

*Outside Counsel  
Performance Management Through  
Structured Data & Dialogue*

*ACC Legal Operations EMEA  
Virtual Roundtable*

*7 January 2020*

# Introduction and Housekeeping

- ACC Legal Operations EMEA is a growing community of in-house leaders engaged in mutual knowledge-sharing to support advancement of operational sophistication and innovation in legal services
- Virtual Roundtables are held every other month. Next - ***Setting up Legal Operations and the first 100 Days*** - Tuesday 3 March 2020
- A one-day conference will be hosted in Autumn 2020 – details to come
- Do participate in the polls – final slides will include results
- Ask questions using chat tool – the speakers would love to respond

## Our Panel today



***Vincent Cordo***

Central Legal Operations Officer  
Shell Legal Services Global  
Operations Department



***Jaap Bosman***

Strategy Consultant



***Yu Lian de Bakker***

General Counsel  
PVH Europe



***Robin Snasdell, Facilitator***

Managing Director  
Consilio



***Andrew Dey, Facilitator***

Senior Director  
Consilio

# Introduction: Time is of Essence

Transforming relationships between  
law firms and their clients

What was the driver for writing the book?

How did the authors cross paths, binding their knowledge to  
produce the book?

What is Data & Dialogue?

Reference: Data & Dialogue, Transforming relationships between law firms and their clients,  
written by Jaap Bosman and Co-authored by Vincent Cordo, published April 2019

*by legal ops professionals, for legal ops professionals*

# Let's Talk Price and Value

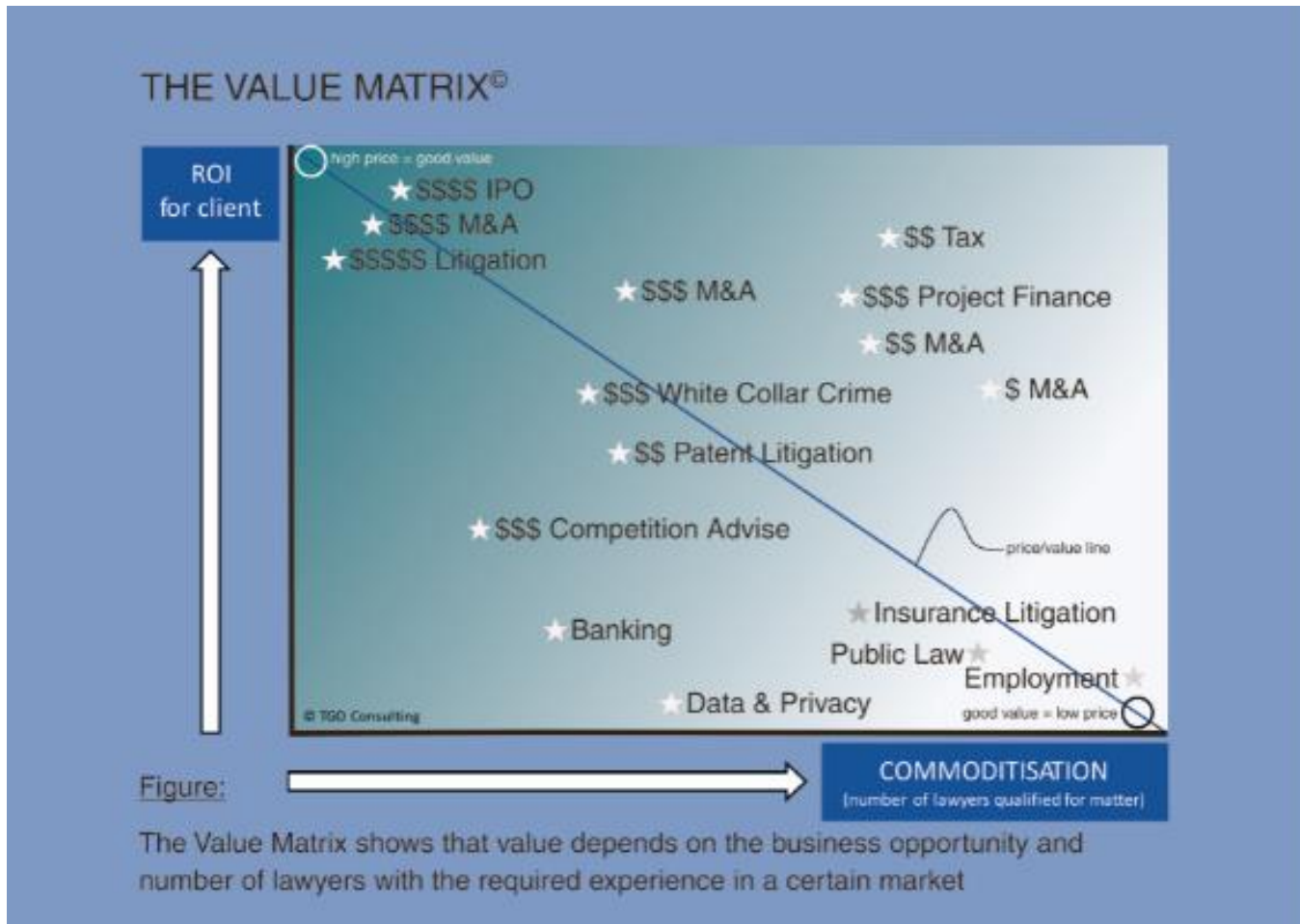
## How do you establish Value?

