

Value Practice:

Create a Procurement Manager Position within the Law Department to Implement Strategic Processes and Add Discipline and Value- Cargill, Incorporated

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Interviewed while General Counsel
Cargill, Incorporated***

Background

Cargill, Incorporated's law department includes a 'Law Procurement Manager'—an individual dedicated full-time to implementing in a disciplined manner strategic practices and processes relating to the law department's procurement of external services. The Law Procurement Manager has a solid line reporting relationship to the Law Department's Controller (who, in turn, reports to the U.S. General Counsel), and a dotted line reporting relationship to the company's procurement department.

The company's General Counsel notes that the position was created two years ago, and that savings resulting from improved processes have already paid for the position.

This ACC Value Practice piece highlights key roles and responsibilities of this position (view [Position Description- Law Procurement Manager](#) and describes a success practice recently implemented to achieve cost savings.

Law Procurement Manager- Key Responsibilities

What are some of the key roles of the Law Procurement Manager? They include:

- ***Creating process for selecting and engaging law firms and legal service vendors-*** using input from department lawyers and paralegals.
- ***Negotiating law firm and other legal vendor arrangements,*** including: billable rates, discounts, alternative fee arrangements and leverage spending
- ***Auditing and analyzing legal invoices; addressing discrepancies-*** to ensure that invoices adhere to negotiated vendor agreements
- ***Developing, preparing and implementing internal processes and policies regarding legal budgets, early case assessments, staffing-*** and other planning for legal expenses and the procurement of legal services worldwide
- ***Implementing an ongoing evaluation of service providers***
- ***Ensuring that members of the worldwide Law Department understand and adhere to relevant policies on use of outside counsel***

- **Developing uses for the Department's matter management database system**, including the analysis of expenses and other metrics to gain cost savings or other stated goals for the each of the Department's worldwide offices
- **Developing and communicating best practices** in worldwide legal services procurement and management
- **Participating on the Law Department's Supplier Diversity Leadership Team**, furthering corporate objectives to retain Minority- and Women-Owned Business Enterprises (MWBE) and analyzing diversity metrics from majority-owned law firms

Example of a Quick Success

The General Counsel shares that one of the process-oriented goals the Law Procurement Manager has focused on early is seeking opportunities to 'unbundle' delivery of legal services. This approach was recently applied in connection with a large discovery matter: the Law Procurement Manager convinced the law firm to use lawyers from a temporary agency to perform services in connection with the discovery process. The General Counsel shares that the savings from implementing this practice, in this situation alone, have already paid for the cost of the Law Procurement Manager position.

Benefits of Embedded Position

On benefits of having the Law Procurement Manager as part of the legal team:

- **Tailored expertise and familiarity with legal service arrangements** -position is defined as requiring someone with at least five years of work experience in a legal environment
- **Dedicated resource focusing entirely on strategic procurement issues for the legal department**- allows the person in this position to focus on the business of the law department, how strategic service relationships are structured, and ways to improve these relationships to enhance value
- **Frees in-house counsel to focus on case strategy**- since the Law Procurement Manager is focusing on identifying, retaining and managing the business terms of the legal service relationship, in-house lawyers are 'freed up' to focus on case strategy
- **Combines procurement expertise with deep understanding of the complexities of legal services** that a procurement department usually lacks.

Contact Information

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