

7 STEPS TO GO FROM SERVICE PROVIDER TO DIGITAL-READY BUSINESS PARTNER

By investing time and resources to engage and listen proactively to internal colleagues, to experiment and ideate, and to use new technology and data, you will do more with more, and for less.

By Christine Hasiotis and Mark E. Young | December 8, 2020

From our front row seats, there is an ever-increasing opportunity for in-house lawyers to be more purposeful and creative in charting the path by which they can—and should—expand their reach and influence as business partners.

The COVID-19 pandemic has caused all industries to rethink operating models, and this certainly includes legal. Companies cannot afford to invest in workflow that can't be scaled or optimized—including the law department. A static legal department will struggle to keep pace with the speed of digital business. The costs of time-consuming manual processes, lack of transparency across the full spectrum of legal work, and inefficient use of resources—are far too great.

The current business environment disruption, coupled with intensifying competitive pressures, suggests this moment finds particularly fertile ground for corporate counsel to change from provider to partner to accelerate Legal's transformation from cost center to business partner, and ultimately to profit center.

Here are critical success factors that provide concrete steps for Legal to become a digital-ready business partner:

1. Commit to client-centricity and ongoing needs assessment.

Begin by knowing your internal client, your business colleagues, and their business customers. Continue by listening, discerning, and leading with empathy. Think of the voices of your internal clients as true strategic assets. Capturing your colleagues' insights and perspectives on growth and operational priorities—and importantly the *why*—lays the foundation for all that you do presently and will do in the future. Collect this intelligence with ongoing discipline; assess it, socialize it, and act on it. What's changing (and why), and what's not changing (and why)? What's behind a plan to introduce a new line of business or product offering? This additional insight can be a catalyst for visionary ideas on risk management, competitive positioning, and deal-flow channels. Diligence in listening must be sustained; think of it as a daily task.

There is a strong argument in favor of investing in resources that enhance collaboration. With COVID-19 having stripped us of coffee breaks and visits to global offices, it may seem like opportunities to meet new co-workers and engage with colleagues in different departments no

longer exist. Proactive outreach, especially now, will only underscore the value of the legal function to the organization. And it can exemplify the adage: trained to be problem solvers, the best lawyers are also problem finders.

2. Increase the focus on efficiency and optimization of resources.

Rethink the end-to-end delivery for the specific legal service function rather than take a particular task or problem and solve it on a transactional basis. If you take the time for a listening tour, you will understand not only what is critical to the business, but the end game to be achieved. Now you are ready to start mapping out every step in the specific legal function by reviewing the technology, workflows, and processes applied and the resources utilized. Precisely analyzing the tasks performed, how the work is performed, who performs it, how long it takes, and where it is performed.

At each step of the exercise, ask why we do it that way today, and if it can be done differently tomorrow. It takes time and is a considerable effort; sometimes, this process is a luxury that in-house teams cannot afford. Yet, it is an opportunity to team-up cross-functionally to add a different perspective and a fresh approach. The goal is to refocus the in-house team beyond the more traditional reactive role of enterprise defender to consider requirements critical to the business now, such as speed, agility, measurement, predictability, and identification of leading indicators.

3. Embrace a data-driven approach.

By now, we have all heard the legal operations mantra: measure what matters. In the service of a client, corporate counsel must not hide in the artistry of what they do, but rather embrace what can be quantified to create more internal value to monitor, measure, and, most importantly, analyze progress and results.

Similar to process management, data-driven management requires one to step away from the current state to define the business objective. What can be measured, how to quantify it, and what results are actionable for continuous improvement? Data does not obviate the need for client listening, but rather is a tool that quantifies progress for Legal and helps significantly in managing client expectations.

4. Advance technology development and deployment with hands-on resolve.

For some, more actively embracing technology requires that they get off the sidelines and get uncomfortable. More than ever, in the constantly changing digital world, technology is now integral to the practice of law and the legal operation. Lawyers may be viewed as at the "back end" of the technology deployment, or the non-technical professionals, but technology is no longer a silo for those in the IT function. It is the accretive ingredient to modernization and necessary for a secure legal digital transformation.

Today's legal leaders should be asking what digital means for their functional area. Putting aside software for a minute, this requires collaboration and willingness to be a change agent. Leveraging technology is a key ingredient in becoming a new age digital native. Technology will provide the platform to drive transparency into the legal function; deliver proactive analytics to identify risk, exposure, and trends; predict outcomes; supply business metrics; and, propel legal intelligence. It is time to ask not can we, but *how* shall Legal leverage technology to create value for the business to deliver greater efficiency, revenue generation, risk reduction, and brand protection.

5. Create and steward a legal department brand.

Think of your brand as a promise: it is what you and your colleagues stand for in terms of service delivery commitment and greater organizational success. Often the understanding of this promise is assumed incorrectly to exist, and sometimes it is misunderstood. A brand is not just a tagline, but rather a multifaceted platform that frames both the authentic way you work and the forward-looking aspirations of the legal department as a critical business function. It can help ensure that internal clients are predisposed to think about Legal in a certain way. It can also provide a robust platform from which Legal can introduce new products and services to its clients. To succeed, a brand requires stewardship. Sometimes it needs protection to prevent it from being diluted or tarnished, but it always needs to be kept fresh and relevant, tied inextricably to the organization's broader vision.

6. Craft a professional development program for a multidisciplinary talent bench.

For Legal to extend its influence within an organization the team must embrace the importance of professional development. The delivery of today's legal services requires more than just legal skills. The talent bench driving growth could include crisis communications, change management, design thinking, market scoping, cybersecurity, and data science.

To further align the legal team with the organization's vision for growth, consider how best to build experiential learning programs with external partners, legal services consultants, outside counsel, and in-house peers at other organizations.

7. Innovate without worry of failure.

Have the courage to try. By continually looking for opportunities to provide proactive and practical business advice, Legal can help create its own innovation culture. Innovation requires experimentation and collaboration. Too often, lawyers allow their training founded on precedent to restrain their behavior. If collaborative strategic legal service is the desired outcome, lawyers should resist the temptation to remain overly self-reliant. To that end, and by way of illustrative example, risk management is not necessarily the province of a few. There is much to be gained by Legal engaging with internal partners to identify and advance innovative approaches and tools. As opposed

to presenting solutions crafted solely in Legal, the team has a unique opportunity to become closer to those it serves.

This is an exciting time for in-house counsel to rethink the legal function and their relationships with business colleagues and external partners. With innovative vigor, Legal can more effectively manage both the opportunity and challenge to meet—and *exceed*—C-suite expectations by delivering greater value for the organization as a strategic partner.

Ask yourself: how can I get out in front to drive efficiency, reduce cost, preserve and find new sources of revenue, and minimize risk to the enterprise? By investing time and resources to engage and listen proactively to internal colleagues, to experiment and ideate, and to use new technology and data, you will do more with more, and for less.

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