“There is no single magic formula that can be applied to establish value in any given situation and then put a price on it. For starters, it is important to clearly distinguish between price and value. Steering towards the lowest possible price will be unlikely to deliver great value. Somehow, all the above mentioned elements of value have to be taken into account when seeking to establish what value is.”

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# Let's Talk Price and Value



# How Has Price and Value been established?

Price and Value at PVH Europe

# Poll Question 1

**Do you purchase legal services primarily based on:**

Poll Results (single answer required):

Price	0%
Expertise	100%
None of the above	0%



# Time for Dialogue

Dialogue between clients and law firms is crucial, yet it is rarely done. There remains assumption on either side that one knows what the other wants!!

“...data coupled with structured dialogue will cause a drive for efficiency. Some clients started a few years ago to collect data on time spent on outside legal services rather than just cost/price. They have now implemented quarterly business reports as a way to force a structured dialogue informed by that data. If you start concentrating on time, then efficiency will become a measure for comparison across service providers. Data needs context to be useful”

# Time for Dialogue

Legal Department	Law Firm
Business driven	Drives of in-house legal
Value is business result	Value is complexity of case
Price related to value	Price related to time
Department/team	Individuals

Drivers of in-house legal and law firms respectively can be opposing

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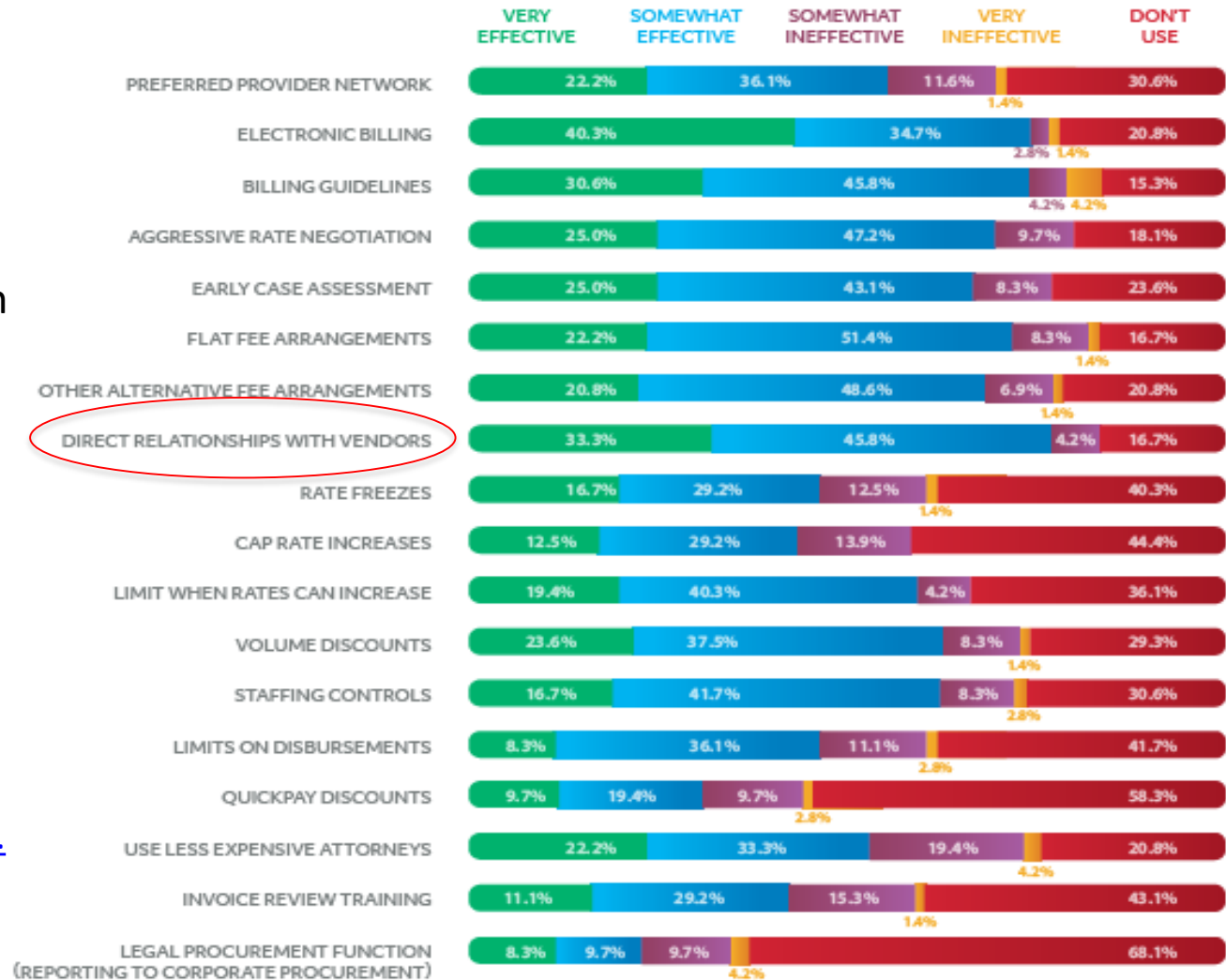
# Time for Dialogue

