Law firm **IT professionals can jump** right into the legal operations **revolution**

BY CHRISTY BURKE

IT professionals at law firms need to pursue new technologies actively so they can provide the best possible solutions for clients, says Christy Burke

The corporate legal operations revolution is here to stay. Corporate law departments are increasingly being run like all other business units within a company. Led by operations gurus who are often also lawyers, legal departments are now responsible for staying within budgets with full profit and loss accountability. They are expected to align themselves with the corporation's strategic priorities, trim inefficiencies and maximize return on investment.

'There is no more "veil" for the legal department – no more special treatment or open checkbook,' says Doug Luftman, general counsel and chief innovation officer at Lecorpio and previously chief IP counsel at NetApp. 'Legal operations groups are forming to manage corporate legal work in a much more methodical, analytical way. Companies are developing ways to manage third-party services with greater efficiency and this includes outside counsel firms.'

This revolution has given rise to organizations like CLOC (Corporate Legal Operations Consortium), founded by Connie Brenton, chief of staff and director of legal operations at NetApp. She sees the corporate operations movement as a golden opportunity for law firms to jump on board, providing useful information and tailored solutions to accommodate corporate clients.

Brenton notes that more can be done to bridge the gap between what corporate clients want and what law firms are capable of providing. 'Corporate legal and law firm efficiency goals have not yet aligned – that's part of laying the foundation,' she says. 'If we understand each other's differences and requirements and processes, we can co-develop solutions, together.'

For example, artificial intelligence (AI) presents a great opportunity that both inside and outside counsel could discuss and possibly leverage, Brenton adds. 'Also, instead of spending time generating newsletters that are often deleted, law firms could spend time meeting the needs of in-house departments by providing information such as real-time analytics, and dashboards or implementing technology that can be shared between both, such as electronic signature and workflow technologies.'

Corporate legal is definitely putting pressure on law firms to employ data analytics, says CLOC member Mary Shen O'Carroll, who is head of legal operations at Google. 'Law firms have the big data – they have years of billing records so they already know what things cost,' she says. 'However, law firms are more reactive than proactive so they need to take the initiative by harvesting this data. Firms can improve their knowledge management systems and leverage work that was done for other clients rather than reinventing work done previously. Law firms must be willing to make their own internal data available to benefit their clients.'

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Jeff Franke, chief of staff to general counsel and director of global legal operations at Yahoo, also a CLOC member, recommends that law firm IT professionals assertively pursue new technologies, some of which are still in their nascent stages, so they can provide diverse solutions to clients.

'Law firm CIOs need to reach out and develop strong ties to COOs and CLOC members,' he says. 'Most of the legal verticals are ripe for combined solutions, including intellectual property, employment and litigation. Promising technologies like contract management are still green, poised for further development. There is a huge opportunity to leverage dashboards and be on similar platforms to share data. However, law firms are not leading with offering a dashboard and they haven't taken time to enter their own data to populate the dashboard with information. Wherever there is inefficiency, there is a huge opportunity

for corporate legal departments and law firms to innovate – together.'

The corporate legal operations phenomenon has had a direct effect on outside counsel law firms, motivating them to build efficiency and collaborate with clients to solve problems. The stakes are high because firms that won't cooperate and actively participate in the process may find their clients seeking counsel elsewhere.

In response to client requests, law firms must leverage software more effectively and collaborate with their clients to implement creative billing and technology solutions. The law firm IT professional is 'front and center' in fielding and solving these client-related issues. Perhaps once thought of as 'part of the overhead' or 'support staff', the legal IT professional is now crucial to the livelihood and future of the law firm. Law firm technology professionals can use this newfound power to break new ground and boldly pursue the exciting, rewarding careers that inspired them to choose the IT profession in the first place.

Matt Kesner, CIO of Fenwick & West and a former practicing attorney, has seen great change during his 16-year tenure at the firm. He explains that many of the firm's clients have formalized their commitment to efficiency and process.

'People/process/technology – you need to combine all three to get good results,' he says. 'Inside counsel is striving to show its value to the corporation. In turn, our firm strives to provide proof of our value through analytics, diverse pricing options and the ability to move faster. The pace of change is increasing and there are constantly new tools and technologies becoming available. Law firms need to be open to this evolution and jump right in. Our work with clients on these projects is collaborative and harmonious. In fact, it allows our firm's IT professionals to exercise their core competencies, namely talking to clients and internal stakeholders about what problems exist and devising creative IT solutions.'

Justin Hectus, director of information at Keesal, Young & Logan, shares this enthusiasm about the burgeoning opportunities for law firm IT to shine. 'The rise of corporate legal operations has been a great gift, providing us ▶

with clear direction from the most important source imaginable: our clients,' he says. 'Client requests for new technology and efficiency help us set priorities and give greater credibility to tech-related projects. Law firms are starting to look to their IT leaders for direction. Non-lawyers now have a seat at the table with added clout, engaging in an honest dialogue about how technology tools and streamlined processes can benefit the firm and its clients.'

Law firm IT professionals may be concerned that the corporate legal operations demands will lead to a lot of extra work for them. While this may be true, in the long run the law firm – and its employees – win.

'Efficiency gains are a win-win,' says Brenton. 'Law firms leveraging new technology will be able to compete better. More efficient work models will attract more clients. True, technology takes a while to install and become stable. However, the longer law firms wait to get started, the further behind they will be. The takeaway for law firms is… start! Those who are late to the party will be very late indeed, and perhaps out of luck. This could happen more quickly than people think – we are at the tipping point right now.'

As a law firm IT leader, Hectus echoes Brenton's call to action for law firm IT professionals to engage in the legal operations movement now, even if they are feeling overwhelmed. It's understandable to become mired in fear or denials mode when faced with many new concepts at once. He advises CIOs to accomplish what they can and jettison what's no longer valuable. 'Don't rush in blindly – rather, engage in dialogue with your clients to see where the market is gaining traction so you can make a smart play,' he says. 'The goal is not insurmountable – get a foothold and focus on getting in sync with your corporate clients.'

The message is clear for legal IT professionals when it comes to joining the corporate legal revolution. If you haven't started yet, or have been dragging your heels, get going! If you have already started engaging with clients regarding legal operations and technology innovation, keep going. Jump right in – an exciting, dynamic world awaits you, inviting you to make your mark and spearhead innovative progress at your firm!

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