

Is Your Legal Department on Track for Financial Success in 2010?

Huron Consulting Group's Top Five Tips

Corporate legal departments face even greater challenges in 2010 as they struggle to do “more with less” while searching for innovative service delivery methods. Companies are looking to reduce legal spend, but their legal demands are increasing, which places even more pressure on general counsel and legal departments. The old “normal” no longer exists; in its place general counsel and legal departments should adopt an integrated strategy that addresses cost drivers, including staffing and technology, while managing risk as they create a new service delivery model.

Huron Consulting Group compiled a list of the Top Five Tips to help legal departments determine who and what drives costs and how these issues can be managed for success in 2010 and beyond.

1. DISCOVERY MANAGEMENT

Discovery is the single largest legal cost facing many companies in a given matter. For example, companies that provide complex goods and services such as those in the pharmaceutical, financial services, oil and gas, and telecom industries spend as much as 50% of their legal dollars on litigation with more than half of that going toward discovery. This cost crisis has become more profound as companies struggle to manage prolific amounts of electronically stored information without a comprehensive strategy.

2. COST MANAGEMENT

Companies must develop financial strategies to manage costs in an ever-changing legal environment. A comprehensive plan should integrate people, process, and technology with stated goals and key performance indicators. It must be a plan that can evolve and react to internal company changes and meet external industry shifts.

3. OUTSIDE COUNSEL MANAGEMENT

Outside counsel spend often amounts to a significant cost for the majority of corporate legal departments. Simply negotiating lower rates will not address systematic issues - something more comprehensive must be pursued. Companies should look at several key issues such as sourcing, staffing mix, value and pricing - both hourly and alternative - when determining what outside counsel best suits specific litigation needs and risk level.

4. IN-HOUSE RESOURCE MANAGEMENT

Gone are the days when in-house attorneys can self-determine their role within a company. Companies must move their lawyers away from a silo-mentality and instead integrate the total workforce, clearly defining roles and responsibilities for attorneys and non-attorneys at all levels. Workload alignment will provide increased efficiency and greater value for the company as well as helping to manage outside counsel costs. The role of an in-house counsel is a key driver for outside counsel costs and ultimately, the legal department.

5. TECHNOLOGY & PROCESS MANAGEMENT

Technology and process management should be used at every level and not only as an administrative tool. This concept is clear when looking at an e-bill. It's not simply a bill “receipt, review, pay” tool. It is a strategic system put in place to help understand and analyze spending patterns, levels, cost drivers and more. In order to succeed in implementing these types of strategic tools, companies need user buy in. This can be accomplished by building new processes into daily work life - just as email has been wholly integrated into our modern day workflow.

The legal industry was severely impacted by the recession. While these Top Five Tips address several key issues, many other challenges face legal leadership in the years to come as cost containment continues to be a critical factor in determining success for legal departments. In this shifting landscape, the legal departments most willing to evolve with the market will be the most successful in 2010.

ABOUT HURON'S LEGAL CONSULTING SEGMENT

Huron Consulting Group has spent years delivering legal consulting solutions for clients in a range of industries. With the V3locity® solution Huron streamlined e-discovery, making the price more affordable and predictable, and continually added people and secure review centers to meet the growing needs of the market. Now, with IMPACT™, Huron helps clients reduce costs by 15% to 40% through an integrated program that looks at legal expenses across the board including in-house and outside counsel, processes, and workload analysis.

- **DISCOVERY SERVICES**

Huron helps attorneys prepare and plan for all phases of discovery by providing strategic advice and resources to manage discovery challenges. Our experts design, implement, and optimize enterprise- and transactional-level processes and technology to better prepare our clients to fulfill their discovery obligations.

- **V3LOCITY®**

Huron has long been a leader in the e-discovery marketplace. Huron's V3locity® (pronounced "velocity") is a fixed price per gigabyte reviewed e-discovery solution, which can result in up to 60 percent reduction in costs to clients compared to industry standard pricing. Electronic document discovery has become one of the single largest components of litigation, with the review portion accounting for up to 80 percent of the \$3 billion a year e-discovery marketplace. Huron's V3locity solution combines cost savings, high speed, new technology and expert review centers across the country and capabilities in India to deliver total litigation support for corporate legal departments, law firms and government agencies.

- **DOCUMENT REVIEW**

The Company's document review centers provide comprehensive attorney review and document management solutions for legal matters to both corporate clients and law firms across a diverse group of industries. Huron's document review centers combine technology with efficient processes all in a secure environment. This, in turn, delivers accurate analyses on a cost-effective basis. The result is an integrated review process that is substantially faster, more accurate and less expensive than more traditional review services.



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