

TEN PRACTICAL TIPS FOR THE NEW GENERAL COUNSEL

By Kevin Blodgett, Julia Chain and Joy Saphla

THE HURON LEGAL
INSTITUTE

As a new General Counsel (GC), there is very little time to reflect on your career achievement. In today's fast-paced world, expectations are high and doing more with less is often required in short order. The following ten practical tips will help you quickly assess your department, cast your vision for the future and begin to make your mark.

1. ESTABLISH A 90-DAY PLAN.

A plan for your first three months on the job is essential. The 90-day plan should include key milestones and an action plan for reaching them. What to include in your 90-day plan will depend on your company, your department and your prior connection with the organization. We recommend that you consider the following areas to best position your department and yourself for long-term success.

2. GET TO KNOW YOUR TEAM OF RESOURCES, BOTH INTERNAL AND EXTERNAL.

Getting to know your team is time well spent – after all, the success of your law department ultimately comes down to your people. Within your department, you will want to meet not only with your direct reports, but also with the entire department. Where practical, we've found one-on-one meetings with all departmental attorneys and staff to be the best received and most impactful way to cast your vision, gain important insights and establish an ongoing two-way dialogue. As an incoming GC, you may want or need to make changes to your reporting structure or the composition of the team – establishing good relationships immediately will make the change process easier. Be sure to reach out to team members in remote locations as well – early contact helps ensure that your entire department has a “one team” attitude.

It's also important to get to know your external team – schedule meetings with key outside counsel and other vendors. They are extensions of your department and critical to its success.

Early meetings with your internal and external team will alleviate some of the anxiety that is inevitable with change. By establishing a precedent of open, two-way communication, you will be taking a step to ensure that your team members feel more engaged in the department's activities, leading to potentially greater productivity.

3. GET TO KNOW YOUR CLIENTS.

Get to know your clients both on an organizational and an individual level. Organizationally, make sure you understand the company's overall corporate strategy: its brand, values and corporate culture; its competitive and business environments; and its key people and business structures and processes. Understand the functions of

each division or business unit within your organization and how these interrelate. It is also important to establish personal relationships with your business clients, including the CEO and the board of directors. By doing so, you will build the foundation for a “trusted advisor” relationship – a key element of your ultimate success – and lay the groundwork for top-level support of your departmental initiatives.

A personal comfort level will encourage clients to be forthcoming with their input as you conduct assessments of your department's work and make decisions regarding any changes going forward. Your relationship with senior leadership sets an example for your team members' interactions with their own client contacts.

4. EVALUATE ALL ASPECTS OF THE LEGAL DEPARTMENT'S SERVICE DELIVERY MODEL, INCLUDING RELEVANT BENCHMARKING INFORMATION.

Not to belabor the obvious, but the function of the legal department is to support the company's business. Take a look at the services being provided by your department and make sure that they fulfill the clients' needs and are aligned with the company strategy. Your objective should be to provide proactive legal support in the best, most efficient manner and to satisfy your internal stakeholders. You should also find out how you compare to other similar legal departments.

Effectively performing this evaluation requires a considerable effort – take a detailed look at what work is being performed internally and externally, and be sure to get the clients' perspective regarding what work should be done. There are a variety of ways to glean this information: client interviews, interviews with law department staff and outside counsel, workload analyses, analyses of billing records and benchmark surveys.

Never assume you and your team know what the client really wants even if you have not heard any complaints. Sometimes what you discover can be surprising! Very busy legal departments are often doing work that is either unnecessary or does not advance the company's business goals, while leaving more important work undone.

5. DEVELOP AN UNDERSTANDING OF HOW WORK IS ALLOCATED BOTH INSIDE AND OUTSIDE THE DEPARTMENT.

In addition to understanding the specific work that should be performed by the legal department, it is important to take a look at who is actually doing the work and why.

- What is the expected role of in-house counsel, and what should it be? Is this the right approach?
- Is the right work being kept in-house and sent outside?
- For work sent outside, is it being sent to the right outside counsel or other service providers?
- Are the right level resources doing the work both internally and externally?

Your goal should be to develop a plan to allocate work on a proactive basis to the most appropriate resources based on skills and competencies, level of effort relative to the work's value or risk, and the most effective use of internal and external resources.

One way to do this is to take a detailed "inventory" of the types of work currently performed (or expected to be performed in the future) by each department member as well as outside counsel, and then categorize and prioritize the work by complexity or value. That analysis can be used to determine the appropriate resource to whom the work should be allocated – internal or external; if external, what law firm or other vendor; and for both, the most appropriate level of resources for handling the work (e.g., senior attorney/partner, junior attorney/associate, paralegal, non-lawyer).