Clients who have implemented a structured dialogue (i.e. detailed discussions on reports based on data per quarter or more often) have gained in efficiency (and hence reduced cost) by 25%.

## Time for Dialogue

The 2019 Legal Department Operations Survey Report (by Blickstein Group in conjunction with Consilio) endorses the view that “direct relationship with vendors”, i.e. dialogue, helps control external costs

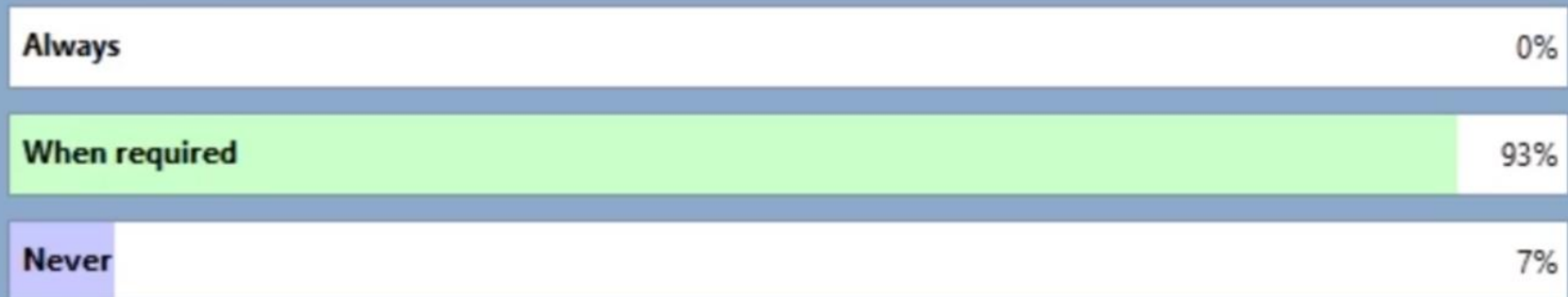
<https://blicksteingroup.com/lgo-survey>



# Poll Question 2

**How often does your legal team and law firm talk to one another about optimising the relationship?**

Poll Results (single answer required):



# The need for a new Earning Model

Time is a bad measure for value in so many ways. When data and dialogue drives efficiency then a time-based earning model is no longer fit.

