

# 10 Ways To Transform Your Legal Department

A BLUEPRINT FOR BECOMING THE BEST-RUN  
BUSINESS UNIT IN THE ORGANIZATION

A man with a beard and glasses, wearing a light blue shirt, is leaning over a woman with long brown hair, wearing a dark blazer and a white shirt. They are both looking intently at a laptop screen. The background is bright and out of focus, suggesting an office or meeting environment.

## About Mitratesch

Mitratesch is the market-leading provider of legal, compliance, and operational risk solutions for more than 1200 corporations of all sizes across the globe, representing six of the Fortune 10, almost 40% of the Fortune 500, and over 500,000 users in over 150 countries.

Mitratesch's portfolio of software solutions offer end-to-end risk management, including: matter management, spend management, e-Billing, legal hold, contracts management, GRC, and reporting solutions. Mitratesch clients are able to prove demonstrable value across the globe by managing risk and associated costs with transparency, predictability, and control.

To learn more, visit [www.mitratesch.com](http://www.mitratesch.com)

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## Introduction

In the wake of the economic recession, many corporations have faced increased scrutiny into their financial decisions. Higher expectations, decreased budgets, and a growing workload are prevalent in every function of the organization, but legal departments have experienced the greatest shift in these dynamics over the past decade. This disruption has become the catalyst for much needed changes in the power structures of legal departments. Once seen as cost centers, corporate law departments have shifted their reputations from that of an inefficient cost of doing business to driving value for their entire organization. In this era of innovation, the general counsel has become a trusted advisor on the executive team and acts as a valued business partner, driving positive bottom-line business results by optimizing legal spend and performance. However, even superheroes can understand that with great power comes great responsibility. How the legal department manages its exposure to risk can make a difference in millions of dollars to the company. Additionally, with the ever-present rise in social media and constant streaming of information via the internet, the threat of a negative brand reputation can spread rapidly if disaster strikes publicly. In order to evolve as a highly efficient function of your organization, legal departments must operate with the foresight to protect their company with a proactive approach. This kind of transformation will lead to a department-wide shift that permeates efficiency throughout the organization while aligning overall organization goals into each individual function.

As the leading provider of Enterprise Legal Management (ELM) solutions, Mitrtech has been privileged to partner with some of the most prestigious corporate legal and compliance teams in the world. With almost 30 years of legal management expertise under our belt, we have witnessed the evolution in the general counsel's office. With this experience, we have laid out 10 ways to transform your legal department from a company cost center into the best-run business unit in the organization.





## 10 Ways to Transform Your Legal Department

1. Visualize and Measure What Success Looks Like
2. Hire a Director of Legal Operations Focused on Operational Excellence
3. Embrace Innovations in the Legal Services Model
4. Think Globally
5. Create a Legal Technology Roadmap through Collaboration with IT
6. Unify Your Software Solutions to Create a Single Source of Data Truth
7. Leverage Data to Optimize Resource Selection
8. Train Your Legal Staff to Better Understand the Business
9. Collaborate Effectively with Internal Business Partners
10. Let Lawyers Be Lawyers

### Visualize and Measure What Success Looks Like

The general counsel role has expanded into the executive suite, and their fellow leadership expects legal departments to run as a proactive, revenue-generating micro-business within the corporation. Creating a vision of success means deciding which metrics should be captured and developing a set of Key Performance Indicators (KPIs) to drive that vision. KPIs should be measured daily, weekly, monthly, and annually to decide what is working and what is not. Any learning process will have its pitfalls — however, this process continues to push the bar higher with each self-assessment.

As the need to prove value to stakeholders increases, the use of detailed analytics is gaining momentum in many industries. Reports generated from a matter management platform solution provide great visibility into outside counsel costs, distribution of workloads across the team, access to trends across matter types or subjects, and virtually any other piece of data that your reporting system can generate. To truly capture



how these figures can create a strategy for your legal department moving forward, the use of a data analysis solution partnered with a dedicated business analyst is imperative. “To be actionable, the value of Big Data comes most profoundly and potently when it is incorporated into the workflow and is available at the point of action,” advises Matt Den Ouden, Vice President of Law Department Management & Analytics at Huron Legal.

