

L O D



# MANAGED LEGAL SERVICES

AN L O D GUIDE FOR IN-HOUSE LEGAL TEAMS

# LOD

We're the original alternative legal services provider, founded in 2007. We've transformed the way in which lawyers, consultants and legal teams work. Today, we're one of the largest and fastest growing legal services businesses, continuing to lead the market we created.

- We give lawyers and consultants an inspiring, flexible model that's in tune with how they want to live and work.
- We enable organisations to buy legal and advisory services in a different and better way.
- We work with more than 1,000 lawyers and consultants across 13 offices globally.

Award-winning, fast-expanding and client-focussed, LOD challenges what's possible in legal service delivery. We are the engine that drives more than 450 live assignments on a daily basis.



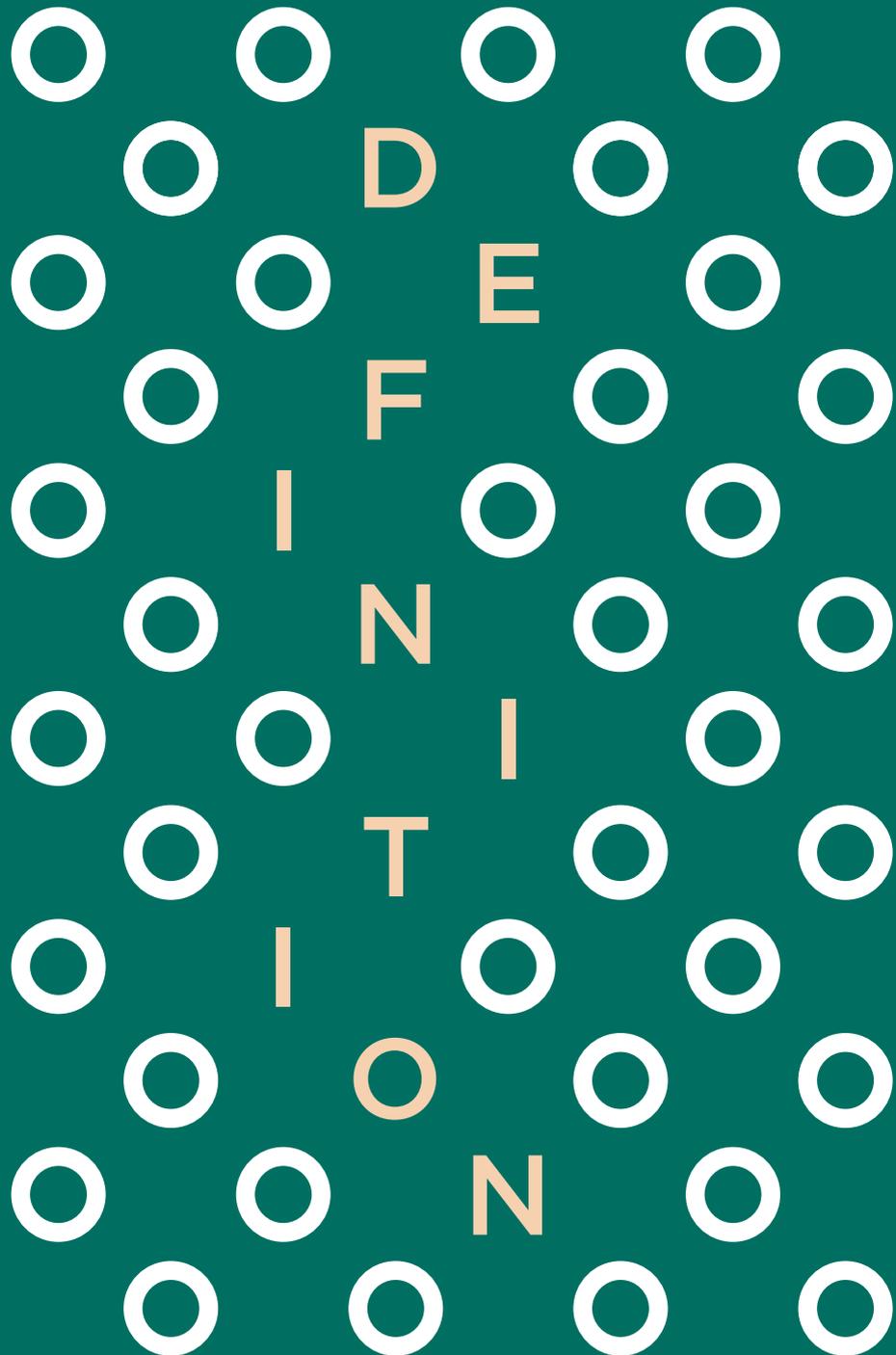
## SETTING THE SCENE

### From the desk of a senior in-house lawyer...

The scene is a familiar one. You've got a to-do list that never diminishes, despite your best efforts. You ruthlessly prioritise. And still you're barely keeping your head above water. Your preferred role as a key legal adviser and strategic business adviser is losing ground to your emerging role: crisis fight-fighter.

Part of the problem is an age-old one: you're told to do more with less. Part of the problem arises from the nature of delegating work and the supervision it still requires. Work might get done by your law firm or legal supplier, but it's not truly taken off your desk – you still need to review and approve items.

What you really need is someone to genuinely lift an entire workstream off your desk. So you can return to your strategic work – where you can start to win the battle of turning your department from a cost centre to true business adviser. And the frustrating thing is you can see what you need to do, but the bandwidth simply isn't there.



