# Digital General Counsel are Transforming the Corporate Legal Department

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Improving productivity and operational efficiency are top priorities for General Counsel today—and technology is their path to achieving these goals.

Corporate legal departments' intense focus on efficiency is apparent in two findings from the Association of Corporate Counsel's 2020 survey[1] of more than 1,000 General Counsel (GC) worldwide.

First, many GCs redesigned workflow processes (57.6%) and bolstered project management and knowledge management (41.1%) to achieve efficiency gains in the past year. Second, the average number of legal operations specialists working in corporate legal departments trebled from about two to six in the past three years.

57.6%

GCs redesigned workflow processes
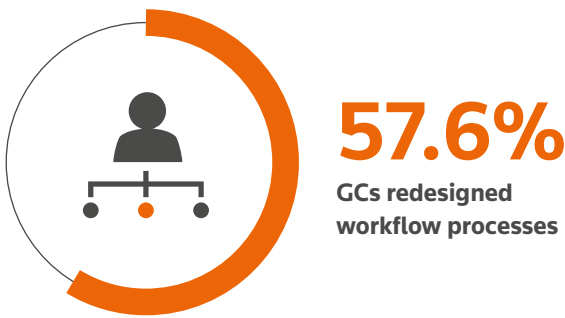
These represent two elements of GCs' strategic plans: people and processes. The third is technology. Half of those surveyed said they increased their teams' use of tech solutions in the previous 12 months to improve efficiency, and 42% said they intended to do so in the coming year.

Further, when asked to name their most vital strategic initiative, GCs most often identified "digitalisation and technology."

Their strategies include:

- Adding web-based applications for data management related to litigation, contracts, and licenses.

- Implementing document management software.

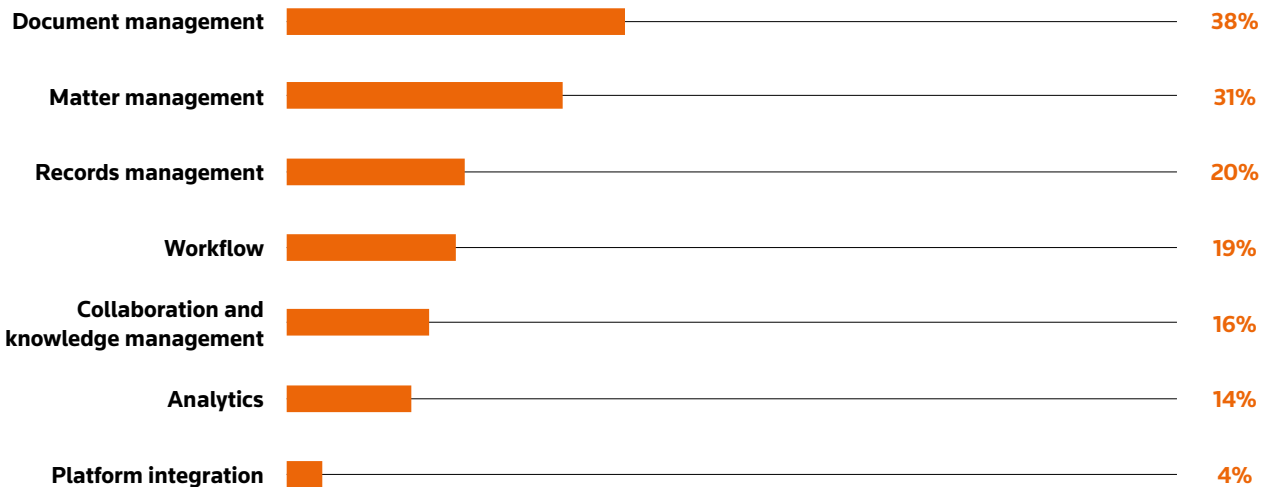- Redesigning workflow so all requests for legal services come in through the same path.

These findings are echoed in a series of in-depth interviews HighQ recently conducted with leaders in corporate legal departments.

"Technology can change the landscape for GCs, and these changes require GCs to look at legal team resourcing differently," says Phil Norah of Aggregate. "The modern GC will inevitably spend more time seeking to embed more technology in their business."

Ron Masciantonio of Five Below Inc. says, "We are focused on identifying technology solutions that will not only help us increase viability and efficiency, but will also generate actionable data to help us appropriately tailor and improve our legal services to best serve our company in the future."

And yet...

Despite this growing use of technology, most corporate legal teams have not adopted many common tech solutions. In a separate ACC survey[2] of more than 500 legal departments in the Americas, Europe, Asia Pacific, the Middle East and Africa, only 41% of respondents had adopted contract management tools and even fewer were using tech solutions for:

Document management	**38%**
Matter management	**31%**
Records management	**20%**
Workflow	**19%**
Collaboration and knowledge management	**16%**
Analytics	**14%**
Platform integration	**4%**

1 ACC Chief Legal Officers Survey 2020
2 ACC Global Legal Benchmarking Report 2019

This paradox suggests many legal departments may be investing piecemeal in a variety of disparate point solutions. This disjointed approach creates functional gaps and knowledge silos while trapping data in multiple, stand-alone applications. As a result, information and activities are not integrated, information is not easily shared, data cannot be effectively analysed, and efficiency wanes.

