



The Changing Legal Service Delivery Model

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CLOC Founders
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Today's Agenda

- What's Impacting Jobs In-house
 - The Evolving Role of the GC
 - The Evolving Role of Legal Services
 - The Evolution of Legal Tech In-house
 - The Rise of the ALSP's
- Legal Ops Jobs
- The Future of the Legal Profession In-house
- Q&A

Growth
Opportunity
Community

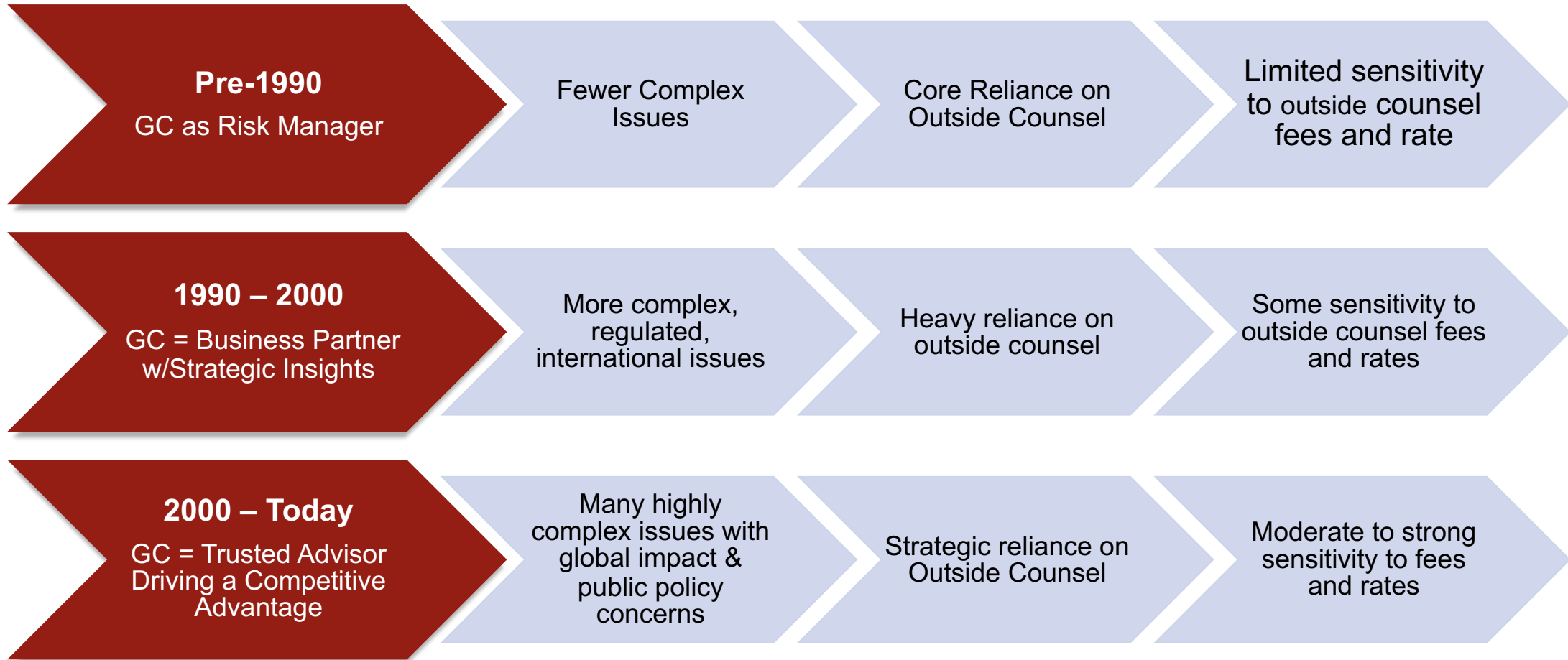
Legal Demand Trends



Top Methods for Handling Increased Demand

- | | | | | | |
|----------|---|----------|--|----------|---|
| 1 | Increasing the workload of existing legal resources | 2 | Increasing the use of current technology | 3 | Increasing the number of in-house lawyers |
| 4 | Equipping clients to handle work w/training & self-help tools | 5 | Automating routine tasks | 6 | Increasing the use of outside counsel |

