

## ***ACC Value Challenge: The Driving Force Behind Value and Change***

*Insights from Jeffrey Carr*

*Vice President, General Counsel and Secretary for FMC Technologies*

In this CLO Perspective, Jeff Carr, Vice President, General Counsel and Secretary for FMC Technologies, shares his perspectives on the ACC Value Challenge and its call to action. Carr is an ACC Board member and a member of the ACC Value Challenge Steering Committee.

“The existing model for legal service delivery is unsustainable, and we've reached a critical milestone where the customers appear willing to drive change,” Carr explains. “The current business model used by most law firms is antiquated, inefficient and ineffective and it fails to deliver value to the client by avoiding -- indeed by punishing -- those that leverage prior work product, streamline processes and focus on profitability by cost reduction as opposed to top line revenue growth.”

Carr emphasizes that, “the ACC Value Challenge is not about companies treating law firms like vendors and ratcheting down billing rates and costs or redistributing the revenue pie.” Instead, “we need our law firms to be profitable – but we need them to focus on profitability through cost reduction, effectiveness and efficiency.”

As part of his leadership role for the ACC Value Challenge and as a CLO, who describes his practices as implementing “a relentless focus on value,” Carr calls on all GCs to work together to reform the model to deliver performance and to reward effectiveness and efficiency. He poses a simple question to the CLO: “After all, isn't that what ‘value’ really means?”

The ACC Value Challenge offers customers and providers a chance to participate in change. He quotes a recent U.S. Army Chief of Staff as saying, “if you dislike change, you're going to dislike irrelevance even more.” Carr emphasizes, “in the legal industry, we can all play in this scary sandbox or we can pay the ultimate price of denial.”

“The time is now, the choice is yours.”

What do Carr and the ACC Value Challenge suggest that you, as a leading CLO, do to further progress this initiative?

- **“Meet. Talk. Act.”:** Pick your three best firms, have a brown bag lunch and start talking. Discuss how—working together—you can improve the value of legal services to your corporate client. The results can be powerful. For a one-page primer on this ACC Value Challenge tool, visit [“Meet. Talk. Act.”](#)

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After your meetings, tell us about your experience, who you met and how it went. We have created a platform that allows you to share information on your experiences and track improvements that firms and legal departments are considering.

<http://www.acc.com/advocacy/valuechallenge/MeetTalkAct.cfm>

- **Participate in an ACC Value Challenge Executive Session:** ACC is taking the ACC Value Challenge on the road and holding executive roundtable discussions among in-house and law firm leaders where you live and work. Participate in an upcoming session and exchange ideas and best practices with others. Click the [ACC Value Challenge: Events link](#) for a listing of upcoming sessions and events.
- **Adopt ACC's Covenant with Counsel:** As a starting point in your retention discussions with outside law firms, consider the terms offered in our [Covenant with Counsel](#) model. Help structure relationships from the start that focuses everyone on value for the corporate client.
- **Share Success Stories:** Contact ACC with ideas on how to make the ACC Value Challenge meaningful. Tell us what you need to succeed, and share information on successful practices your law department and/or law firms are implementing. We are tracking your success stories and will make them available to all to learn (with or without attribution to your company or any firm). To send your story, e-mail us at: [accvaluechallenge@acc.com](mailto:accvaluechallenge@acc.com)
- **Get Ideas from Your Law Department on Practices that Focus on Value:** Hold a meeting with your law department and ask for ideas on practices the department can implement to enhance value to the corporate client, including how they can improve—this isn't just about firm performance. Another spin on this is to ask them what they would do differently with only half of their existing budget; discussing what priorities would make the cut is a valuable way to cut through clutter and focus on what matters.
- **Encourage Your Law Firms:** Hold a meeting with your law firm to ask how they would restructure practices or provide services if your legal spend was cut in half, or if half of the work went away; it is a practice that Carr has used at FMC Technologies with his firms that has yielded interesting discussions and results.