In any legal department, there are hundreds of small decisions made each day; a case assigned, a budget established, a fee arrangement negotiated, a disposition strategy put into place, or the selection of a firm. A data analysis solution can pull the aggregate data from each decision, place those learnings into a workflow, and create a vision of success that can be tested and measured over time. “This is the future of law department optimization,” explains Den Ouden. Results from such a solution prove value to the organization as a whole, and value is the catalyst for innovation.



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**- Matt Den Ouden,  
Vice President of Law Department  
Management & Analytics at Huron Legal**

**“This is truly an exciting time as legal operations managers and administrators seek new tools and strategies for performance management and achieving operational excellence.”**

**Eyal Iffergan**

Founder of Hyperion Global Partners and Hyperion Research

## Hire a Director of Legal Operations Focused on Operational Excellence

The expectations of corporate legal departments have been shifting in recent years. With a closer eye on legal spend optimization, general counsel are asked to do more with less, making innovations to drive efficiency an inevitable effect.

The most efficient legal departments pushing this innovation have realized the importance of the role for a Director of Legal Operations. Connie Brenton of NetApp, who is also co-founder of the Corporate Legal Operations Consortium, Winner of LegalTech News' Legal Department Operations Manager of the Year, and recent Mitrastech Rockstar award winner, mentions that “The addition of the VP of Legal Operations has been a game changer. In-house departments are adding executives to their leadership teams who understand and are trained in business, technology, and the law. That’s a powerful trifecta that more and more general counsel are leveraging to their benefit.”<sup>1</sup>

From our vantage point, we are seeing our top performing legal departments (those with high innovation, incredible efficiencies, and massive decrease in annual legal spend) implement and utilize a dedicated director of Legal Operations. Without a doubt, the need for this position has reached its tipping point.

<sup>1</sup> Harrison, Erin E., Law Departments vs. Law Firms: What Innovation Really Looks Like, LegalTech





## Embrace Innovations in the Legal Services Model

Traditionally, in-house legal departments have been hesitant to adopt new technology. The leading provider of legal performance management advisory services, Hyperion Global Partners, dedicates an annual in-depth study on the Advanced Enterprise Legal Management solutions on the market. Recent Hyperion research of law department technology and operations trends reveals that law departments are increasingly focused on performance management and operational excellence — and are actively seeking tools, solutions, and approaches for transformation. In 2015, four out of five law departments sought process-driven technology to automate and create more efficient workflows. According to Eyal Iffergan, Founder of Hyperion Global Partners and Hyperion Research, “Investing in process management technology is one way law departments do more with less while codifying policy, standardizing procedures, and ensuring compliance with corporate mandates. Technology can help identify and minimize risk.”

Hyperion Research’s 2015 benchmarking of Global 1000 legal operations management reveals that eighty- seven percent of corporate law departments have engaged in significant transformation projects in the last two years alone. The focus areas certainly include the usual suspects (i.e. improving spend management) but increasingly demonstrate the progressive (process automation) and the truly innovative — such as rebalancing the mix of LDO resources and legal decision support intelligence systems.

Iffergan notes that “This is truly an exciting time as legal operations managers and administrators seek new tools and strategies for performance management and achieving operational excellence.”

To learn about new technologies and trends, Iffergan suggest that “The most valuable information often comes from the publications and events of peer-based communities, including the International Legal Technology Association, the Association of Corporate Counsel, and of course, Hyperion Research. These are great forums for learning from — and contributing to — our collective community.”

## Think Globally

The concept of globalizing an organization to span across nations is not new, but it seems that in recent years legal departments are experiencing a greater amount of ownership to alter practices and realize international legal goals. This means that the legal department must become the agent of change to flex across a system that serves varying international compliance requirements.

In our previous white paper, [General Counsel: The Global Corporation's Next Agent of Change](#) we heard from Sonya Bland, Director of Technology Solutions for the Global Legal Department at HP. "Understanding the real requirements of each individual country is very hard but paramount to success," advises Bland. A few examples of a proactively compliant approach to international legal practices are multi-lingual translations of legal syntax, awareness of varying taxes and regulations, and realizing the highly conservative data security measures that must be put into place.

Most often, a sophisticated solution can accomplish such international flexibility for your organization. The power of compliance resides in the legal department, so the general counsel must act as a key advisor and partner to the global organizations.

