



CHEAT SHEET

- *The scenario.* Alongside the focus of engagement, the BI incubator was tasked with identifying future trends, generating innovative concepts and initiatives, and becoming role models for innovative thinking.
- *The vision.* Each proposed goal that the legal team set would have to serve two purposes: First, to move the global legal function toward an element of vision 2027 and second, to achieve the short-term benefit of this function.
- *The action.* Once the first round of projects are up and running, the team will turn its attention toward renewal and will look to the incubator to continue the process. The right setup will allow some current members to remain on the team while others facilitate the implementation of certain proposals.
- *The lesson.* A legal incubator will look different for every in-house legal function based on the structure, size, and needs of the organization. Before setting lofty objectives, identify what problems you are trying to solve and outline the tangible steps to a solution.



How One Life Sciences Legal Team Created a Platform for the Future

By Sarena Straus, Matthew Sharps, and Lutz Aye

In the summer of 2016, Boehringer Ingelheim (BI) General Counsel Martin Schwarz gave the green light to set up a global team to focus on innovation within the global legal function, or the “GLF.”¹ That was last year and our team, the BI legal incubator, was tasked with thinking big and thinking bold; making immediate and long-term recommendations to move the department toward its vision for the 40,000+ person, family-owned German pharmaceutical company.

Our current team consists of six members from five countries, representing a combination of people newer to the organization and those who are more tenured. The team draws on skills from across the function including legal counsel, compliance experts, and data management. Built outside of the traditional hierarchy and representing both established and emerging markets, we draw on a wide range of experiences to ensure our results are not solely focused on one office or role.

Diversity of our team is critical to success — diversity of background, gender, location, laws, and culture. This diversity, and the competing cultures and varied legal environments and restrictions of the team, is what allows us to come up with our most innovative solutions.

To ensure those tasked with the greenfield project were motivated and self-selecting, an open application process was set up allowing candidates to show their creativity and vision. Applications varied from cartoons, videos, and animations — with each candidate imagining a role they could play in shaping the department, the organization, and the future of in-house counsel. The team was chosen for its enthusiasm and diversity, along with its demonstrated leadership in innovation.

Under the sponsorship of the general counsel, the team received mentorship from members of the global leadership team who were able to act as a sounding board. For the team itself, however, there was no management, rules, or limits to the field we were tasked to play within. Big and bold ideas were encouraged with the mantra, “Don’t hold back,” as a clear guiding principle from the start.

One of our team members from Germany, Andreas Lenk, shared that, “Right from day one, we knew that we wanted and were expected to apply next-level thinking to the project. This wasn’t about the next year or two or

tinkering with processes and structures we already had in place; we were firmly focused on 10 years into the future — the sort of timeframe that the day-to-day business can get in the way of considering.”

Shaping the global legal function for the future

To help guide us through this process, we developed a strong mission and vision to act as a touch point when reviewing our work.

Acknowledging that a cultural shift to innovation could not be achieved in isolation, a core element of the mission of the incubator has been to engage the company both internally within the function through regular updates and touch points, but also outside of BI with external parties both within and outside of the life sciences industry. Alongside this focus on engagement, the mission also included:

- To identify future trends and explore needs;
- To generate, collect, consider, champion, and incubate innovative concepts and initiatives; and,
- To be role models for innovative thinking.

The team was then given complete flexibility on how to achieve

its mission, and was given free reign to define its goals, deliverables, and timelines. By bringing together such a diverse team, the department was able to ensure that the desired greenfields approach was achieved.

How we operate

Like all good projects where team members are spread out geographically, time together is essential to success. An intense kick-off meeting was designed to bring the team together quickly and challenge innovation right from the start, and was instrumental in ensuring that the team could continue to work effectively apart.

“With the team being spread out, it isn’t always easy to get face-to-face time together, so when these opportunities arose, we made the most of them, with fully immersed sessions, often away from our offices, in every country we are meeting,” shares Mariam Talia, a compliance team member and pharmacist-by-training, who works out of South Africa. “This allows us to better disconnect and think from the outside, which unlocks bigger and bolder ideas.”