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The vision of a tech-enabled, data-driven legal operation is driving change, but it requires a big-picture strategic plan and thoughtful implementation.

Katie Selves of Gattica says technology implementation is, and will continue to be, a central part of her role. "The introduction of technology to track matters and assist with engagement with the business is the first step in what will be an increasing part of my role over the coming years," she says. "I now dedicate time to considering new technology solutions and am introducing an operations manager role to ensure that we get full ROI on our investment in this technology."

Legal technology "has the potential to materially change the way in which my team and I provide legal support to our business," says Cornerstone's Phil Warren, "particularly in the areas of document and transaction automation, reporting, data analysis, and cost management. It should allow us to better manage the work we do, resource plan more effectively, and provide improved information."

Digital GCs Create Bespoke Plans to Advance Their Organisations' Priorities

Technically savvy GCs lead digital transformation with a clear picture of the legal work essential to their organisation's strategic success, operational tasks that bog down their teams, processes that can be automated, data that can generate insights, and the capabilities and limits of various legal tech solutions.

"It's important that technology solutions are appropriately tailored to fit the particular environment at the company," said Ron Masciantonio. "There is not any one-size-fits all approach to use of technology in-house."

For example, Katie Selves is focused on tracking and reporting key performance indicators and service-level agreements. "Technology will enable us to track turnaround time and the status of matters," she says, "which will increase engagement and our (reputation) within the business."

Phil Warren notes that a successful operation can increase demand and workload. "We have found that the business does come to us perhaps too much now and we need to elevate the lawyers above the day-to-day churn so they can concentrate on the work that really does deliver value and help drive the business to achieve its objectives," he says.

"Having better legal tech solutions will certainly help us to do that by enabling the business to have better access to information, giving us visibility of the types of work the team is doing, and managing that more effectively."

Sarah Barrett-Vane of SBV Consulting says in-house legal teams need:

- Accurate information and analysis of legal spend.

- A user-friendly, online intake form.

- Document automation, which she defines as "a way to get documents and contracts drafted, agreed to, and signed accurately, consistently, and speedily."

- A contract lifecycle management tool.

- A document management system that allows internal staff and external stakeholders to access and amend documents securely and efficiently.

- A collaboration platform that internal and external lawyers can access for horizon scanning, legal updates, and knowledge management.

"All of (these) must produce user-friendly reporting tools and bespoke dashboards," Barrett-Vane says. "All systems must also be lawyer-friendly, easy technology."

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At Five Below, Ron Masciantonio is applying this framework to his primary challenges: Matter intake and management of real estate deals. (His team handles more than 200 new-store lease deals per year.)

"First," he says, "we are finalising a Real Estate Matter Tracker to assist with managing and creating visibility into the real estate lease process. Second, we need to develop a more self-service contract intake process which allows us to (reclaim) time from administrative tasks for more value-added activity."

"A third challenge is gaining better visibility into our legal spend—by type of matter, department, and other attributes—to allow better understanding on efficiency as well as risk."

Getting it Done

HighQ asked Digital GC's for advice for their peers, in-house lawyers, and legal operations professionals striving to harness technology to optimise and streamline their legal departments. As you'll see, they were generous in their guidance:

1) Assess Your Needs

"Be very clear on what you need from a technology solution," Phil Norah says. "Technology can be a great enabler, but make sure it meets your needs. Don't do technology for technology's sake."

Sarah Barrett-Vane advises legal teams to evaluate their day-to-operations and envisage a more streamlined approach. "Go back to basics. What do you do now and how? Who does it? Where are your pinch points? What could you do differently, and how? Focus on your priorities. Work out what you could do better and then prioritise that. You cannot really implement more than one big thing in 12-18 months unless you have a lot of resource."

2) Do Your Homework

"Check out the marketplace to see what's available and talk to others in your network about their experiences," Phil Warren advises.

"Look at what (technology) is out there but do not get overwhelmed," Barrett-Vane says. "Talk to people in the know rather than having demo after demo. Carry out an internal survey, maybe. Talk to the relevant people, including in the business. Have a strategy away day, or two."

3) Plan, Plan, Plan

"When implementing technology, it's all about planning and resourcing up," Barrett-Vane says. "It's often a major project. This is not an add-on to a lawyer's day job. You may need short-term external help. You may then need to think about hiring someone with the right skills to run and maintain those technology solutions for you. You don't want any solution to fail due to poor implementation or lack of ongoing management."