## Create a Legal Technology Roadmap Through Collaboration with IT

The legal technology landscape is expanding, flourishing, and increasing in sophistication by the minute. With such rapid growth, lawyers are expected to adhere to new standards according to the ABA Model Rules of Professional Conduct in order to stay current on the benefits and risks associated with technology. We often come across companies that want to become more strategic with the use of an advanced legal management solution.

However, without a systems roadmap in place many legal departments find themselves working in a cycle of short-term needs, thus never accomplishing their long-term goals. In order to structure communication between the IT department and legal operations, a technology roadmap is designed to act strategically when making an investment decision.

The roadmap can also act as a project manager for technology needs as they arise, justify a budget to secure buy-in from leadership, encourage a high adoption rate with users, and

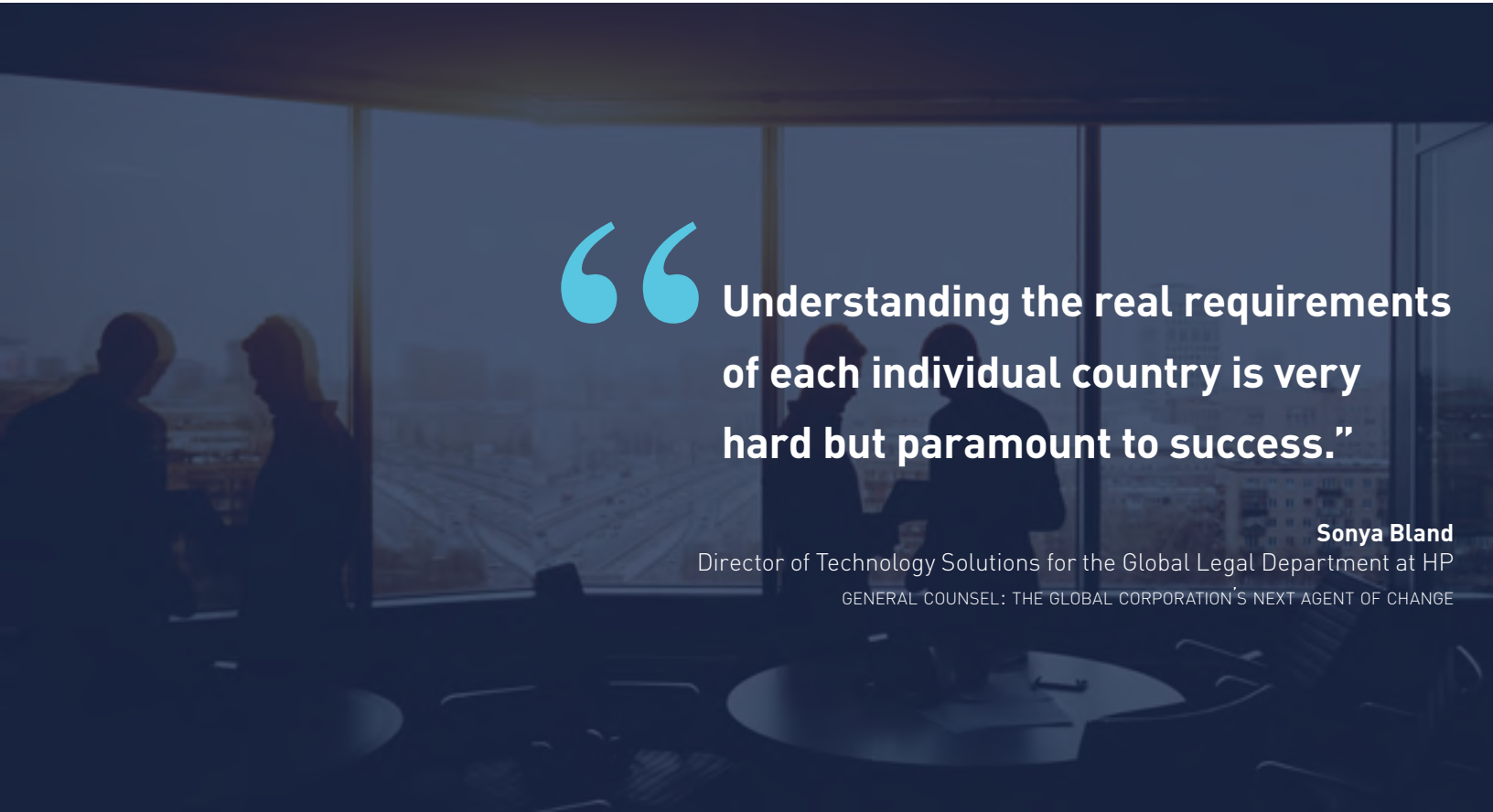


create a systems landscape that makes sense to the company's overall goal. Creating a strong partnership with the IT department will give your legal department the competitive advantage to stay ahead of the curve.