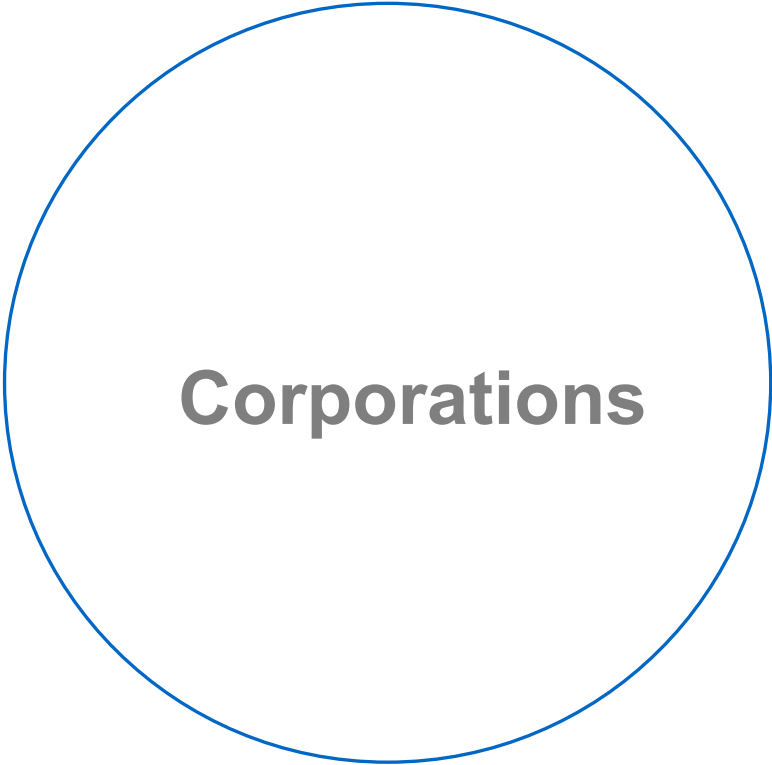
Corporations: Changing Role of the GC



How Most People Thinks of Our Industry

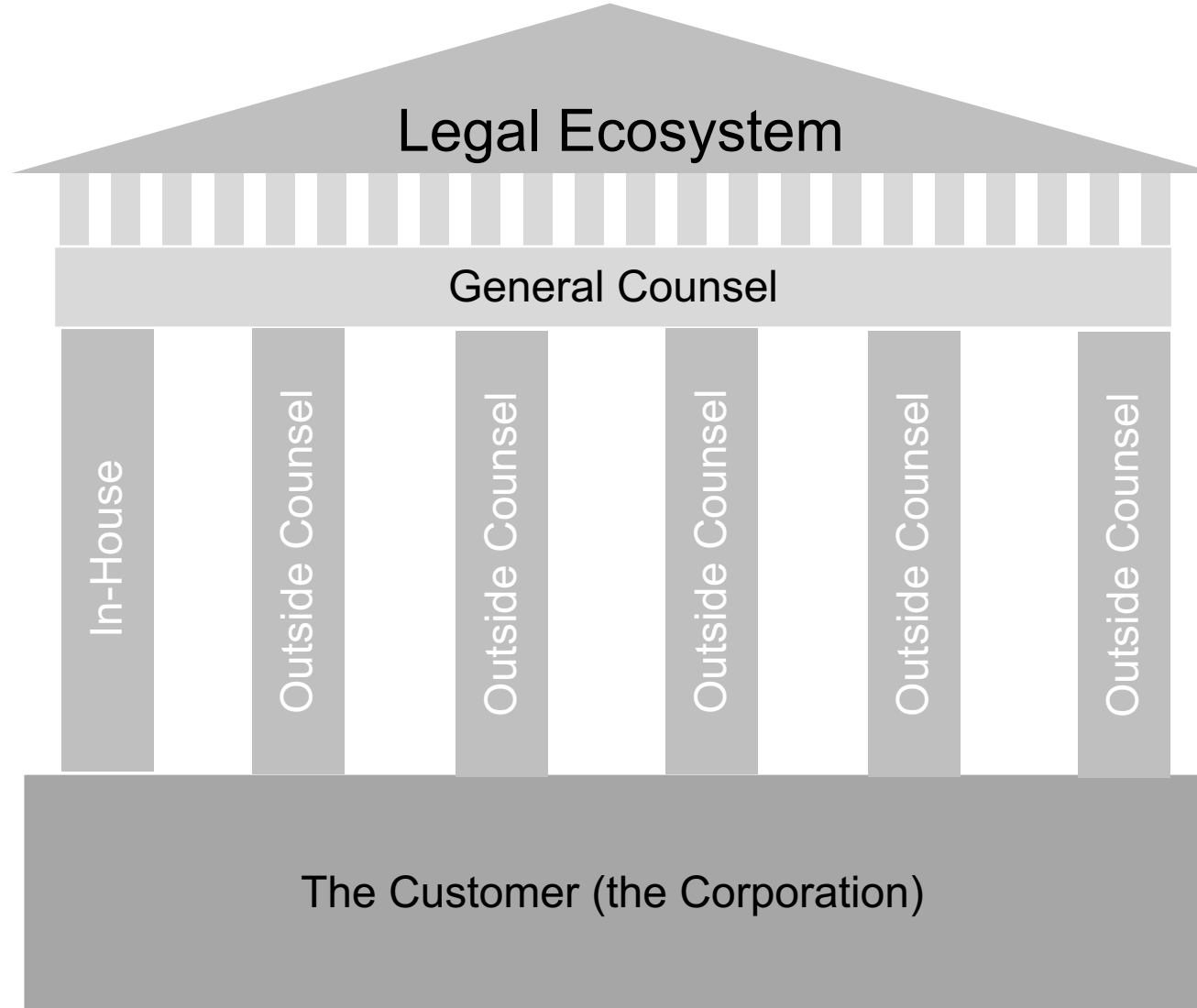


Law Firms

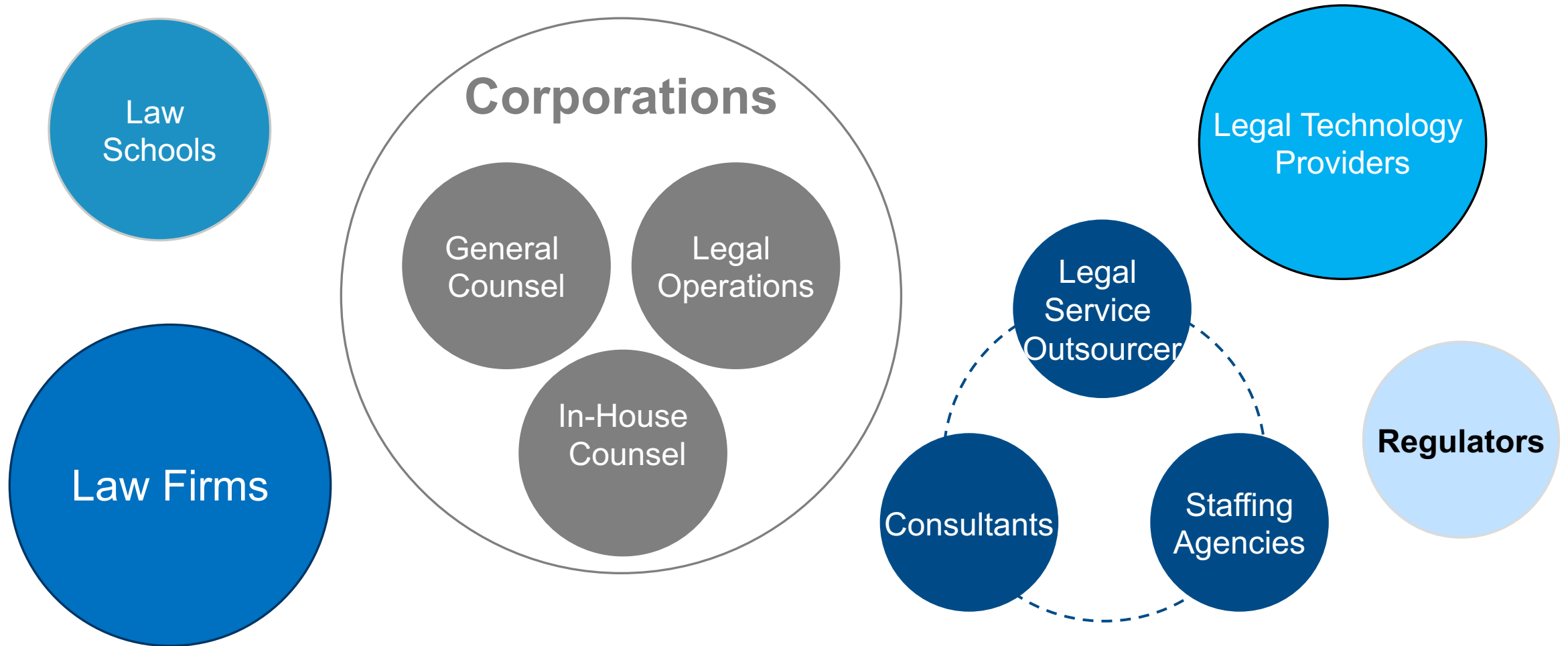


Corporations

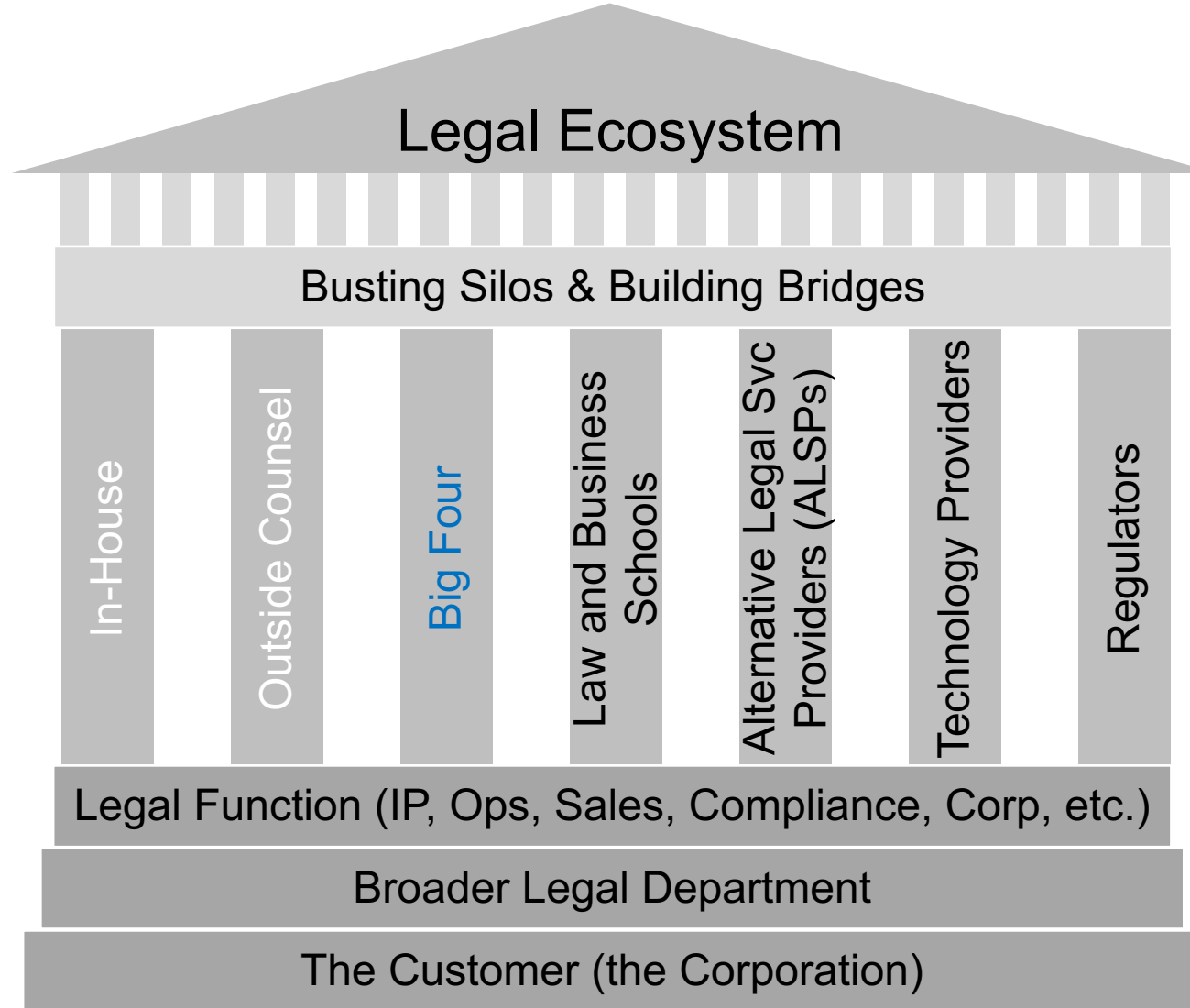
In-house Legal Service Delivery Ecosystem



Legal Corporate Legal Services Ecosystem Today



In-house Legal Service Delivery Ecosystem



Corporate Legal Departments

- **Need for Legal Services**

- Business is more complicated
- More global and global regulation
- Need to be more transparent