4) Ensure Your People and Processes are Up to the Challenge

"It is very important to respect the amount of administrative work required to make technology work," says Ron Masciantonio. "Without active management technology can quickly become 'just another process' instead of an enabler of excellence, which is what we need technology to be."

Steve Ball of Boost Legal adds: "Never forget, the people and processes are critical too, and potentially the harder parts to get right if you want to secure adoption and lasting change."

5) Pace Yourself

"Focus, start small, and grow over time," says Steve Ball.

6) Don't Wait

"Don't wait to develop the perfect solution," Selves says. "Get something in that satisfies your basic requirements and work . . . to improve it."

"Don't procrastinate," agrees David Griffin of BT. "No one mapped out their processes before buying their iPhone. They saw the potential and went for it."

A Framework

Here is a framework that corporate legal departments can follow to assess their technology needs and forge a path to digital transformation.

Business Engagement and Enablement

This objective can be supported with:

- Real-time, visual dashboards that stakeholders can use to access key metrics that assess operations and inform decisions.

- A self-service portal where internal clients can access standard contract templates along with integrated legal guidance and automated negotiation playbooks.

- A matter intake solution for more complex issues. This includes tailored forms to properly instruct the legal team and workflows to assign and track requests.

Legal Management, Collaboration and Productivity

This set of objectives can be supported with:

- Legal tech solutions integrated in a central platform that team members use for matter management, knowledge management, progress reporting, and work tracking.

- The ability to capture data from tasks and workflows for analysis to create efficient, streamlined and repeatable processes.

- The ability to measure and report key performance metrics relevant to business leadership, such as spend against budget, cycle times, number of matters per lawyer, and spend by business unit.

- Simplified, secure document management featuring version control, digital rights management, advanced permissioning, auditing, and integration with MS Office and G-Suite. A centralised, searchable document repository is a single source of truth for the legal team; information is no longer scattered across emails and local drives.

External Counsel Management

A central technology platform facilitates effective management of outside counsel in several ways:

- Enabling communication, collaboration, and information-sharing that promotes clear expectations, progress reporting, spend tracking, and secure document management.

- Improving financial reporting—budgeting, invoice submission and approval, reporting on work-in-progress, and analysis of spend-versus-budget.

- Better legal project management with easy file sharing, project planning, task management, matter status tracking and other activities. Knowledge is centrally stored and routinely updated, speeding onboarding for new counsel, experts, and contractors. Knowledge and data are retained for future use and analysis.

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Contract, Asset and Risk Management

This set of objectives can be supported with:

- A centralised contract management system that facilitates intake, review, approval, and signing.

- A system in which internal business clients instruct the legal team on new contractual matters, and the legal team organises all contract activities, processes, versions, and associated documents in a central repository.

- Automated workflows that speed the review and approval process while simultaneously creating a full audit trail for risk and compliance purposes.

- The ability to collect electronic signatures and extract data from executed contracts to deliver valuable insights.

Looking Ahead

HighQ asked Digital GCs to describe what the in-house team will look like in three years. They anticipate big cultural, operational, and technological changes.

"As our company grows, I see the legal department developing a true legal operations function as well as a more robust legal compliance function," Ron Masciantonio says. "We will need the lawyers and other professionals to focus on more substantive work—leaving the administration and technology management to individuals better skilled in those areas."

Steve Ball says "more efficient processes and automation should reduce the time in-house lawyers traditionally spend engaged in the back and forth of taking initial instructions on routine matters. With investment in AI technology, initial document reviews and lawyer's first interactions with incoming documents will change, reducing overall review time by lawyers and increasing consistency of policy application."

In three years, "technology and people will have changed the most," Barrett-Vane says. "I predict, hopefully, that more teams will have bought appropriate legal technology solutions for their needs and implemented these solutions successfully."

"I hope that teams that need one will have recruited a legal operations director, legal project manager, and/or a data analyst. I would like to see more rounded teams where other skilled professionals are as highly regarded as legally qualified staff," she says.

"I think teams in general will have become more tech-savvy, utilising products fully. Email may actually no longer be the favoured way of communication for certain teams. There may be more home working due to technology capabilities tied into the cost and environmental impact of commuting and maintaining offices in central cities."

For the last word, we turn to Cornerstone's Phil Warren. "The in-house team (will be) connected, agile, and commercial using various types of tech to manage the work it does and focus its efforts on delivering practical solutions to its stakeholders," he says. "That tech will be available in a seamless way across different platforms allowing easy access to information and knowledge. However, that tech can only go so far. What won't change is the importance of building strong relationships with colleagues and external advisors working as one team." ●

About HighQ

HighQ is a solution for secure document exchange and team collaboration. Used by some of the world's leading law firms, investment banks, and corporations, HighQ enables enterprise-grade document management with the best corporate social tools. Securely exchange critical business information and collaborate with colleagues, customers, and partners in one unified space.

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