.



6 Accept or reject

Walk the document with **Accept and Move to Next**, or click a change directly to decide there. When the negotiation closes, **Accept All Changes and Stop Tracking** both clears the markup and turns tracking off. To build a fresh redline between two versions, use **Compare**.



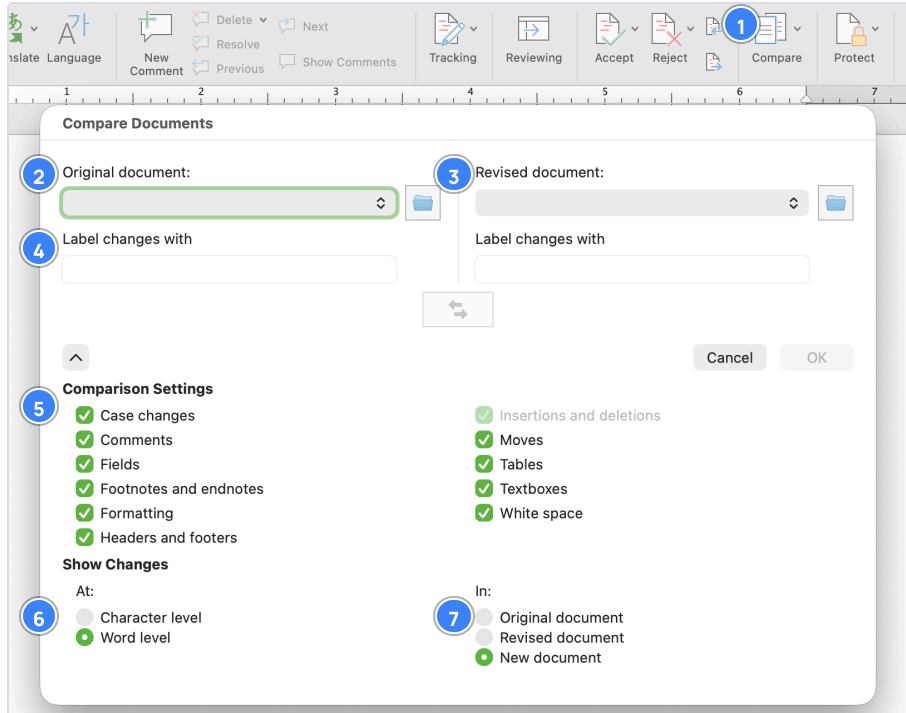
Redline vs Track Changes

Redlining is what you are doing as a contracts professional. **Track Changes** is the Word feature that records it. Google Docs calls its version Suggesting, and CLM platforms have their own interfaces. The output is the same in all of them: a visible record of insertions, deletions, and proposals the counterparty can accept or reject.

Document Compare

Build a redline from two documents.

When to use it. Counterparty paper often comes back edited with Track Changes switched off, so the document looks clean and the changes are invisible. **Compare reconstructs the redline for you.** It is also how you verify a redline you were sent: compare their file against your last version and see everything that moved.



The Compare Documents dialog, opened from the Review tab.

- 1 **Find Compare on the Review tab.** It sits in its own group, to the right of Accept and Reject. Choose **Compare Documents**.
- 2 **Original document.** Browse to the version you sent out. This is the baseline everything is measured against.
- 3 **Revised document.** The version you want the original compared with, normally the file that just came back.
- 4 **Label changes with.** Optional, and worth doing. Put the counterparty's company name or the reviewer's name here and the markup is attributed to them instead of to you.
- 5 **Comparison settings.** Leave every box checked to catch everything. Clear one only when you want that class of change ignored.
- 6 **Show changes at word level.** Word level reads like a normal redline. Character level flags each letter and is unreadable on a long agreement.
- 7 **Choose where the changes land.** The **In** setting is the powerful one: mark up the original, mark up the revised, or write a new document. **New document is the safe default**, because it leaves both source files untouched.

Compare vs Track Changes

Track Changes records edits while someone makes them. **Compare** reconstructs them afterward from two saved files. You need both: tracking for the paper you mark up, Compare for the paper that arrives clean, and for verifying that a counterparty's redline shows everything they actually changed.

Where the manual workflow stops scaling

Track Changes holds up fine for one document at a time. It breaks across an inventory. Four breakdowns show up repeatedly in mid-size and large legal departments.

- 1 **Version fragmentation.** Several drafts circulate at once and nobody can say which one is current.
- 2 **Inconsistent positions.** With no playbook, the junior assistant's Tuesday redline does not match the partner's on Thursday.
- 3 **No cross-document audit trail.** Word records the trail inside one file, not which clauses you accepted elsewhere.
- 4 **Counterparty paper read cold.** Spotting deviations from your standard on every counterparty template is expensive.

76% report contract inefficiencies ~9% of revenue lost to poor contracting 15%+ in complex industries WCC and Deloitte, 2024

Pick the pattern that fits your volume

Claude for Word and Microsoft Copilot now put AI edits into Word as native tracked changes, and CLM platforms have done the same for years with deeper governance. **AI-assisted redlining is table stakes, not differentiation.** What still differs is the layer you run it on.

YOUR SITUATION	WHAT TO RUN	WHAT IT STILL LEAVES OPEN
Under a few hundred contracts a year , mostly your own template	AI inside Word, no CLM. Cost-effective, no long implementation.	Repository, routing, and playbook governance all stay in people's heads.
Several hundred to a few thousand , multiple agreement types	CLM plus AI inside Word. The CLM holds repository, routing, and playbook.	Little, provided the playbook is documented before go-live.
Thousands , mature playbooks, real audit obligations	CLM-native AI , with AI in Word as the relief valve for off-system work.	Off-system documents and ad hoc review still need an owner and a process.

Six things to settle before you turn AI redlining on

- ☐ **Treat AI as a triage layer.** Anthropic's own guidance: review every tracked change before accepting it.
- ☐ **Document the playbook first.** This is the work AI cannot do for you. Highest priority if you lack one.
- ☐ **Write the fallbacks down.** Preferred position, acceptable fallback, walk-away threshold, per clause. Preferred-only playbooks strand the junior assistant.
- ☐ **Fix version control before volume rises.** AI redlines scatter across the same inboxes manual work already lost.
- ☐ **Train on prompt patterns.** One hour with your attorneys beats a team that tried one prompt and gave up.
- ☐ **Set an accuracy protocol.** Sample output against the playbook. AI reads equally confident when wrong.

What the delay costs

\$13k per attorney per year of recoverable capacity, at a \$250,000 salary and two hours a week of standard redlines

\$100k+ across a ten-attorney department, before any AI or CLM license cost

Illustrative arithmetic, not a case study. The real figure depends on compensation, contract volume, and how much of your redlining is genuinely automatable.

The playbook is the part AI cannot do for you

Swiftwater is a legal operations consultancy. We build the contract program. AI redlining depends on it: the repository, the routing, the playbook, the governance. CLM implementations fail when they are treated as technology projects.

- CLM discovery, maturity, and readiness
- System selection and RFP, vendor-agnostic
- Implementation and configuration
- Contract migration and data normalization
- Commercial contracting program design
- Stakeholder alignment before go-live
- Training and adoption programs
- Post-implementation fine-tuning

70%

faster contract processing through CLM implementation and automation

Start with a Discovery Sprint

Contract management

Legal AI solutions

Legal technology

Book a call