

LexisNexis In-house Chief Legal Officers Forum

How to establish the operations function in the business

On 5th October 2016, the LexisNexis In-house Chief Legal Officers forum met to discuss how to establish the operations function in the business. The discussion focused on how to develop the legal team professionally as a service delivery group and also how to get buy-in for the Legal Operations function from the legal team senior management.

The session was facilitated by Matthew Glover, Head of Legal Operations at Colt. Matt opened the session by providing a brief background to the services provided at Colt and the nature of the legal team. Colt is a network owner and operator, operating primarily in Europe but also with operations in America and Asia. The legal team has around 35 lawyers and Matt heads up the Legal Operations function which has 3 members:

- 1 acting as an intermediary between the legal team and product managers and also working on systems and process development
- 1 focussed on budget management
- 1 data analyst

Tactical to strategic

At Colt, the Legal Operations role was initially introduced on a fixed 6-month term to help with the launch of new standard terms. During that project the business began to recognise that the legal department were losing time because they were often doing work that they shouldn't be doing. As a result, the role was made permanent and the focus of Legal Operations shifted towards implementing initiatives which add value, including:

1. Time recording

Light touch time recording was implemented in order to understand what the legal team were focusing their time on and how they were servicing the business. This data was used to make decisions about how the legal team supported the business.

2. Budget and supplier management

The Legal Operations function undertook financial analysis across the global legal. It was found that there was limited central control and visibility over how the legal budget was being used globally – legal teams in different countries weren't communicating with each other, used lots of different law firms, and there was no central tracking of legal spend.

As a result, Colt ran a large RFP and decided to use one law firm for all of their external legal spend. This changes have seen a reduction in legal spend and an improvement in the accessibility and visibility of external legal advice.

3. Document management

One tool that can be used to save and track work is SharePoint. At Colt, the Legal Operations function use trackers on SharePoint to check that the legal department are doing work which aligns with the business strategy. Also, the use of SharePoint is seen as the launch pad for the next step - building a case for a software solution by showing that there is a need for a legal platform.

The turning point towards a strategic Legal Operations function

The turning point for the Legal Operation function comes with the change in focus from project work onto a strategic focus on how the legal team deliver advice. The forum noted that the influence of Legal Operations is growing because legal teams are having to cope with more work but without a growth in budget or resources. At Colt, this problem of growing demand on the legal team without an increase in resources provided a need for Legal Operations to improve the functioning of the legal team. The key initiatives discussed were:

1. Making the business more self sufficient

Colt recognised that lawyers were often spending time on low value / low risk and non-legal work. In order to keep on top of the legal team's work load businesses need to have processes for self-service and to enrich the idea of the legal department as a service. For example, lessons can be learnt from banks in the way that they provide online services to everyday customers but high value accounts receive a personal service and relationship. Likewise, the legal team can help the business understand that not every engagement needs the same level of personal service.

One option is to introduce a value threshold and equip the business to self-serve by providing locked standard templates and training for the business on how to use them. Another initiative is to produce a triage system where the business can email general queries to a shared inbox rather than approaching lawyers directly and taking up their time. This inbox can be managed by junior lawyers on a periodic basis.

2. Implementing technology to ease transactions

Using e-signature programs can help save time on getting contracts executed and manage the storage of agreements.

Getting buy-in for the Legal Operations role

The forum discussed that the main challenge for the Legal Operations function is to get buy-in from the lawyers and also from senior management.

1. Opposition from lawyers

People in a Legal Operations role sometimes face the problem that they are perceived as 'non-lawyers' and so they don't get an equal seat at the table. One way to elevate the value of Legal

Operations is to recognise the value that they add by creating systems and processes which improve the functioning of the legal department and the business. This can be done by measuring their own performance and doing internal PR.

Additionally, Legal Operations can face opposition because lawyers can be averse to adopting new processes. Lawyers are trained to be self-sufficient and there is a need to create a culture where people feel comfortable to access, share or ask for information. The forum gave an example of how one company has created a points system for rewarding people when they use the technology and tools.

2. Opposition from executives

The Operations Function can be viewed as an ‘overhead within an overhead’. Legal Operations need to have their own metrics and articulate to senior management the value that they bring,

Conclusion – summary of the evolution of the Legal Operations function



The LexisNexis Chief Legal Officers Forum

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