- Biz recognizing the value of in-house legal support

- **Cost of Legal Support is going Up**

- Pressure to drive cost down
- Pressure to bring work in-house because it's cheaper and better

- **Legal Support Options are Myriad**

- Law Firms, LSO's, Independent Contractors, Staffing Agencies, Axiom

- **Change of Service Delivery Focus**

- Respond on an ad hoc basis to "Delivery the right quality, Right Price, Right Service"

- **Changing Role of In-House Lawyers**

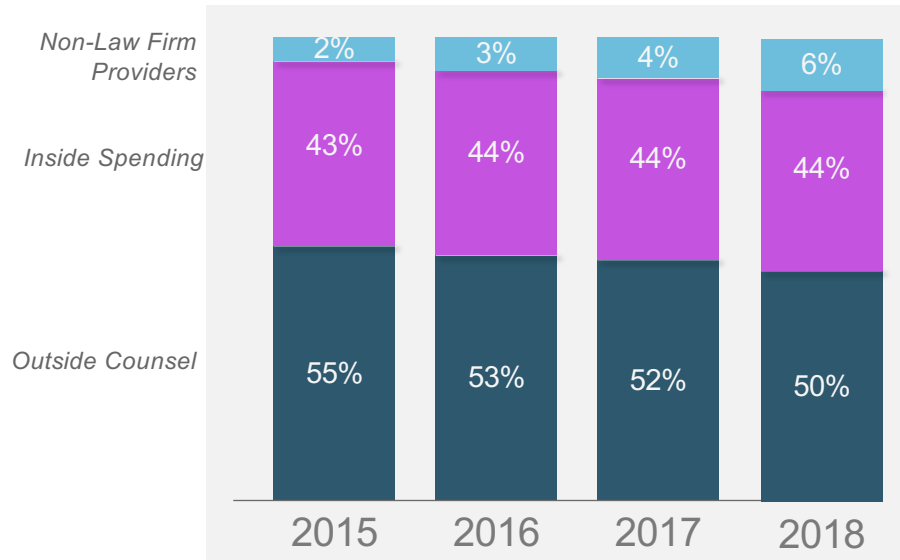
- From Risk Manager to Business Partner to Trusted Advisor to Driver of Competitive Advantage