Laura Coll, a compliance team member from Spain adds that, “In our charter, we committed to each other that we would be brave and always



Sarena Straus is an outside general counsel, writer, and independent consultant specializing in in-house legal innovation. From 2011-2017, she was a director at Boehringer Ingelheim Pharmaceuticals, Inc. where she was a founding member of the legal incubator, and oversaw the restructure of the US transactions department. Prior to joining BI, she was with Bristol-Myers Squibb, where she helped launch and define the global contracts center of excellence. sarenastraus@gmail.com



Matthew Sharps is a senior legal data manager at Boehringer Ingelheim RCV GmbH & Co KG in Vienna, Austria where he supports the in-house legal department with data based decision-making, knowledge management, and large-scale project management activities. He is also a founding member of the legal incubator. matthew.sharps@boehringer-ingelheim.com



Lutz Aye is the head of legal for the Therapeutic Area Biosimilars at the Boehringer Ingelheim Corporate Center in Ingelheim, Germany. Aye is a founding member of the legal incubator and was also part of the predecessor project, the “Legal Roadmap 2025.” lutz.aye@boehringer-ingelheim.com

challenge ourselves and each other, which led to the occasional heated discussion, but also enabled us to push through, from which arose our boldest idea.”

Alongside face-to-face meetings, the team also meets weekly via Skype to keep focused, stay on-track, and ensure that we are able to meet challenging timelines. We also created guiding principles to refer back to, everything from “be bold” to have fun. We even created a Mascot, Cubi (a square, yellow lightbulb with a big smile and a British accent), who authors many of our communications to the function. Fun is critical to continued engagement by the team and the broader function.

From day one to pitch day

Because the incubator was self-selecting and only included people who wanted to be on the team, members naturally walked in the door with ideas about what we’d want to propose as a team. Between the six of us, we had hundreds of ideas on what we bundled into categories around people, the environment, and technology. There was overlap in many of the ideas that helped us shape our strategy for tackling the next phase of the project, which was learning and data gathering. At this point, we put aside all of our ideas and began a process of reading, watching, attending, speaking, and networking to expand our initiatives around legal and compliance innovation.

We met with thought leaders in legal innovation from within our industry as well as from consulting, legal services, law firms, and other companies, especially those in the tech arena who are most known for innovation. We also attended conferences, read and shared articles on legal and scientific innovation, and demoed some the leading-edge legal and compliance technology to get the broadest sense possible of what’s out there and what

After several months of exploring, we came back together to try again to see what ideas were rising to the top after everything we’d learned. We envisioned evolving our understanding as a function of what it means to have a career and our obligation to the organization and the people within it.

others are thinking. Also, in an effort to keep the broader GLF engaged and excited, we sent out provoking questions and sought ideas from the rest of the function. Some of our best ideas, especially in technological innovation, came from crowd-sourcing within our own department.

After several months of exploring, we came back together to try again to see what ideas were rising to the top after everything we’d learned. We envisioned evolving our understanding as a function of what it means to have a career and our obligation to the organization and the people within it.

Remarkably, some of the ideas from day one survived until the end, while many new ideas emerged from all of our learning and reformed into “Vision 2027.”

A superfluid organization² that can atomize³ and swarm⁴ to meet the needs of the organization, as well as the legal development of others, allows for greater expertise through collective memory than individual experiences alone allow for.

Translating Vision 2027 into implementable ideas

The legal incubator was expected to develop specific and readily implementable project proposals. At first, this seemed contradictory: thinking

in the long term but at the same time proposing projects that would yield results within the next one or two years. Proposing only long-term projects would not only fail to meet expectations, but would also be difficult to successfully create excitement and momentum. We resolved this perceived conflict by requiring each project proposal (or initiative, as we call them) to serve a dual purpose. First, to move the global legal function toward an element of Vision 2027, and second, to achieve a short-term benefit for the function. This would, in some cases, take the form of a stand-alone project with immediate or near-term benefits as a first step in building toward a far-term initiative.

Broadly speaking, the incubator initiatives are categorized in four buckets: people, legal tech, how we work together, and how we provide services.

The team also had clear ideas for how the implementation scenarios should look. Some activities would become the core work of an ongoing incubator, while others would be taken up by experts within the GLF and across other functions in the BI organization to ensure that more colleagues would be able to contribute and benefit for their development.