## Unify Your Software Solutions to Create a Single Source of Data Truth

An end-to-end enterprise legal management platform is an exciting and intriguing approach that an increasing number of successful legal departments are deploying. For a long-term vision the use of a single platform utilized by multiple groups drives efficiency in workflow, reduces cost, and contributes to overall strategic organization objectives.

A fully integrated system that combines e-Billing with matter management can serve as the hub of activity for the legal department. With a streamlined systems landscape, a team can create a single source of truth to optimize legal spend, find greater productivity with ease of process, and increase collaboration with outside counsel when necessary. Additionally, unifying software solutions enhances collaboration across legal groups and greatly improves data management across the company.



“ Understanding the real requirements of each individual country is very hard but paramount to success.”

**Sonya Bland**

Director of Technology Solutions for the Global Legal Department at HP

GENERAL COUNSEL: THE GLOBAL CORPORATION'S NEXT AGENT OF CHANGE



**Mitratech's eCounsel gives us control over matters and spend. It has provided the metrics and analytics we need to improve our forecasts, our budgeting, and our decisions about resources and staffing."**

**Mary Jo Georgen**

Director of Legal Operations at CDW

SUPPORTING THE GROWING COMPLEXITY AT CDW

In a [recent case study](#), Mary Jo Georgen, Director of Legal Operations at CDW, said "Mitratech's eCounsel gives us control over matters and spend. It has provided the metrics and analytics we need to improve our forecasts, our budgeting, and our decisions about resources and staffing."<sup>2</sup> To fully leverage technology's ability to deliver on Key Performance Indicators, this unified system roadmap allows legal departments to provide more depth for decision analytics. Over time, the aggregate data pulled from a platform solution can become a powerful tool to make data-driven decisions toward success.

## Leverage Data to Optimize Resource Selection

With financial decisions under the microscope, legal departments have transformed from a reactive organism into a strategic, value-generating group working to proactively prevent claims against their organization. An interesting example from a recent white paper, [Transforming Legal: Utilizing Technology to Make the Legal Department the Best-Run Function in the Corporation](#), focuses on Chevron, one of the most sophisticated legal departments in the country. With the selection of Mitratech's single platform solution, TeamConnect, their legal IT team captured data in the system to create an Outside Counsel Assessment Model designed to select the firms that will provide Chevron with the best results. Because their IT department was able to create assessments unique to various matter types, selection of outside counsel is automatically driven by analytics to reduce expenses, and, more importantly, improve matter outcomes.

<sup>2</sup> Calderon, Amber. Supporting the Growing Complexity at CDW. [www.mitratech.com](http://www.mitratech.com). August 2015. Mitratech Case Study.



Moving less-complex legal work in-house, thus creating greater price competition within the law firm market, is a sure way to transform your legal department. As GCs redefine their relationship with outside counsel, gone will be the days of blindly paying invoices “for services rendered.” It has become increasingly common for legal departments to retain high risk matters, recurring issues, and strategic legal moves while only farming out specialized matters to outside counsel. This shift is placing corporate counsel in the driver’s seat, allowing law firms to follow their lead as they transform the new legal ecosystem. We often hear general counsel mention that they focus on hiring strong lawyers; not law firms. Hiring a traditional law firm comes with administrative and cost burdens, and this transformation provides an opportunity for legal departments to regain control of their outside legal spend.

## Train Your Legal Staff to Better Understand the Business

In order to truly transform your legal department, there must be a department-wide culture shift to view your singular operation as an integrated part of the business as a whole. This “big picture” perspective drives innovation by learning to guard the company proactively and provides guidance to help run the business with a shared vision across the leadership team.