Market Dynamics

Law departments are thinking about service delivery models differently

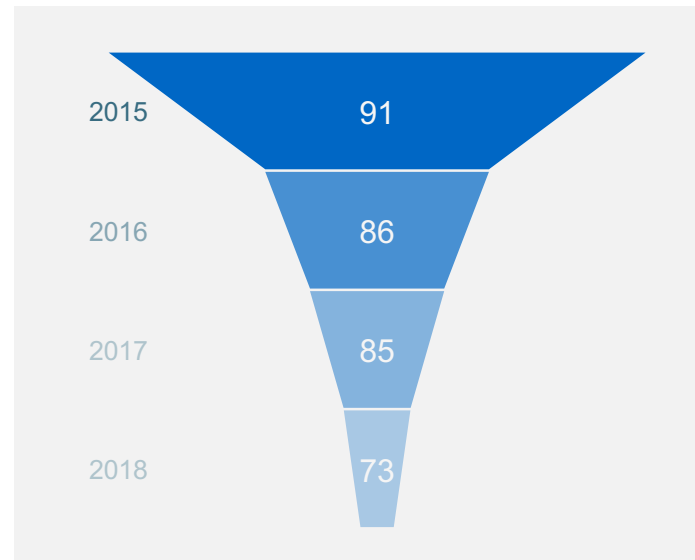
Distribution of Spend

ALSP share continues to increase



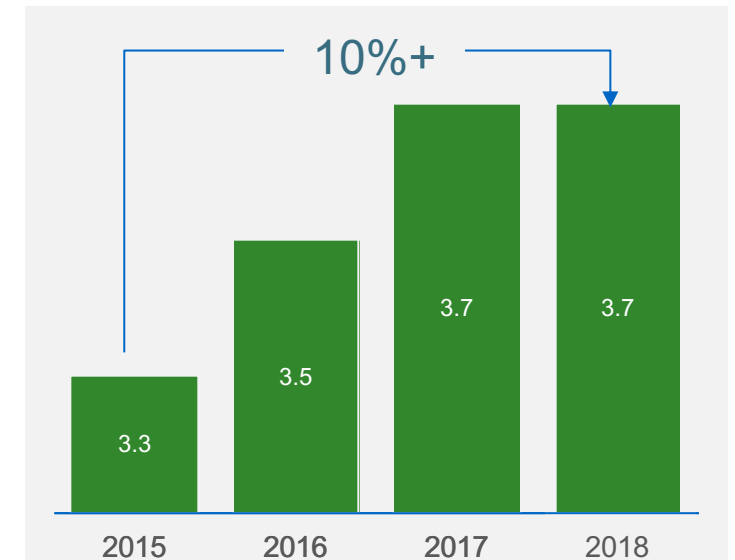
Concentration of Spend

Tighter relationships with smaller number of firms



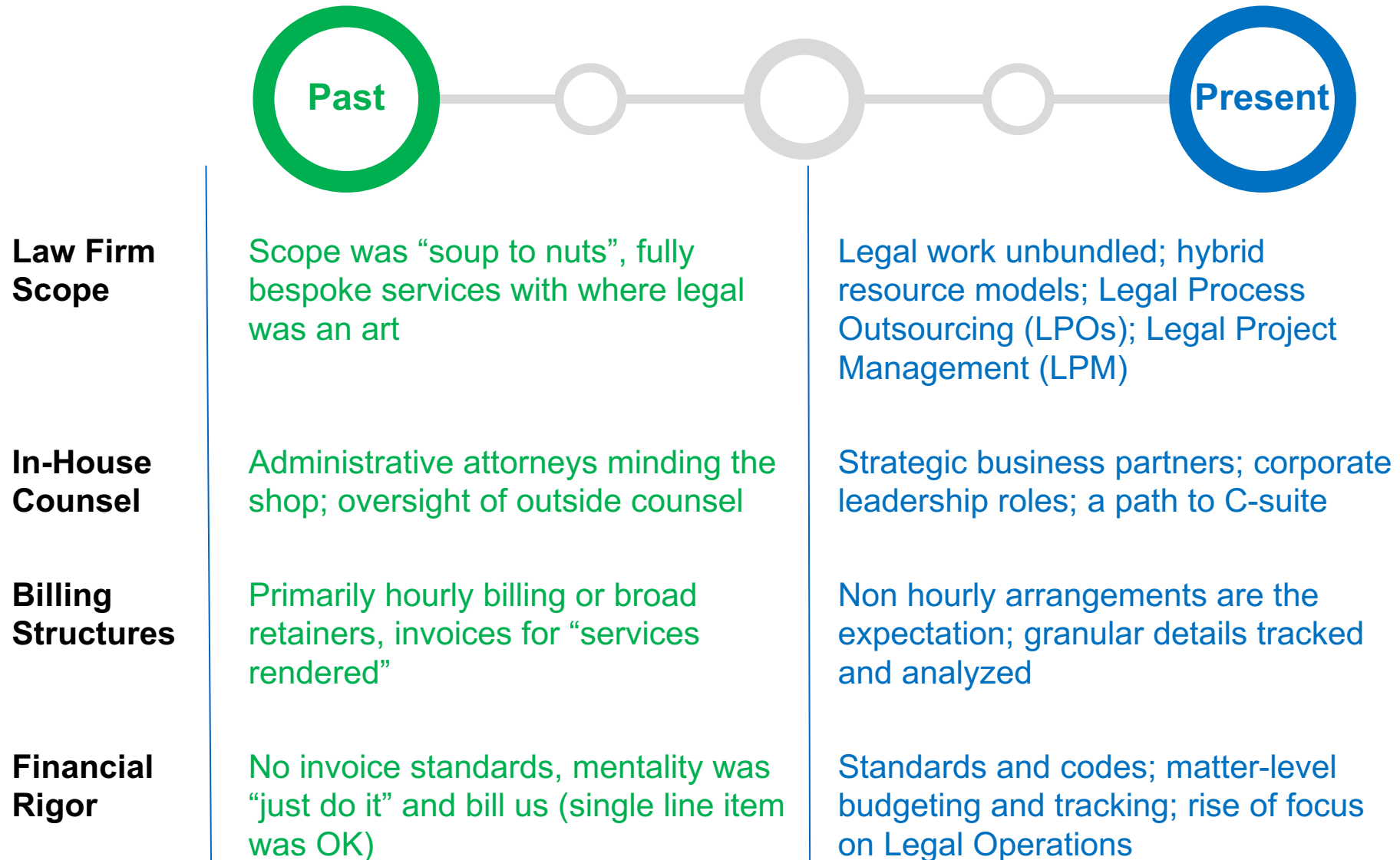
Increased In-House Staffing

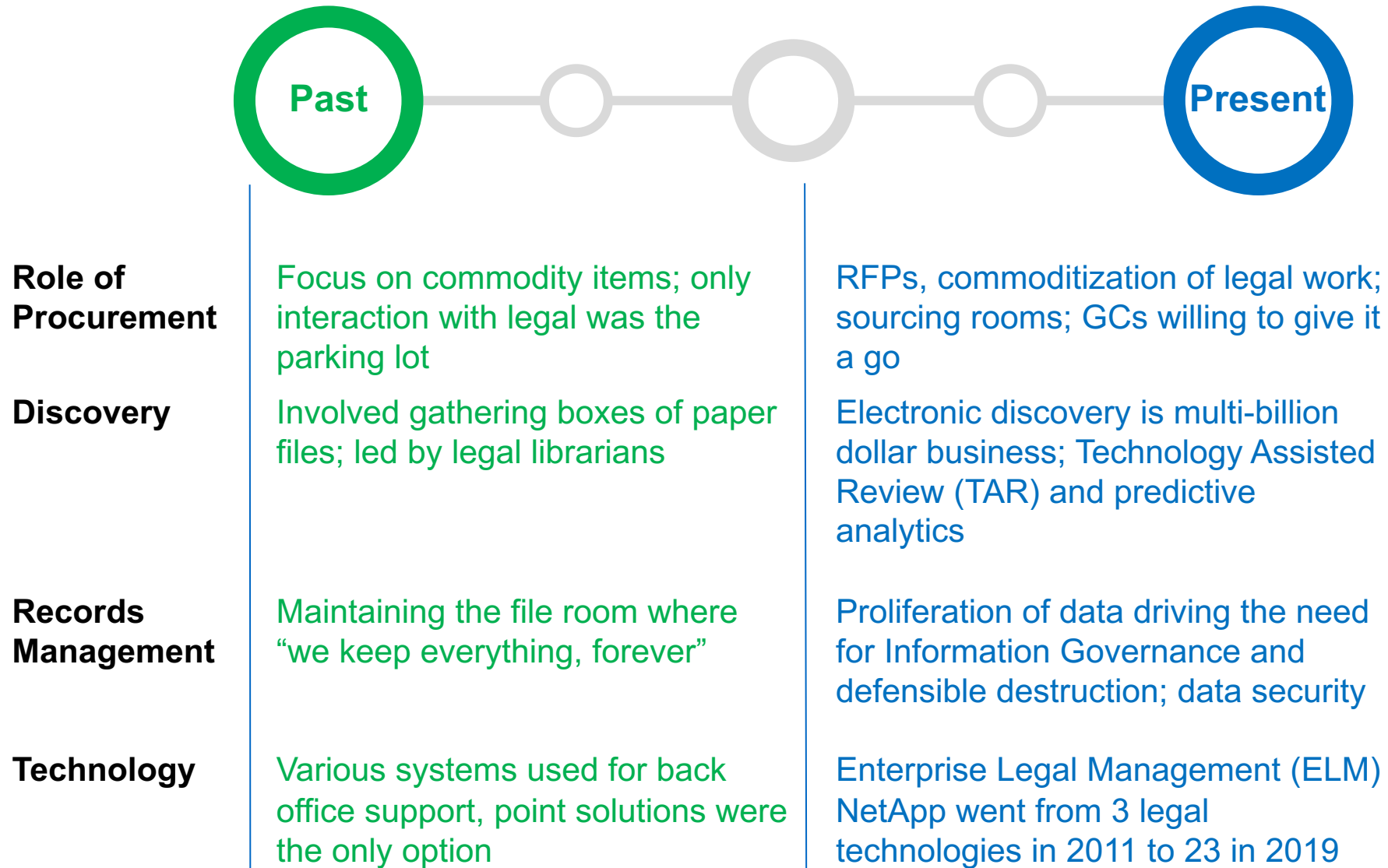
Increase in internal staffing has leveled off



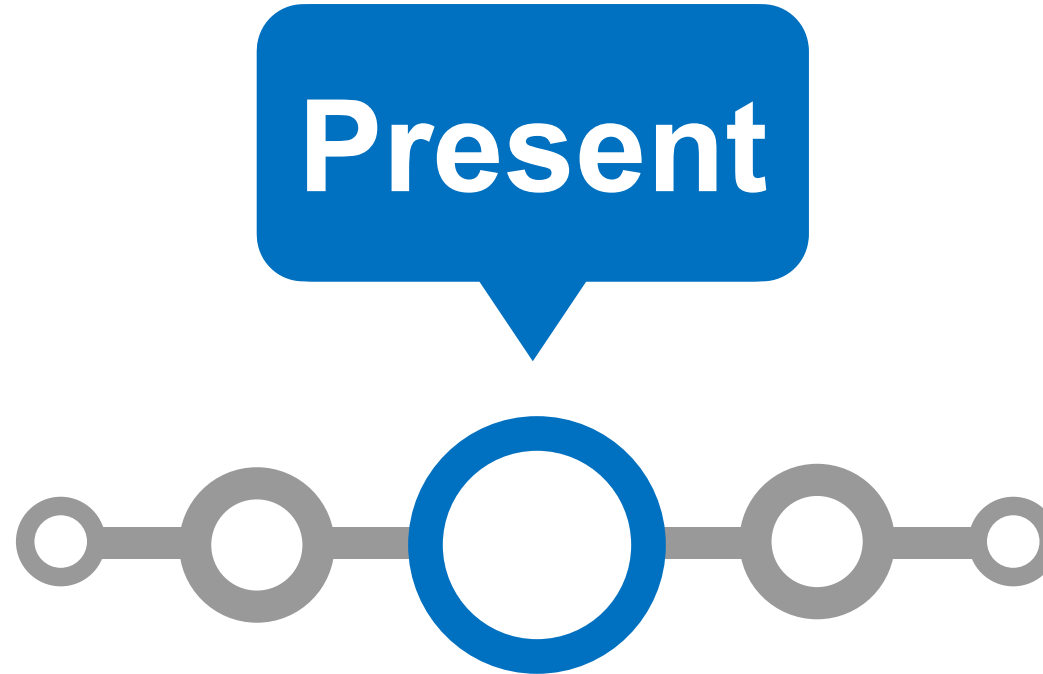
Source: HBR Consulting

Source: 2018 HBR Law Department Survey





Legal Department of the Present



Increasing Internal Pressures:
Efficiency Driven, Cost Control, Metrics and Tools

Legal Operations

In-house Legal Operations Vision

Creating a seamless in-house legal ecosystem that delivers legal support with peak efficiency.

What is Legal Operations: CLOC.org

- Legal operations is:
 - a multi-disciplinary function
 - that optimizes legal services delivery
 - to a business or government entity
 - by focusing on twelve core competencies



Who are the Legal Ops Professionals

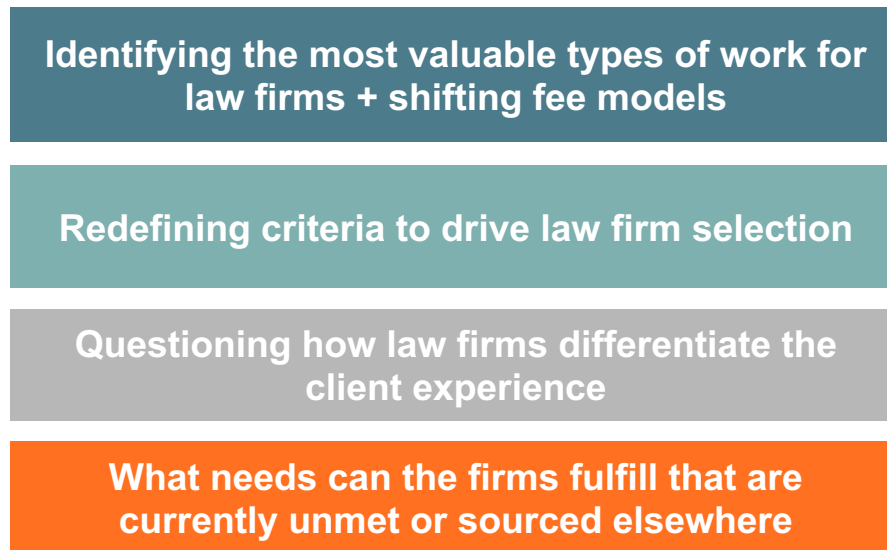
- Education
 - JD
 - JD/MBA
 - Accounting/Finance
 - IT
- Level: IC to Manager to VP
- Scope: Enterprise-wide
- Drive innovation and technology
- Connecting the legal ecosystem: CLOC



Law Department Strategy

Optimizing resources + work allocation + enhancing tools

Law departments are revisiting strategy and developing operating models to ensure that the “right” work handled by the “right” resource in the most cost effective and efficient manner



Outside Counsel Management Trends

With increasing pressure on law departments to manage costs in alignment with the enterprise, **outside counsel spend management initiatives are a top priority** for many leading law departments.