Eleven projects were ultimately proposed by the legal incubator in May 2017, about 10 months after its creation, ranging from specific legal initiatives to more abstract and visionary concepts. The proposals were a combination of ideas that would require fewer resources to projects that would require varying commitments of people, time, and money. For example, the proposal of a “swarm pilot,” where a part of the legal function would, for a limited period of time, work with a selected business partners in the company in a self-organized manner governed by the principles of swarm intelligence required the dedicated allocation of a certain number of people resources to test a hypothesis that this

Is having an innovations team dedicated to the in-house legal department a worthwhile endeavor? Yes. Innovation teams are often positioned where members of the legal function only have a role in supporting decisions that have already been made.

allocation of expertise and resources could function more efficiently than the current hierarchical setup for certain needs. This idea was given a “watch and wait” from the leadership, and incubator will monitor and data gather around similar projects being run in other organizations.

In contrast, an accepted idea proposed creating short- and long-term secondments within the legal department, outside to the broader business, and with other companies and law firms is immediately implementable, with little dedication of resources. All that is required is the willingness to allow certain employees to take “sabbaticals” in order to further their development, allowing the department to continue to provide our people with the education required to support the business going forward.

An accepted proposal to create innovation hubs and a roundtable allows the incubator to promote, optimize, and grow a fast-building network created over the past 10 months in order to further facilitate engagement amongst external experts in the field of in-house legal innovation.

Having presented and obtained approval for its first round of initiatives, the incubator is now focused on implementation and legacy building. Some of the projects will be spun off into the wider organization for implementation in new teams while other elements will continue to fall under the ongoing remit of the incubator. A third

category of initiatives requires further exploration and observation before a determination is made whether or not to launch.

Once the first round of projects are up and running, the team will turn its attention toward renewal and begin looking at how to continue the incubator, and the process for moving people on and off the team. The right setup will allow some current team members to remain on the incubator while others move on to oversee and facilitate implementation of certain proposals, seeing them through to completion where appropriate and ensuring that the team is always infused with new ideas and approaches.

Building your own legal innovations team

Is having an innovations team dedicated to the in-house legal department a worthwhile endeavor? Yes. Innovation teams are often positioned where members of the legal function only have a role in supporting decisions that have already been made. Rarely do in-house legal departments focus on their own futures, especially for the long term: Who do we want/ need to be in the future not only to support the business, but also to attract the right talent, address the current cultural needs of in-coming lawyers, prepare for what technology will or will not be able to replace, optimize resources, optimize budget, and the myriad other questions that a legal department needs to be answering for itself?

A legal incubator will look different for every in-house legal function based on the structure of the organization, the size of the department, and the current needs and tolerances of the team. But however you approach this, doing it right requires dedication of time and, when done best, an allocated budget.

Some things to think about when forming your own team:



BE AT THE CENTRE OF **CANADIAN** REGULATION

BLG is your partner to success in Canada. We know Canadian securities regulations inside out. Contact us to help you define the legal strategy that achieves your business objectives.

Key Contacts

Kent Kufeldt | National Leader & Partner | 604.640.4195

Melinda Park | Partner | 403.232.9795

Philippe Tardif | Partner | 416.367.6060

Yves Ménard | Partner | 613.787.3518

Patrice Martin | Partner | 514.954.2546

blg.com

BLG

Borden Ladner Gervais
It begins with service

Calgary | Montréal | Ottawa | Toronto | Vancouver

Lawyers | Patent & Trademark Agents | Borden Ladner Gervais LLP is an Ontario Limited Liability Partnership.

- **What are you trying to solve?** Having an innovations team for its own sake is not meaningful — even with a green fields approach, the team needs to know what it’s meant to do. The answer to this can vary year-by-year or team-by-team. In our case, the idea for the incubator grew out of a previous workshop called Roadmap 2025. One of the outcomes was to suggest that a team be dedicated to thinking about and preparing for the distant future of the department rather than just focusing on the short term. We wanted to know what resources we could expect in the future and how we’d remain competitive and able to attract the best talent. We wanted to understand what our option might be if we were willing to challenge traditional in-house models.
- **Who should be on your team?** Are you a large global organization? A small local one? Does the in-house department include non-lawyers? For BI, the global legal function supports a large, international, privately held pharmaceutical company based in Germany, with a presence in the United States and a focus on emerging markets. Our team had to be representational of every facet of the company to best envision our future. In fact, some of our proposed initiatives focused on the composition of the department, what it might look

like in the future, and how best to prepare for that.

