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GCs Hire Operations Pros In Push To Rein In Costs

By **Andrew Strickler**

Law360, New York (January 15, 2014, 7:41 PM ET) -- With the bar rising for corporate general counsel to put their legal dollars to good use, an increasing number of law departments at Fortune 500 companies are creating a new in-house role to help manage everything from outside counsel lists to contract templates, experts told Law360.

Although titles and responsibilities vary by company and industry, the emerging position of legal operations head in law departments has become a key driver of the larger push among in-house departments to operate as efficiently as any other part of their business.

"The role has existed for a number of years, but we're now at a tipping point for it to become a mainstay," said Connie Brenton, director of legal operations at cloud computing company NetApp Inc. and co-founder of a professional group for legal operation pros in Northern California.

"I think we've reached the point when the [return on investment] is so obvious and the low-hanging fruit is so valuable that the skill set has been identified as a must for a best-in-class legal department," she said.

With BigLaw firms increasingly bringing in more nonlegal help for jobs as varied as practice group manager, pricing specialist and chief executive, recent years have also seen a wave of interest among corporate law departments in a wide range of industries for legal operation specialists, experts say.

Meanwhile, recruiters are calling both lawyers and nonlawyers to fill new positions focused on wringing value not only from outside counsel, but also from technology tools, internal reporting and communications, and in-house lawyers and staff.

That interest, as well as the still-evolving definition of the job, has sparked a networking boom in recent years, with legal ops groups now active in cities including Los Angeles, Houston, New York and Chicago. In September, the Association of Corporate Counsel and Huron Legal co-sponsored the first professional conference for legal operations pros in Chicago.

When Lisa Konie moved from an in-house lawyer job at Adobe Systems six years ago to a newly created legal operations role, her first priority was helping standardize often maddeningly inconsistent template language for a legal sales team. The job has since evolved to include a wide range of tech management and efficiency project work, as well as a focus on reining in a bloated list of outside counsel.

As recently as two years ago, she said, in-house lawyers were working with 300 outside firms to one degree or another, with in-house attorneys each making their own decisions about whom to

hire for what matters and how much to pay them.

"It was the Wild West — and totally inefficient," she said.

She has since helped push through standards for evaluating and engaging outside lawyers, and has slashed the number of outside legal providers. Among a wide range of other responsibilities, she manages the department's intern program. Earlier this week, she got a call about implementing a formal job-swap policy.

"Anything that doesn't naturally fall on attorneys' shoulders kind of comes to me," she said.

For a growing number of major law departments including her own, she said, "you're starting to see the upleveling of expectations for legal operations ... and as people are starting to see the impact and importance of it, it's becoming more like an executive level position, which is where I think it's going."

The group Brenton co-founded in Northern California, known as the Corporate Legal Operations Consortium, has active members in law departments from many of Silicon Valley's biggest players, including Google Inc., Yahoo Inc., Apple Inc., Cisco Systems Inc., and Intel Corp., with 25 or so members divided about equally into those with law degrees, those with MBAs and those with both.

Brenton, who joined NetApp from Oracle Corp. in 2010, says she "acts like Switzerland" to manage and streamline legal and business operations involving counsel, other company executives and outside firms. Coordinating third-party tech vendors and evaluating staffing levels are also key responsibilities.

"It's a way of doing business differently and managing the legal department like a business," she said. "We are required now to capture metrics on spend, to capture metrics on turn-around time on agreements ... and we need to run like any other business unit runs."

Stephanie Corey, a CLOC co-founder who is head of legal operations at logistics company Flextronics, said the legal ops head is increasingly a primary contact for outside counsel, many of whom previously enjoyed closer personal contact with general counsel.

"I would say our role allows [outside counsel] the freedom to [develop relationships with in-house counsel] because we manage that vendor piece ... which frees them up to have the kind of professional relationship that they want," she said.

Amar Sarwal, vice president and chief legal strategist for the Association of Corporate Counsel, said the growing ranks of legal operation specialists, many of whom are lawyers who continue legal work, is helping transform many departments from collections of independent-minded lawyers into more cohesive units.

"What's fascinating is how the most progressive [legal operations heads] are taking apart every aspect of what a law department does and trying to think of a new way of doing it," he said. "They are ground zero for the re-engineering of law departments and how they drive value for their companies."

--Editing by Jeremy Barker and CHris Yates.

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