

Value Practice:

Viacom: Using Dashboards and Matter Management to Apply Business Rules to Outside Counsel Spend –Plus, Budget Training for Lawyers

An Trotter

Interviewed while Director- Legal Administration, Viacom

Background

To empower attorneys for matter cost management, Viacom's law department uses a matter management system across its domestic legal operations to provide what its Director of Legal Administration describes as 'robust reporting,' and to incorporate business rules in managing outside counsel spend. Although the law department incurred some up front costs to purchase the system, factoring in only invoice adjustments flagged by built-in business rules (and not including savings achieved by improved ability to enforce existing discount agreements), Viacom is on track to recover its costs within 13 months.

In addition, the law department developed and implemented training for its in-house lawyers on setting and managing budgets. Training occurs on several levels: (1) in-person scheduled training; (2) web-based training; (3) walk-around training; and (4) help desk staffed by legal IT personnel.

Matter Management- Key Reports

Real-time reports are available to every in-house lawyer for matters assigned to them. Key reports include:

- ***Dashboard Report*** -high level report with graphics (graphics developed in-house) and charts for each of the following categories: Top 5 Matters, Top 5 Vendors, Top 5 Practice Areas, Invoice Aging; those wishing to view details on the report can click through for more detail. For matter, vendor and practice area reports, the detail shows all financial spend from greatest to least.
- ***Spend Reports-*** the system has the data to create several types of spend reports all of which can be grouped or filtered by division, matter, vendor or practice area. In specific:
 - **Matter Reports:** including a ***Matter Report*** (lists matters, professional in charge, amounts paid, amounts unpaid, total amount, invoice count, budget and remaining balance, vendors assigned to each matter and more), ***Shared Matters Report*** (includes items in the Matter Report plus shows the percentage allocation to various Divisions if the matter is shared among business divisions), ***Significant Matters Report*** (shows data for those matters that exceed a pre-determined amount, including current, past and accrued amounts, future forecasts, total spend life of matter and more), ***Matter Status Report*** (includes matter name, professional in charge, status and invoice activity), ***New Matter Report*** (includes matter name, budget, open date, professional in charge, practice area, matter type, division, business line and channel), and ***Timekeeper/TaskCode Summary*** (includes spend by task code and timekeeper for a single matter or group of matters).
 - **Vendor Reports:** including a ***Vendor Report*** (includes vendor name, amounts paid, total and invoice count, budget and balance remaining—can generate report

by matters associated with each vendor or by vendors for each practice area), **Vendor Two-Year Comparison Report** (vendors, total invoice amounts, amount and number of invoices, amount and number of invoices paid for 2-year period), **Vendor Division Comparison Report** (lists vendors showing total invoice amount billed, number of invoiced billed, amount paid, invoices paid by year and division or business line), **Vendor Status- Contact Info Report** (including vendor status and associated people with contact information), **Vendor Electronic Billing Report** (shows e-billing status with hard copy and electronic billing volume plus invoice numbers and amounts), **Vendor Timekeeper Report** (lists approved timekeepers with title, class year, approved rates, hours, and fees billed YTD, and last invoice date), and a **Vendor Evaluation Report** (displays annual survey results on satisfaction with vendor service delivery).

- **Practice Area Reports:** including a **Practice Area Report** (shows practice area by name, amounts paid and unpaid, invoice count, budget and balance remaining-- can be by matter or vendor) and a **Matter Type Report** (shows matter name, professional in charge, amounts paid, unpaid, total and invoice count, plus budget and balance remaining, vendors associated with each matter, matters to which each timekeeper is assigned- plus click-through to invoices)
- **Invoice Reports:** including an **Invoice Aging Report** (includes summary of dollars and invoices billed, paid and unpaid—by age category with total dollars and percentages compared to YTD—can be by matter, professional in charge or vendor), **Budget Report** (displays information by cost center and object code), **Invoice Discount/Adjustment Report** (displays actual and agreed upon discount levels, company adjustments grouped by auto-adjustments, legal billing specialist adjustments and attorney adjustments including adjustments perflag, flas per invoice and adjustments per day to pay, and rejected invoice data), **Data Validation Report** (includes invoice information, check info, open date and status/details), **Cost Center Report** (lists the cost center number and name, amounts paid, unpaid, total amounts, invoice count), **Accrual Report** (filters for unpaid invoices and includes cost center, division finance code, invoice number, vendor name, matter name, invoice date, service start and end dates and comments) and **Insurance/Trust Report** (displays invoices sent to insurance or trusts for payment).

Sample screen shots of these reports may be accessed [here](#).

Key Benefits

Some key benefits identified as part of these dashboard practices:

- **Business rules ‘baked into’ system-** so line items are flagged or simply not paid if charges are outside of rules and vendors receive an email detailing any adjustments that were made
- **Reduced legal spend-** with the business rules from outside counsel guidelines included in the system and ‘flags’ to notify when spend approaches 80% of budget, overall spend goes down and increased focus on budget and total costs is built in
- **Enhanced transparency and accountability-** budget managers can ‘see’ their matters in detail and are on point to manage matters within budget; legal and finance teams beyond just the most senior leadership have access to the data
- **Reduced staff time spent on managing matters-** automated processes that were previously manual; frees up staff time and organizes data in a consistent way

Keys to Success

Keys to Viacom's law department's successful implementation of a new matter management process are described as including:

- ***Change management practices***- communicate expectations, give responsibility to those on point and train on what they need to know
- ***Training***- help those who will be implementing new practices by training them: Viacom's law department's training includes web-based training, live meetings and 'walk-arounds' where those with expertise can see how legal staff are using the system and provide 'on-the-spot' support
- ***Tone-at-the-Top***- key to reinforcing expectations and importance of up-front investment of time in learning and implementing new initiatives

Contact Information

An Trotter (an.trotter@viacom.com)