KONE is a global leader in the elevator and escalator industry and was recently profiled in a case study entitled [Improving Legal & Business Outcomes](#). In that report, Rhonda Bailey, Director of Legal Administration for KONE, remembers, “We ran reports and analytics to determine what, if any, correlations could be made in our data. We looked at all product lines, locations, equipment models, types of claims, and so forth. One trend we found was seasonal: At retail customer sites, we found an uptick around the Back-to-School sales events and the Thanksgiving and Christmas holiday season. We also found that claims were more likely when the escalators were situated immediately near or around displays like jewelry and/or perfume counters. It was determined that parents were distracted momentarily at these counters and did not properly supervise their children and injuries sometimes occurred. Therefore, we created training material and trained our customers and staff on how to monitor the escalators and avoid attractive nuisances.”<sup>4</sup>


A holistic understanding of your organization’s business creates a unified mission throughout each department. Rather than handling matters as they arise, each decision

becomes part of the greater goal for the company as a whole. The key to in-house success comes from a deep understanding of the business trajectory and facilitates a more proactive approach to risk management, cost avoidance, and value creation. Legal professionals with this mindset have become experts when it comes to protecting their company from potential risk, leading to a growing trend in which general counsels have begun moving into major business roles within their organizations.

## Leverage Data to Optimize Resource Selection

We have all heard of the general counsel who also serves as the corporate secretary or director of compliance. However, one specific social media company recently broke the mold by electing their general counsel to pull double duty as the director of Communications for the organization. Legal and Communications perform different functions independently, but when paired together they can craft an outward message that allows the company to remain both compliant and effective. In highly regulated industries such as pharmaceuticals, energy, and technology in this case, there is an increase of legal professionals wearing multiple hats across departments.

We have also seen a cross-departmental example from a Fortune 500 manufacturer. This industry leader uses Mitrastech's eCounsel matter management system in tandem with their Risk Management department. eCounsel integrates with a system to track consumer affairs to simplify the transfer of information, automate the creation of a matter, and alert relevant legal department personnel. With the use of eCounsel's add-on module, Smart Link, incoming concerns regarding a product automatically populate information in the system. This partnership creates a highly efficient process between the two departments, and the company is able to use this data to manage product recalls, product liability lawsuits, and other significant concerns.



**Embracing innovations focused on boosting productivity provides oil for the legal department machine to operate powerfully, and legal professionals can find joy in the contribution they bring to the organization.**

The most efficient legal departments strategically collaborate with the functions that make the most sense for the company's overall goal.

## Let Lawyers be Lawyers

Each of the previous nine tips has an aim to allow lawyers to do what they do best: practice law. Legal professionals are expertly trained to protect their clients or organizations with a deep understanding of the law. However, attorneys are often underutilized compared to their legal licensure. Manually handling redundant tasks that can be replaced by an automated system does not allow lawyers to artfully utilize their litigious skills, inhibiting them from performing at the top of their licenses.

With a dedicated director of legal operations in place to orchestrate an efficient work environment while decreasing legal spend based on data-driven decisions, there is less pressure on attorneys to fulfill unattainable expectations.

In a work life balance study titled Disruptive Innovation by UC Hastings College of Law, Professor Joan C. Williams stated, "Something remarkable is happening in the legal profession. Many lawyers have begun to find — and to join — businesses that organize legal practice in novel ways." Embracing innovations focused on boosting productivity provides oil for the legal department machine to operate powerfully, and legal professionals can find joy in the contribution they bring to the organization.

## Conclusion

Without a doubt, the scope for in-house legal departments' responsibilities has expanded greatly in recent years. General counsels are asked to advise on subjects that spread beyond pure legal analysis, providing an opportunity for in-house lawyers to use business judgement as well as legal knowledge.

Taking the above steps certainly requires commitment and time from the entire team, but the road less traveled provides a wealth of reward. Those that truly invest in creating a best-run legal department have thoughtfully capitalized on these changes to drive innovations in the industry. This department-wide transformation creates tangible results through improved efficiency, enhanced productivity, and increased business value for the entire organization.

4 Improving Legal & Business Outcomes at KONE, Inc. [www.mitrates.com](http://www.mitrates.com). July 2014. Mitrates Case Study.

A man and a woman are looking at a tablet together. The man is on the left, looking down at the tablet. The woman is on the right, looking at the tablet and pointing at it. The background is a blurred office setting. The image has a blue tint.

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