6. UNDERSTAND THE LEGAL DEPARTMENT'S OPERATING MODEL AND WHETHER SUPPORTING PROCESSES AND TECHNOLOGIES ARE IN PLACE.

Once you have an understanding of the work to be done and who should be doing it, look at the processes and technology that support the work. Common and standard departmental processes (and supporting technology) will improve efficiency and productivity and can generate hard-dollar savings in a variety of ways. Common areas of opportunity where process can improve efficiency include matter management, e-billing, financial management, discovery management and document review, document and records management, contract management and intellectual property management.

Be sure not to look at individual processes or technology solutions in isolation, but rather look at how they can or should work together and how they work with other systems within the company. Your goal should be to have integrated, enterprise-wide or department-wide processes and technology. Integrated systems leverage the benefits and efficiencies by sharing and ensuring consistency of information and reducing duplication of effort.

7. ASSESS THE MANAGEMENT OF LEGAL SPEND.

Legal departments are under continued pressure to operate as cost-effectively as possible. While it is imperative for all new GCs to take a close look at their departments' spend, it is typically a good idea to resist the first impulse to put the budget at the top of the 90-day "to-do" list and immediately start slashing line items.

A more prudent course is to consider legal spend as part of the overall department assessment. Your analysis of the department's workload, work allocation and processes will likely reveal efficiency opportunities, making the spend analysis easier and more geared to long-term cost management. In the context of these analyses, ask yourself:

- Are we best utilizing our financial resources internally and externally, based on our internal organization management and our external allocation of work?
- Is our cost structure appropriately aligned with the value of work?
- How does our spending compare with relevant benchmarks?

Benchmarking can also help put your department's spend in perspective.

Based on our experience, taking a holistic approach to controlling costs can generate sustainable savings in the range of 15 to 40 percent. For example, allocating work appropriately to the right outside counsel with the right staffing models can generate more sustainable cost savings than simply freezing rates or seeking rate reductions, because the latter tactic does not address the fundamental issue of the appropriate effort level required to deliver the desired results. Similarly, reducing internal headcount without taking a close look at whether the right work is being done will not necessarily result in sustainable cost savings if it leads to an increase in outside counsel spending.

8. ASSESS THE DEPARTMENT'S LEADERSHIP CAPABILITIES.

If you have done an effective work allocation assessment, identified who is performing what work within your department and have an idea of any changes that need to be made in that regard, you then need to consider the composition of your team. This review should include the leadership team and, more broadly, address future staffing needs as well as the needs of the employees themselves to assure long-term stability of the department.

With all the challenges you face, you will need to have in place a really effective leadership team to whom you can delegate with confidence. Make sure you assess your leadership team at an early stage and make any necessary changes before the existing structure is too embedded. Then implement a regular schedule of leadership meetings and 'get-togethers' so your leadership team feels valued and repays your trust.

TEN PRACTICAL TIPS FOR THE NEW GENERAL COUNSEL

Some additional issues to address include staff development, leadership assessment, employee engagement and satisfaction, team dynamics and any cultural challenges. If your department has recently grown by merger or expansion, your focus on these questions may be more urgent in order to develop a “one team” culture. A cohesive legal department with engaged and satisfied employees will operate most effectively and provide the best support to the organization.

9. ASSESS THE MEASUREMENT AND REPORTING CAPABILITIES OF THE LEGAL DEPARTMENT.

It's a tried-and-true axiom that “what gets measured gets managed.” Take a look at what is currently being measured in the department and what should be measured. Not everything can or should be tracked, but without measurement of results you may not be able to document success or recognize when adjustments are required. Some common areas for measurement include budget-to-actual variance reports; average cost by task; average hours per matter by matter type; percent of total outside counsel fees paid to primary law firms; average response time to client inquiries; and overall client satisfaction ratings. Make sure these reports are in a useable format – they should be internally consistent, clear and concise, presenting the information required to make decisions.

10. CLEARLY ARTICULATE YOUR VISION FOR THE LEGAL DEPARTMENT AND YOUR EXPECTATIONS FOR ALL TEAM MEMBERS.

With the information gleaned from the above analyses, you can develop a vision for your legal department. A clearly defined vision outlines the department's “future state” and the key steps to achieve it. While the vision should come from the legal department's leadership, it is a good idea to elicit team input to help ensure that it is a shared departmental vision. Holding a workshop for your team at an early stage to discuss creating a vision for success is worthwhile and, when done right, is a quick way to start creating a cohesive team. Along with communicating the vision, make sure that your team members understand your expectations of them and their respective roles in advancing the vision.

There is only one opportunity to make a first impression. By following the tips outlined here – taking a smart, focused look at your department and its operations and developing a clear, data-based vision going forward – you can exemplify the adage, “begin as you mean to go on.”

Kevin Blodgett, Julia Chain and Joy Saphla are all Managing Directors of Huron Legal. Blodgett and Chain are both former general counsel of major corporations. Saphla is the Legal Management Consulting solution leader at Huron Legal.

To learn how Huron Legal's solutions can deliver value for your organization, contact us at **1-866-229-8700** or huronconsultinggroup.com.