# DEFINITION

## THE DEFINITION

Managed services is the practice of outsourcing on a proactive basis certain processes and functions intended to improve operations and cut expenses. (Thanks Wikipedia).

IT, Marketing, HR, Logistics, Finance, Call Centres - you name the business function and it has got a managed services wrapper (aka B.P.O.). In 2019, we saw the global BPO market valued at \$92.5bn. However, apply this to legal and things get less clear.

There isn't a settled or particularly neat definition of managed services. In fact, Harvard Law School's Centre for the Legal Profession has noted that it eludes technical definition.

But we've been doing a lot of thinking and delivered plenty of real-world commercial applications and we've arrived at something we feel hits the key defining elements:

*A managed legal service is where the end-to-end delivery of a tranche of legal work is outsourced to a supplier. This can be on a recurring or project basis.*

## THE DEFINITION

However, there is a time lens that needs to be applied:

### PRE-2010



Large scale managed service – synonymous with LPO or volume outsourcing, this required:

- Significant scale
- Repetition

This is great for huge legal departments (typically in banks) that need to handle huge repapering exercises.

### 2010-2019

Legal Department outsourcing – where a corporate outsources the majority of its legal function to a provider.

This is great for huge legal departments that handle higher volume repeat work.

## THE DEFINITION

You will notice that the word huge appears in both of those definitions. But what happens if you aren't a huge legal department? What does managed services look like for you?

### Our view? Agility.

Businesses are moving faster than ever. To compete they need legal departments that are in front of business problems, navigating pathways and advising on future opportunities. Managed Services enables this by helping legal teams focus on the right things. But this doesn't need to be a scale play. It works best when it is focused, evolving and one based on collaboration.