- **How many people should be on the team?** In a small organization, it might only be one person allocating time to planning for the future. Larger organizations might have functions where an innovations team easily fits, such as legal operations. For us, six seemed like the ideal number — large enough to bring different perspectives to the team and divide up the work, but small enough to be agile and make decisions quickly. Our smaller size meant that it was easier to come to agreement and align behind certain initiatives. For the management team, who had the final say on which projects to develop in the wider organization, this was extremely valuable to present complementary projects with a consistent narrative for the future.
- **Should team members be appointed or should there be an open application process?** Again, this is something that will differ depending on the organization. For a department of our size, ensuring that the team members would be passionate was key. First and foremost, our project sponsors knew this application process had to be something different. This was not an everyday project so the usual playbooks needed to be scrapped right from the start. This was also something we were volunteering to

do in addition to our demanding routine responsibilities, so a commitment and willingness to put in the extra time was key.

It was essential to conduct a completely open application process that drew on the main skills required for the project — creativity and the ability to think outside the box. As a result, those who did apply were already in the right mindset. The application requirement was simply to reply to the question, “What does the legal incubator mean to you?” People were explicitly encouraged to reply not in writing (which was limited to five sentences), but by way of a picture, video clip, or drawing. This clearly communicated the selection criteria and easily displayed the creativity of the application, representation of a global team, and professional background (legal, compliance, and others). This process also ensured that the team did not just become an echo chamber of discussions that the senior management team were already having, which could have been a risk under a more traditional project setup process where members of the team were hand-picked by leadership.

- **Is the team a one and done or should it be established as a permanent institution?** This really depends on what the team

ACC EXTRAS ON... Innovation

ACC Docket

Artificial Intelligence Meets the Mainstream: AI’s Potential Effect on In-house Practice (March 2017). www.accdocket.com/articles/resource.cfm?show=1452676

A Strategic Asset Board: Steve Walker Explains How the Board Can Engage With and Foster Forward-Thinking Strategy and Innovation (Jan./Feb. 2017). www.accdocket.com/articles/how-to-engage-board-to-be-innovative-and-strategic.cfm

Space Technology Industry Is Here. Are You Ready for Takeoff? (Jan./Feb. 2017). www.accdocket.com/articles/is-law-ready-for-space-technology-industry.cfm

InfoPAK

Practical Tools to Implement and Assess a Big Data Program (Sept. 2016). www.acc.com/legalresources/resource.cfm?show=1438035

Doing Business in Global Guide (July/Aug. 2016). www.acc.com/legalresources/resource.cfm?show=1435302

Program Material

General Counsel as advocates of change – how in-house lawyers can drive innovation (June 2015). www.acc.com/legalresources/resource.cfm?show=1404350

ACC HAS MORE MATERIAL ON THIS SUBJECT ON OUR WEBSITE. VISIT WWW.ACC.COM, WHERE YOU CAN BROWSE OUR RESOURCES BY PRACTICE AREA OR SEARCH BY KEYWORD.

is being instituted to solve and how successful it is. For some organizations, this could be an ongoing endeavor, while for others, teams may form and be dissolved to meet particular needs by — to use our own terminology — creating swarm incubators. As our first incubator team, we were given the great opportunity to shape the future setup of the legal incubator, but were also made aware that our success would determine whether the initiative would be supported going forward. We are happy to report that the BI legal incubator has a green light for the future.

Whatever you create your own innovations team for — whether it's large or small, short-term or long-term — think about the future of

your in-house department for its own sake and not just in response to the needs of the business. Maybe, when it's done, you'll find yourselves not merely at lookouts, pointing to hazards that lie along a course that the business has already set, but as navigators, standing by the captain's side, and not only guiding the way safely, but helping determine where the ship will sail next. Not just business partners, but also true innovators. **ACC**

NOTES

- 1 The global legal function at Boehringer Ingelheim is comprised of different departments depending on the region and outside of the United States, and includes compliance and the legal business units. The legal incubator is designed to represent the global legal function in its broadest sense.

- 2 Superfluid means a multi-faceted workforce which can disperse into the organization outside of traditional structures.
- 3 Atomizing means that advice and information will be dispersed and available to the business through multiple channels and, where possible, on demand, freeing up our human resources for more high-value work.
- 4 Swarming means a self-organized workforce that deploys to meet the needs of the organization when and where needed, optimizing our resources and our developmental opportunities.



Not all clients are the same, and should be treated accordingly. It takes a firm that fully understands those differences to be effective in serving your intellectual property and business needs. We spend time getting to know our clients, working so closely with you that we become an extension of your team. And because our practitioners have vast industry and legal experience, we know that our unique ideas will protect yours.



Michigan | California | Washington, D.C.
www.BrooksKushman.com

