



DELIVERING STRATEGIC SOLUTIONS ACCA'S 2000 ANNUAL MEETING

By sharing techniques used by small legal department practitioners, this interactive panel enables attendees to market their legal services more effectively to their in-house clients.

About the panelist: I am a second-career attorney who uses my legal training to supplement my business knowledge and expertise; I work to lessen our legal risks and ensure legal compliance while trying to add value to the company.

I. Selling your department budget as a non-revenue producer

Premise: In-house lawyers are not considered profit centers for the organization but rather cost centers.

Effect: This view of the legal department, as merely a necessary evil rather than a strategic business partner and trusted advisor, often results in the legal group being the first department to be down-sized in an economic downturn or after a merger or acquisition.

Objective: Develop efficient, cost-effective approaches and solutions that reduce financial liabilities within the corporate management process. Act proactively to achieve business goals and be treated like a member of senior management, adding value to the business, rather than being perceived as a legal technician who simply reacts to disputes.

Strategy:

SHOW ME THE MONEY — Don't work in a legal vacuum; improve the bottom line.

A. Increased Cooperation with Finance Department: be more proactive on the cease and desist letters, demand letters, collections, bankruptcy proof of claims — rather than continuously sending letters, sometimes a phone call works better. Cite \$100k example.

B. Cooperation with your merger & acquisition team: rather than simply accumulating the due diligence materials, keep using your law school research skills to monitor the target or acquirer through Lexis-Nexis or the world wide web. Cite examples.

C. Interaction with Senior Management: circulate competitive intelligence gained through Nexis or the world wide web to senior management and directors. You may be drafting the board resolutions and/or serving as Corporate Secretary; are you participating as a strategic advisor? Cite examples.

D. Who runs the legal department? Monitor and reduce your outside counsel costs:

- 1) Use legal interns/ law clerks for routine and preliminary matters
2. Do your own preliminary legal research using Lexis-Nexis or the world wide web;
3. Do preliminary drafts of procedural motions, answers, and/or responses in-house;
4. Use your in-house colleagues as sounding boards or backstops;

5. Subcontract out services to be more efficient.

Cite examples.

E. Interaction with Human Resources: evaluate, continually improve, and "make electronic or digitize" your policies and procedures. Don't wait for the HR people to call you with a problem — be proactive. Accept leadership responsibility for long-term implementation projects. Cite examples.

Conclusion: if the legal department is seen only as a money pit, work to change that attitude by saving the company money either by providing your services more efficiently or offering more services. Cite examples.

II. Encouraging your clients to seek you out for advice

Premise: A common perception is that if you run any agreement through that black hole run by the lawyers, it will never see the light of day again and it will never get signed this week, this quarter, or this millennium. Colleagues often state, "The lawyers always have an abundance of reasons why we shouldn't sign the agreement without major changes. If I can get around them, it's better for the company and me."

Effect: No one wants to get the legal department involved in a project unless there's a suit threatened. For example, the only time you hear from human resources is when a separated employee utters those familiar words, "I have a friend who's a lawyer and he's advised me that if this isn't taken care of to my immediate satisfaction, I should sue."

Objective: Gain name recognition as a team player with a business and a technology perspective. Think of it as a political campaign — would you get re-elected? Why or why not? Identify your strengths and weaknesses in service and support.

Strategy:

Avoid the *See no evil, Hear no evil, Speak no Evil* Attitude

Unless that's the ingrained corporate culture you are working within, learn everything you can about your company and its technology and be ready to offer an intelligent, well-reasoned opinion on what should be done to get the company where the market's moving. Do not ever use the expression "**that's a business not a legal issue**, therefore I don't know anything, nor do I want to know anything, about it." Why wouldn't you expect anyone with this attitude to be the first person cut from the team in hard times?

A. Build a rapport with your company's sales force — go to the sales kick-offs, spend time with their business group; restraint the sales force from doing things in a manner that may endanger your company but be solution-oriented;

B. You have to understand the technology. How can you license it without understanding it?

C. You have opportunities to market your company. Is your elevator speech as effective as the CFO's? Do you even have one?

III. Promotional methods: conducting audits, establishing training programs, communicating via the intranet

Premise: The in-house legal department is expendable; their expertise can easily be replaced by outside counsel. If we have a problem, we'll just call in the legal experts.

Effect: It's like healthcare. The company only goes to the emergency room when there's a claim filed against

them or someone is infringing on their proprietary rights. Those emergency room doctors, the most expensive practitioners, don't know your business.

Objective: Work towards changing the attitude that lawyers are interchangeable. Promote preventative legal care — it's cheaper to be proactive than reactive.

Strategy:

Teach Them to Fish

A. Use your legal interns to prepare and offer training seminars:

1. Intellectual property for marketing, technical writers, and developers;
2. Contract clauses for Salespeople — common clauses and their purpose;
3. Attorney-client privilege and what's permissible in emails;
4. Privacy policy for products and your website;

B. Develop an intranet legal website with links to legal sources;

1. Government Statutes — e.g., FARs, Edgar, etc.
2. Corporate templates for licensing and distribution;
3. Legal sites of general interest — e.g., real estate forms, bar associations.

C. Perform a Needs Analysis through an email audit.

CONCLUSION:

Know your product(s) and your company.

You are a service provider - integrate your services into the corporate culture.

Run your legal department like a small business.

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