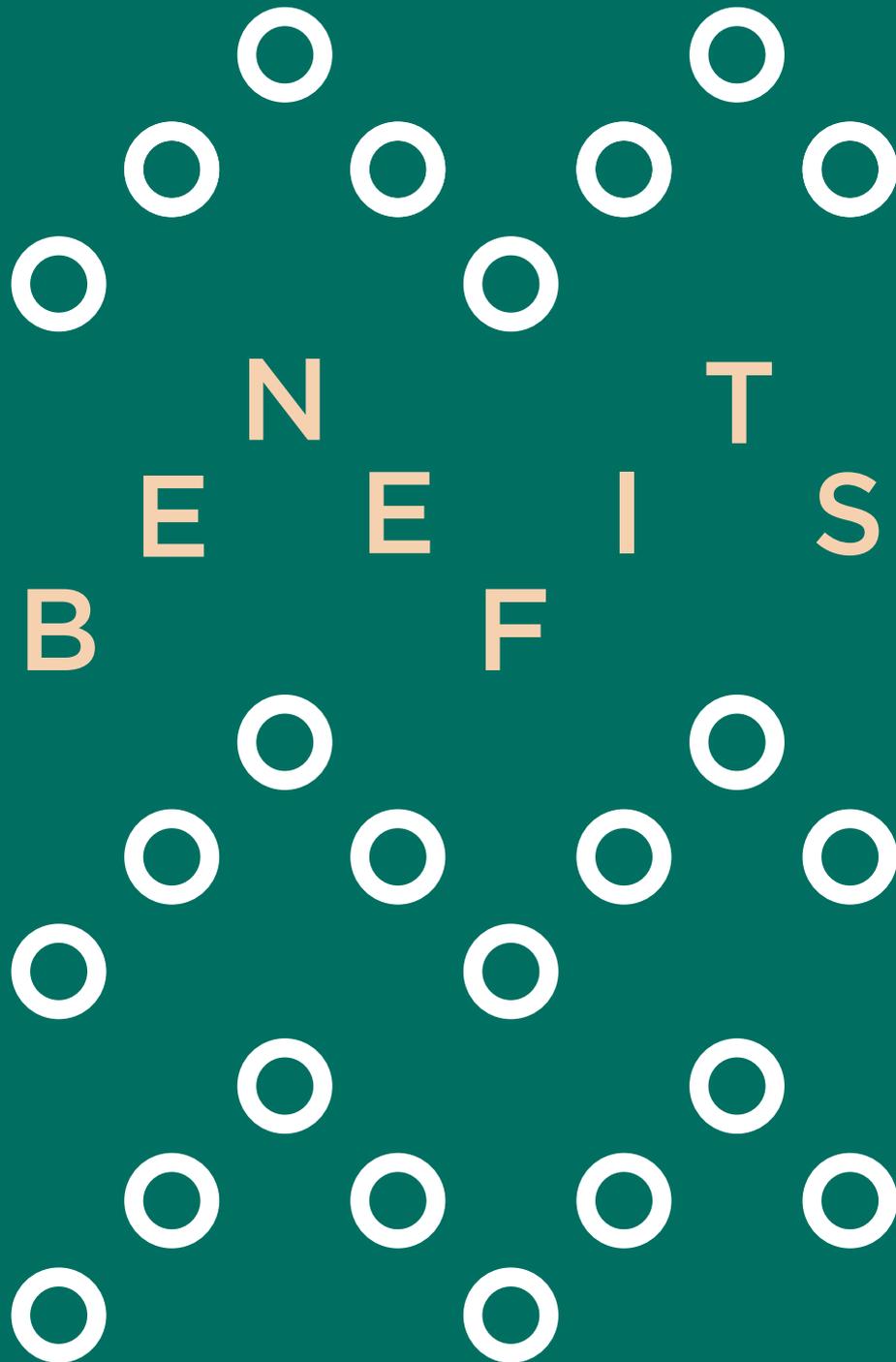
*Globally, the average headcount for in-house legal teams in "small companies" (less than \$US1 billion) is 19 people according to the 2019 State of the Industry survey by CLOC.*

So, what does delivery look like? Part of the beauty of a managed service is that it can look like a lot of things. It might just be one remote lawyer – all the way to a large team of lawyers, process specialists, technologists and project managers.