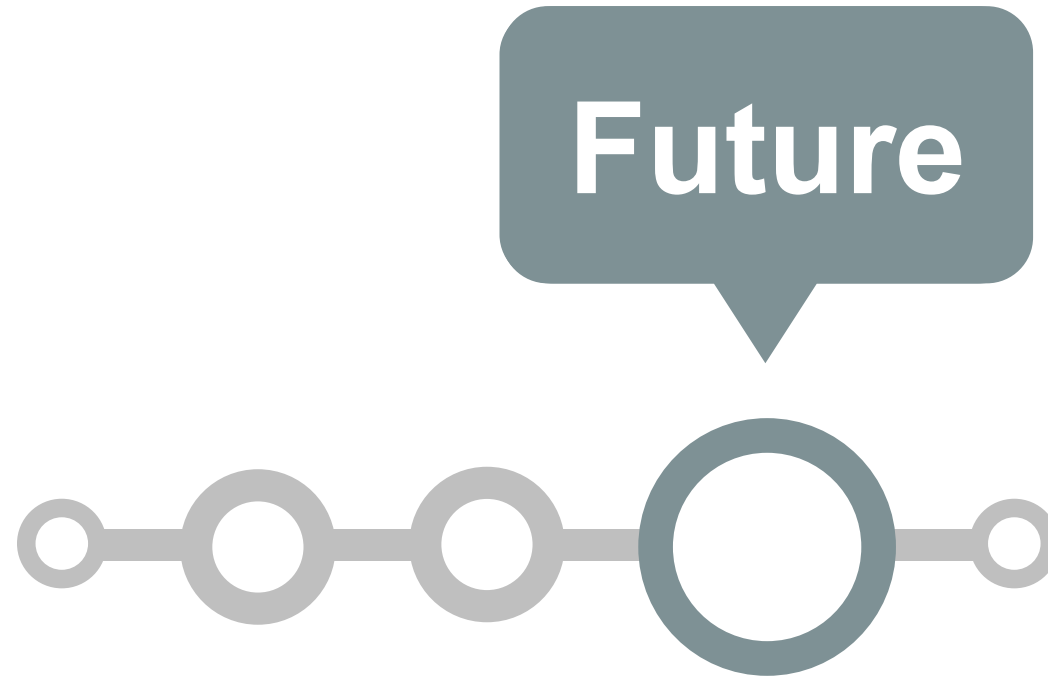


of companies have taken measures to reduce outside counsel spend



Source: HBR Consulting

Legal Department of the Future



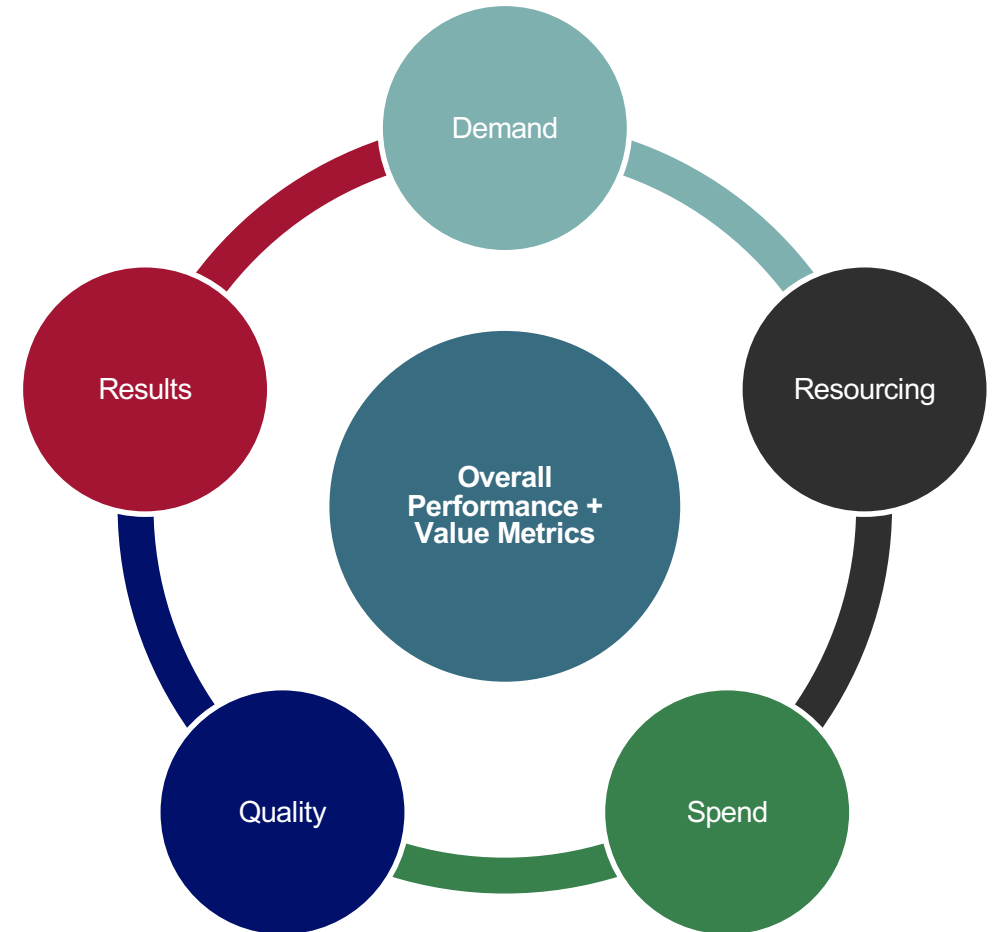
**Metrics and Data Driven,
Technology Enabled,
Change Ready Mindset**