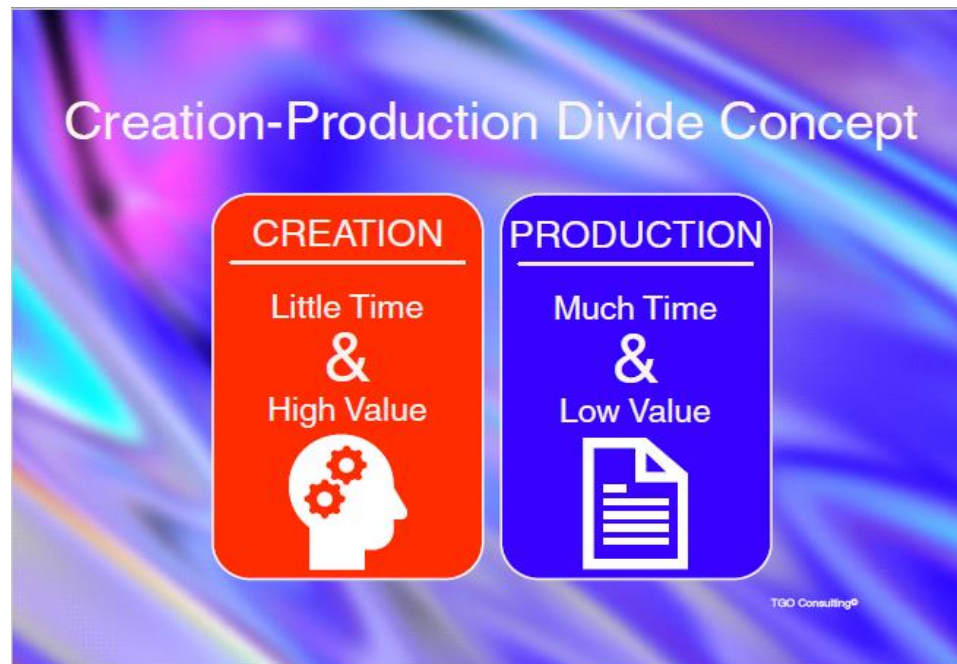
“The current business model will finally give way for more tailor-made offering: data harnessing and analytics will be necessary for both law firms and legal departments whether they like it or not”

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# The need for a new Earning Model

The legal product of a lawyer consists of two components; creation and production. Clients will want to pay for the value of the creation and make production as efficient and economical as possible



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Use of big data enables clients to create a benchmark for how much time they expect the lawyer to spend on a matter.



# Key Performance Indicators (KPIs)

CONSULTING

30 min  
JUST DO IT

1 contribution to profitability

2 SPEED TO MARKET  
cost of lost opportunity

3 EXPERTISE  
expertise level required

3-step model for allocating corporate resources

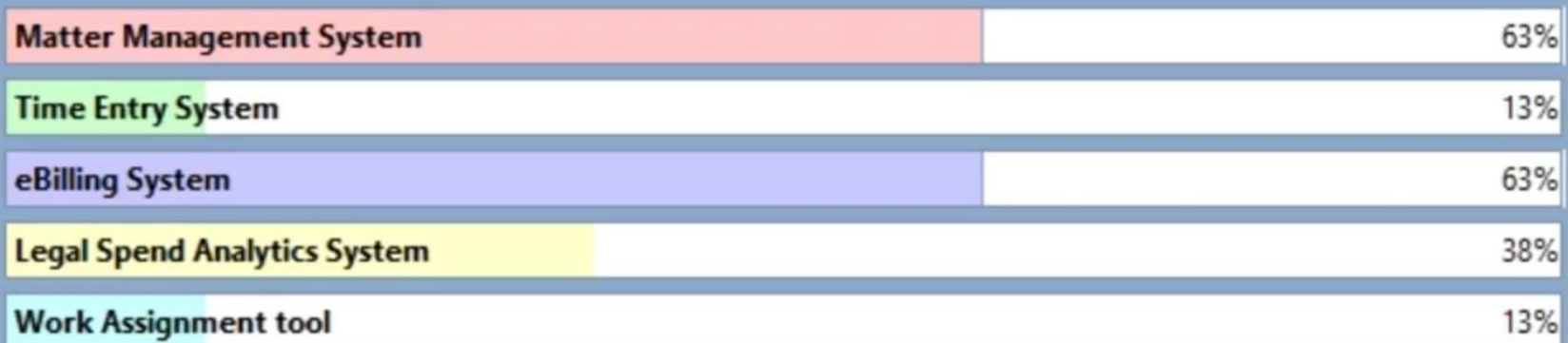
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# Poll Question 3

**There are a number of technologies that support data in a legal services environment. Have you invested in any of the following?**

Poll Results (multiple answers allowed):



# Questions?

## Reminders...

- This Virtual Roundtable has been recorded – check the ACC Legal Operations Europe web site if you want to share this with colleagues
- The next Virtual Roundtable session – Setting up Legal Operations & the first 100 Days - will take place on Tuesday 3 March 2020
- See [www.acc.com/legalopsemea](http://www.acc.com/legalopsemea) for information and dates of future events.
- Please complete the online evaluation form for this Virtual Roundtable

# Thank You