For LOD, it looks like this:

THE DEFINITION





# BENEFITS

## THE BENEFITS

While it might be difficult to encapsulate the 'how' of managed services, it's much easier to define the 'why'. Managed services brings you four core benefits:

### TIME BACK

- Give legal teams time back to focus on the strategic work
- Improves the speed of business
- Improves internal turnaround times on workflows such as commercial contracting

### HIGH QUALITY

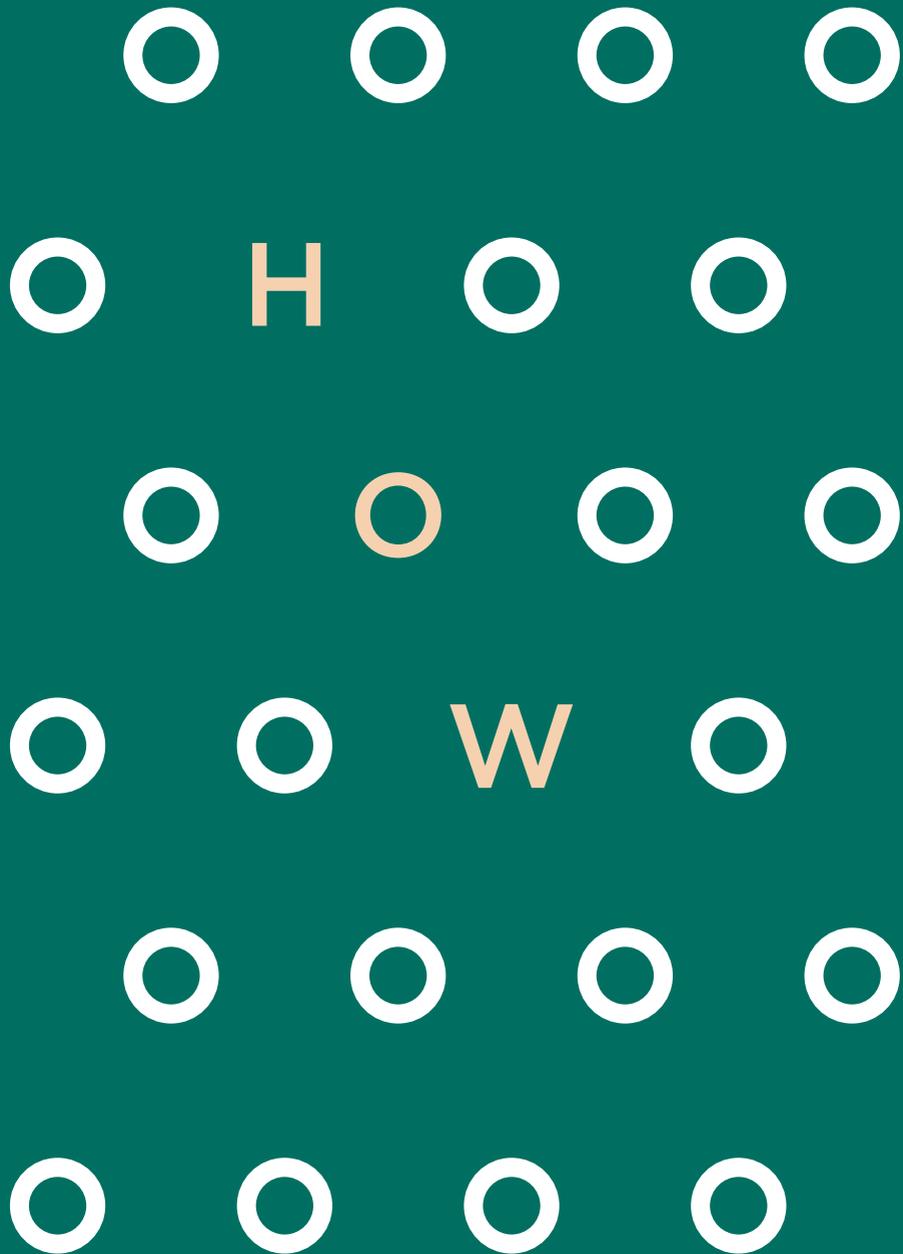
- Brings together multi-disciplinary experts – lawyers, technologists, project managers
- The combination of people with more sophisticated processes and systems than traditional law provides exceptional “fit for purpose” outcomes