Metrics and Data Driven

Key Considerations

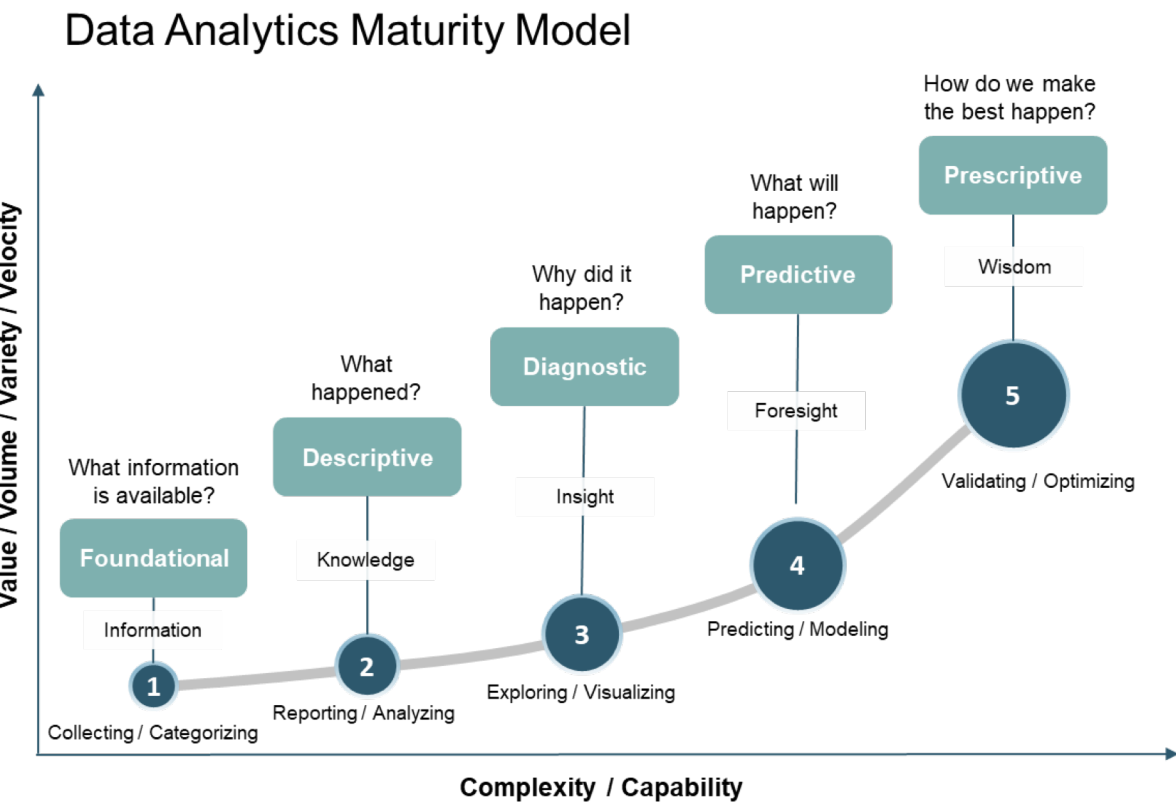
A comprehensive metrics program demonstrates value and enables data-driven decision making

- Measuring **what** comes in and out of the law department in terms of requests, by type, by whom, etc.
- Measuring **who** does what work and determining the best fit (internal or external) resourcing to support it
- Measuring **how much** money is spent on each type of work
- Measuring the business' satisfaction of **how** the services were performed
- Measuring the **value contributed** to the business, in terms of enabling the business, outcomes, cost savings/avoidance, revenue generated as a result of legal services, self-service and simplicity



Metrics and Data Driven

Industry Maturity



Source: HBR Consulting

Results of 2018 Consero Legal Operations Forum
with *in-house legal operations* leaders

Current level of analytics maturity	% of votes
Under Developed	18%
Foundational	28%
Advanced	44%
Mature	8%
Best in Class	2%

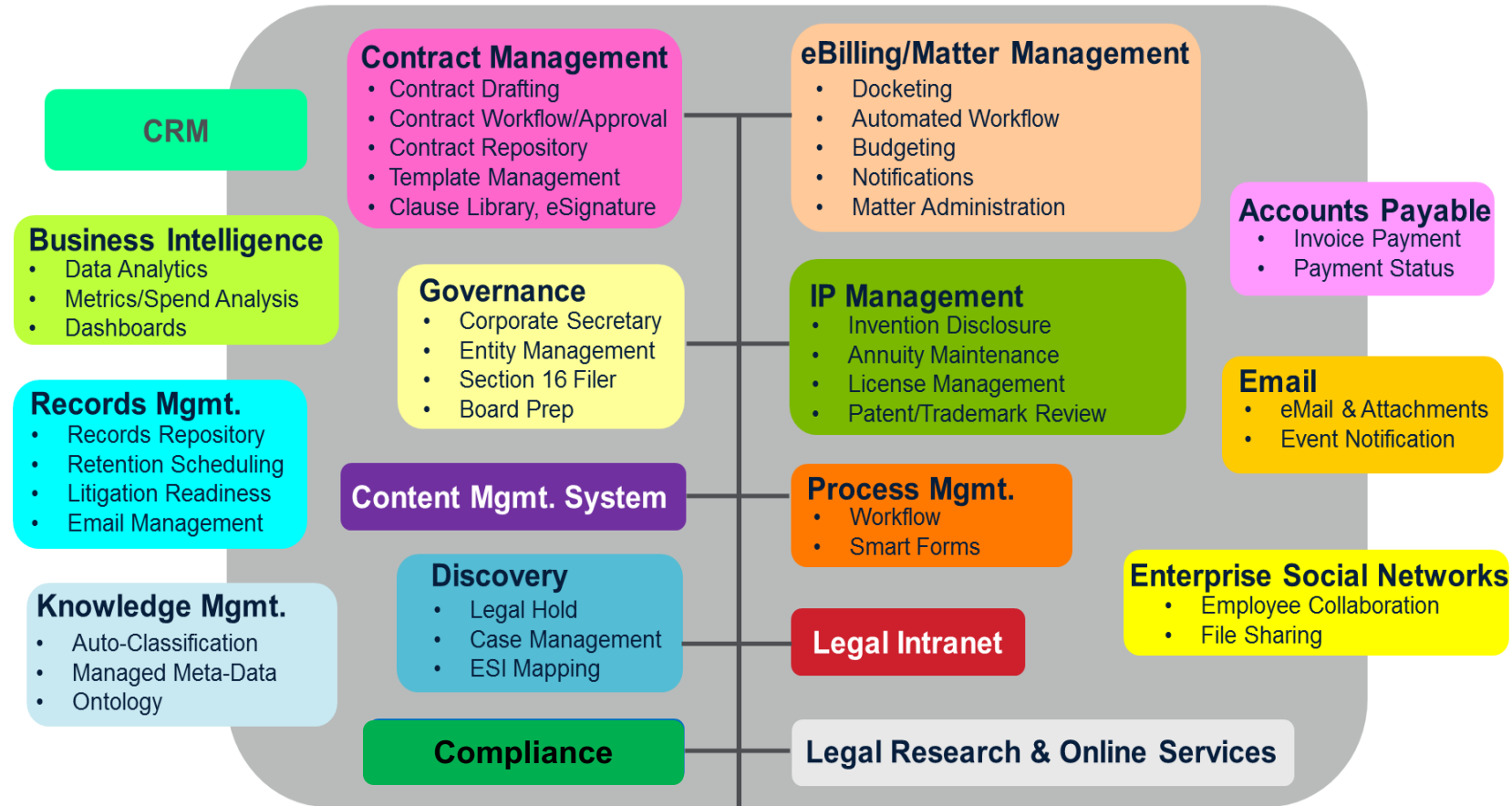
Results of 2018 ILTACON live polling
84% of which were *law firm* employees

Current level of analytics maturity	% of votes
Under Developed	32%
Foundational	22%
Advanced	38%
Mature	5%
Best in Class	3%

Advances in Technology

- **Automated Workflow Tools**
- **Electronic Signatures**
- **e-Discovery**
- **AI (Artificial Intelligence)**
- e-Billing
- Contract Management
- IP Management
- Knowledge Management
- Data analytics/BI Tool/Dashboards
- Records Management

A Technology-Enabled Legal Ecosystem





NetApp Technology Summary

Legal Technologies

From 3 in 2011 to 23 in 2019

Compliance

Case Management: Navex

Hotline and Compliance Training: Navex

Gifts & Entertainment/COI: TAP

Business Processes

eBilling: Mitrtech
(TeamConnect)

