Creating Operational Excellence: Improving Efficiencies for the Legal Team

Law Department Management

Organizations rely heavily on their legal counsel to assist with risk mitigation, value creation, and problem-solving. During the COVID-19 pandemic, this has escalated to a new level of risk aversion and daily (or even hourly) adaptation to the new status quo. The support of their legal advisors is more in demand than ever.

As such, legal counsel are tasked to handle an overflowing inbox, inundated with interruptions and requests from all departments. With an increasing workload, legal teams may think it's a good idea to increase the size of their team ?— more hands on deck, more work gets done.

But few budgets can afford additional full-time equivalent (FTE), particularly in the current economic climate. Instead, legal teams can create operational excellence and find ways to improve efficiencies to decrease the routine tasks and free up time to focus on those critical high-risk, strategically important issues.

One way to improve efficiencies is for legal teams to advance their skills in legal operations. The 2020 ACC Legal Operations Maturity Benchmarking Report explains,

> *"Legal operations are activities focused on optimizing legal services for the corporation. Its disciplines are rooted in business fundamentals, leveraging processes, data, and technology. They are designed to build consistency and drive efficiency and value in a legal function's practice of law."*

In my role as a lawyer for the University of Tasmania, I have worked with the team to create operational excellence and to assist us in finding more time for critical business issues. Below I've shared some key things my team implemented to become more efficient.

Understanding the problems

Before any decisions can be made about how a legal team can increase productivity and improve processes, it's important to first understand what key issues and problems need to be solved. As Albert Einstein once said, "If I were given one hour to save the planet, I would spend 59 minutes defining the problem and one minute resolving it."

Although we are not trying to save the world, understanding the main problems that are affecting your legal department is the critical first step to then finding the right solutions. Being clear on what the problems are and how time is being spent will go a long way. These matters should be explored carefully.

Often, legal technology is seen as something that will make the problems go away. But the cost, time, and implementation involved may not be the best solution for issues you're facing — or at least not all of them.

To identify the most pressing problems, use data. Geoffrey Moore, US management consultant and author, once observed, "Without data, you are blind and deaf in the middle of the freeway." Having a matter management system would be ideal for quickly gathering and compiling information to determine what is occupying your time. Understanding the needs of the business and clients is important, so collecting data from a staff survey could also be vital to clarifying the problems.

Provide self-service tools

For my team, we identified that we were dealing with several low-value routine matters and answering many of the same questions. To resolve this, we developed a range of self-service tools that help our colleagues resolve issues without speaking to the legal team, then made them accessible on our organization's intranet page.

We've created template contracts with standard terms for our clients to use as required. The client only needs to fill in the contract's schedule. To ensure it's done correctly, we've even provided guidance notes with each template to provide further direction on the use and how to complete the schedules.

Other self-service tools that help reduce workload include:

1. **Infographics.** Create simple one-page documents that clearly illustrate topical legal issues that affect the business;
2. **FAQs.** The data you've collected from the staff may include common questions asked by the business and a standard answer available for your internal clients to access; and
3. **A list of more applicable departments.** Is legal the right area to help with this query or should someone from another department resolve it? We compiled a list of services that people often mistake for being the legal team's responsibility but fall under other departments in our organization (e.g., the storage of final contracts or insurances).

Risk-based approach

A critical component to developing operational excellent is ensuring that the right people are doing the right tasks. My team was drowning in a range of low-risk and low-value work that was often repetitive, such as standard agreements on low-risk activities we have reviewed previously.

To improve these matters, our team determined that we will not look at these types of contracts for some high-volume business areas. Rather than sweat the small stuff, we put resourcing where it was most needed. This decision, however, didn't mean leaving our clients high and dry.

I developed a traffic light risk assessment tool for deals involving research funding arrangement, one of the most demanding areas (with legal requests) within the university. This tool allows the contract managers to check contractual terms against the ratings.

If it reaches a certain number of high-risk terms, it comes to legal to review and is classified as high-risk. If the agreement is standard (i.e., the terms were like our standard position and the activity is covered by our insurances), then the contract would receive a low-risk rating and progress without legal review.

Parting thoughts

Creating operational excellence takes time, and for the changes to be successful, they need to be implemented incrementally. With in-house lawyers being in higher demand than ever, there is a real need to improve efficiencies in the legal services in our businesses. Implementing efficiencies requires understanding what the problems are, having the data to support those decisions, and finding the best solutions to assisting teammates with their essential tasks.

Theo Kapodistrias

Theo Kapodistrias is a multi-award-winning lawyer, working for the University of Tasmania for almost six years. Kapodistrias is a generalist lawyer advising the University on several varied matters and areas of law, including commercial contracts, intellectual property, real property, privacy, and discrimination matters. He has been recognized in Australia being named the 2020 Young Lawyer of the Year by the Law Society of Tasmania, the Academia, Training and Education Lawyer of the Year at the 2018 Corporate Counsel Awards, the 2017 and 2018 30 Under 30 (Corporate Counsel), and featured in the 2019 Legal 500 Australian Rising Stars Publication. In addition to his substantive legal role, Kapodistrias is a Non-Executive Director and Tasmanian Divisional President of ACC Australia, a Tasmanian Ambassador and Industry Champion with Business Events Tasmania, an ambassador for World Idea Day, and the past co-president of the Southern Young Lawyers Committee of Tasmania.