### COST-SAVINGS

- Considering the opportunity cost of your team doing this work plus the time value of doing business faster, we should be more cost effective
- You aren't locked in – flexibility in line with your needs

### USEFUL ANALYTICS

- Harness data to identify trends, bottlenecks, outstanding work/ contracts, risk profiles, key deal terms
- Make data driven decisions to improve your team's delivery
- Simple, elegant reports clearly illustrate your workflows and performance



## HOW DOES IT WORK IN PRACTICE?

### PEAK WORKFLOWS

A legal department at a global bank was inundated by requests for high complexity commercial contracts. Year and quarter ends were the busiest time which led to a real pinch point as all hands in the legal department were needed to chip in to clear the peak.



A managed team of lawyers, with a Delivery Manager, to cover the key peak periods of work. LOD acts as a virtual extension of the bank's in-house team during these peaks, providing a team of expert and experienced lawyers to manage the chunky and complex contracting that can absorb large amounts of bandwidth. The project management wrapper means that the bank benefits from clear visibility on the team's work and deliverables, along with helpful MI, all provided in simple jargon-free updates.



## OUTSOURCING COMMERCIAL CONTRACTING

In 2018, a major pharmaceutical went through a global restructuring process in response to industry challenges including falling prices and regulatory pressures. This process left the in-house legal team reduced in size, at a time where the legal workflow was increasing in volume and complexity. The challenge was clear: maintain high quality end-to-end contract solutions with a double-digit percent reduction in in-house resource.



The client outsourced part of the legal team's commercial contracting and other routine but essential tasks to LOD. We supplied a Managed Team that combined lawyers who can work to address the in-house team's needs across different countries, legal engineers and smart technology. The solution has been deployed across a several European countries.



## PROJECT TEAMS

A leading, global technology company had a large volume of low complexity legal work and wanted to free up their experienced permanent team to focus on more strategic matters. Instead of assuming that a bringing in a mid-level lawyer was the answer, they wanted to make sure they were spending their budget wisely and efficiently.



LOD suggested a mixture of on site and remote working for three paralegals, wrapped in a 'lead lawyer' package so the client could spend minimal time managing the paralegals. This allowed the client to remove a much larger slice of their lower level work for the cost of one senior lawyer.



The lead lawyer works three days a week to manage the paralegals capacity and triage work, as well as dealing with any questions and issues that need escalating, reducing management burden on the internal team.



# FORMER MEMBER

## HOW MIGHT IT WORK FOR ME?

As the application of Managed Services is flexible and diverse, there is no exhaustive list of how it might apply for you and your organisation. But we thought we might provide a snapshot of some of the more common examples of Managed Services for you to consider:

### EXAMPLE 1: COMMERCIAL CONTRACTING

For many legal departments, commercial contracting takes a significant chunk of their work. Having a team help manage this work enables you to focus on the strategic and the value-add.

### EXAMPLE 2: REGULATORY PROJECTS

Significant changes to the regulatory landscape can often lead to bottlenecks in legal team as they struggle to meet the new demands and maintain 'BAU'. Think GDPR, LIBOR and complex geo-political events like BREXIT.

### EXAMPLE 3: TEMPLATE SIMPLIFICATION

We find that clients often know they need to improve and simplify their templates. But this often falls into the non-urgent basket and therefore gets kicked down the road... indefinitely. A managed service can help you get this done properly and in the right timeframes.

### EXAMPLE 4: INTENSIVE DISPUTE WORK

Large-scale litigation can be a time-intensive workflow for any legal team. A Managed Service can be quickly deployed to remove a demanding layer of work and deliver it in a seamless manner, while still reducing overall cost.



## Contact LOD

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