Collaboration:
Microsoft Teams

Metrics/Dashboards:
Tableau

Matter Management:
Mitrtech

Electronic Signature:
Adobe Sign

RPA: Automation
Anywhere

Workflow: Mitrtech
(TAP)

Project & Document
Collaboration: HighQ

Intellectual Property

IP Portfolio Management: IPfolio

IP Benchmarking/Metrics: Innography

IP Annuity Management: CPI

IP Litigation: LexMachina

Contract Mgmt

Contract Management: Apttus

Contract Extraction: Kira

Contract Review & AI: LexCheck

Litigation

Litigation and Legal Hold: Exterro (beta testing
Mitrtech)

eDiscovery: Everlaw and Relativity

Corp & Securities

Board of Directors Management:
BoardVantage

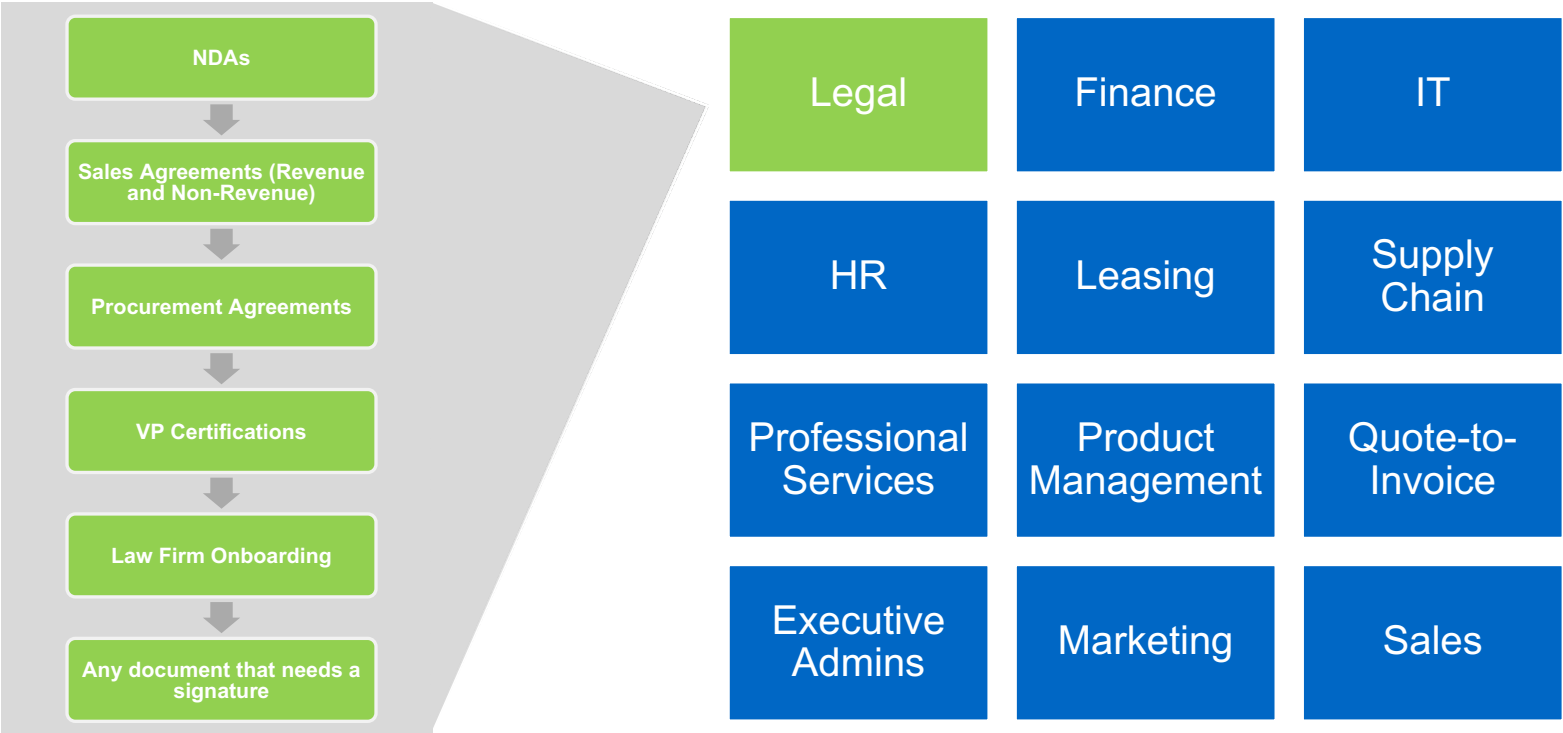
Subsidiary Management: BluePrint

Workflow Automation Technology (TAP) - Organizations and Use Cases



Electronic Signatures (Adobe Sign) - Organizations and Use Cases

28 Use Cases in 12 Organizations



Technology Enabled | Current + Planned Technology

Top 10 Technology Areas by 2020

Enterprise Legal Management (Matter Management and E-Billing) continues to be on top of the list as law departments plan for 2020, however focus shifting to other areas as well.

Technology Area*	Implemented	Planning	Total by 2020
Matter Management	77%	13%	90%
Electronic Billing	81%	8%	89%
Document Management	66%	21%	87%
Contract Management	55%	29%	84%
Legal Hold	65%	16%	81%
eSignature	55%	25%	80%
Board Management	77%	2%	79%
Legal Spend Analytics	49%	26%	75%
Entity Management	68%	6%	74%
Records Management	56%	16%	72%

Source: 2018 HBR Law Department Survey – All Participants Report
* Represents subset of 19 legal technology areas included in the Survey

Change Ready Mindset

Key Considerations

- The Law Department of the Future will have a heightened awareness of the steps and methodologies needed to successfully navigate change: **Process**
- **Technology** is an enabler for change, recognizing that change is an ongoing process and emphasize the following:
 - Consideration for the “human” aspects of technology
 - Focus on achieving operational efficiencies by leveraging technology for process improvement
 - Regard for the non-technical aspects of the organization, culture and existing business processes
 - Adoption by the end users
- **People**: T-shaped lawyers. All future lawyers will be comfortable with technology



Community



Corporate Leaders Institute | Community of Legal Interns

The **Mission** of Community of Legal Interns (CLI) is to **educate, empower and establish future leaders** in the rapidly changing legal ecosystem.

Advisory Board Members



Tipping the Scales Summer Webinar Series

A cross-functional group within the **Legal Ecosystem** is kicking off an **Inaugural Summer Internship Training Series: Tipping the Scales**.

The **Tipping the Scales Summer Series** will include sessions from industry experts, on:

- Diversity & Inclusion
- AI Overview and Key Legal Tools that Use AI
- Legal Process Automation (Workflows)
- Legal Project Management
- Data Analytics
- Tracking and Measuring Annual and Long-Term Goals
- Technology Overview
- How to Manage Your Career
- Other Favorites

The program will consist of **one-hour remote training sessions** every Tuesday, Wednesday, Thursday from **June through July** (excluding July 4 week) from:

9am-10am PT; noon-1pm ET; 5pm-6pm CT.



Thank You