



DELIVERING STRATEGIC SOLUTIONS ACCA'S 2000 ANNUAL MEETING

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"Examining Post-Convergence Models"

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Post-Convergence Activities at DuPont Legal

I. SETTING THE STAGE

A. Clearing the greatest hurdle: gaining the PLFs' mutual trust and acceptance of the Model, the foundation on which all other aspects of the relationship would be built.

- A. Creating a shared vision: defusing the usual resistance to change by creating a shared vision that could galvanize group activity.
- B. Promoting resource sharing and collaboration: using comprehensive technology to move from proprietary knowledge to shared learning.
- C. Developing opportunities for networking: fostering relationship building through open communication among all levels of participants.
- D. Encouraging risk sharing through alternative billing, better adherence to budgets, more accurate early case assessments and more.

I. IMPLEMENTING THE LEGAL MODEL

A. Early Case Assessment:

1. Properly conceived and implemented, an Early Case Assessment (ECA) initiative can produce significant benefits, including cost savings and better case results.
2. To get such benefits, DuPont's ECA initiative shifted the focus of litigation from processing law suits to resolving business problems.
3. ECA forced counsel to consider and evaluate settlement options early and often.

3. B. Alternative Fee Arrangements

1. In the evolving legal marketplace, significant pressure was being placed on in-house counsel and outside lawyers to create innovative billing structures that could reduce costs and reward outstanding results.
2. Value-based billing directly related the law firm's fees to the value of services rendered, rather than the time spent on the services.
3. Many types of alternative fee arrangements proved feasible in a true strategic partnering relationship.

C. Strategic Budgeting

1. Strategic budgeting was seen as a running dialogue between the managing in-house counsel, outside counsel and the client's business contact.
2. The focus of this exchange would be establishing a value or cost for the execution of the plan, identifying deviations to the plan and making proper adjustments, and forecasting further execution of the plan.
3. Establishing a budget thus became more a means of coordinating resources and expenditures, and less a predictor or crystal ball.

A. Diversity

1. Having established criteria for its PLFs on hiring, retaining and actively involving minorities and women, DuPont Legal did not impose mandates and quotas.
2. Rather, DuPont Legal enhanced the outside firms' recruitment efforts by organizing minority job fairs where the PLFs interviewed students for positions.
3. In addition, DuPont created professional development and networking events for minority and women lawyers at DuPont and the outside firms.

E. Metrics

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1. While the introduction of metrics by the DuPont Legal Model was met with skepticism among attorneys, the business clients' approval of the results gave metrics credibility.
2. For example, metrics disclosed how initial discovery efforts should be focused in employee benefit litigation. The best practice identified resulted in fewer depositions and costs.
3. Further analysis led to developing models as to how staffing in certain types of cases should be structured.

A. Preventative Legal Care

1. DuPont developed a Preventative Legal Care team to collaborate on risk avoidance and preventative law.
2. The team, including both inside and outside counsel, intentionally was diverse, with people from different jobs, specialties and geographic locations, to help engage everyone in preventative legal care for the client.

0. III. PARTNERS IN THE VIRTUAL LAW FIRM

A. The heart of strategic partnering at DuPont would become knowledge transfer and communication, achieved in large part through the use of information technology.

1. Technology solutions included basics such as e-mail, word processing, spreadsheet and presentation software.
2. Beyond that, collaborative databases would serve key functions for case management, document imaging and intellectual property management.
3. All of these applications sat atop an enabling network infrastructure – a secure Internet-based communication channel linking client and firms.

B. Technology would become an essential tool for Legal and its partners, because it could:

1. Facilitate and increase collaborative efforts among inside and outside staff.
2. Reduce time-consuming and labor-intensive tasks, such as research, document production and metrics generation.
3. Enable more work to be performed by fewer people.
4. Enhance efficiencies and decrease redundancies.
5. Eliminate multiple and duplicative databases, both electronic and

hardcopy.

IV. DEVELOPING THE STRATEGIC RELATIONSHIPS

A. Technology was never intended to replace direct, face-to-face meetings among partners as a prime channel for achieving mutual trust.

B. Periodic meetings were seen as essential to:

1. Develop a sense of teamwork;
2. Formulate and communicate expectations;
3. Report on status of any ongoing projects;
4. Allow law firm partners to develop professional relationships with each other.

A. Meetings were determined as necessary at least on an annual basis.

B. In addition to an annual plenary meeting, other more focused, limited-attendance meetings were scheduled. Within the past year, DuPont Legal and its PLFs held:

1. The Annual DuPont Primary Law Firm/Supplier Meeting
2. A Mid-Year Meeting to perform in-depth critical review of each component of the DuPont Model
3. A Minority Counsel Conference
4. Several Minority Job Fairs
5. A Legal Assistant Conference
6. A DuPont PLF Women's Conference
7. DuPont PLF Technology Conference

V. CHECKING IN ON PROGRESS

A. Selecting the right partner was important; ongoing evaluations of the partners to ensure everyone met performance expectations were critical.

1. Performance reviews were designed to cover the entire relationship and all its facets:
 - a. Costs
 - b. Efficiency
 - c. Flexibility

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 - d. Adherence to client's guidelines
 - e. Quality of work
 - f. Responsiveness, among other things.
1. Performance reviews were intended to be nothing less than an honest assessment of the firm.
 2. If shortcomings were revealed, or if expectations were not being met, such deficiencies were put on the table for open discussion and the identified firm given an opportunity to address and correct.

A. Annual Benchmark Surveys

1. Developed as a useful tool for measuring progress, to aggregate information across law firms and supplier, assess how much savings have been achieved, and how well compliance to goals and guidelines has been met.
2. DuPont Legal summarized the results of these surveys each year and reported them to its primary law firms and suppliers.

A. Open Form to Discuss Issues

1. DuPont Legal provided opportunities for its primary law firms and suppliers to openly discuss issues from their perspective. These discussions take many forms, including:
 - a. One-on-one talks with a dedicated relationship manager, available to trouble-shoot issues as they arise.
 - b. Engagement Partner Roundtable sessions held at the annual PLF meetings, frank, no-holds-barred discussions of any issues the law firms want to raise before legal management in a public forum.
 - c. Weekly e-mail of all lawsuits served on DuPont, so each primary law firm and supplier knew what types of cases were filed and where.
 - d. Periodic reports on the status of the model and its related initiatives.

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