

# In-House Counsel Seminar Insights: How General Counsel can Successfully Collaborate with Outside Attorneys

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**Three senior in-house attorneys discussed best practices for collaborating with outside counsel during a panel discussion at Ward and Smith’s 2018 In-House Counsel Seminar, with a focus on leveraging technology, controlling legal spend, and managing succession.**

Ward and Smith attorney Paul Fanning moderated a panel featuring Brian Holland, General Counsel for Global Knowledge, Kelly Clay, Global eDiscovery Counsel and Head of Data Governance at GlaxoSmithKline, and Ken Hammer, Senior Vice President and Chief Legal Officer at Toshiba Global Commerce Solutions.

The three topics were all about helping corporate counsel operate “better, faster, cheaper,” Fanning said.

## **Leveraging Technology**

Modern technology and collaboration tools, including Skype, Dropbox, and Sharepoint, have made lots of legal work easier and faster.

“Things have changed dramatically since I started doing this type of work,” Holland said. The Global Knowledge counsel said a lot of his work is focused on mergers and acquisitions, acquiring companies around the world. In the past, he would have spent weeks or even months abroad doing due diligence on potential deals.

“These past two years we did deals in Sweden, we looked at a pan-Asia deal, we did another deal in Canada, and I didn’t travel, I didn’t go anywhere,” he said. “What I was leveraging were the collaboration tools my company was already using.”

Specialized legal software, such as tools for e-discovery and contract management, can be useful, freeing up the time of paralegals or other staff, Hammer said. But he added that such software can be challenging to implement.

“It’s going to have to be integrated with the primordial soup of your infrastructure,” he said. “It’s not just going to be plug-and-play and work automatically. It’s going to be a painful process.”

Artificial intelligence is getting a lot of attention in legal software, according to GlaxoSmithKline's Clay.

"There are also great strides in using artificial intelligence for document management," she said. But the technology still is far from being a panacea.

"A lot of vendors will promise you more than they can deliver," Clay said. "You need to understand what you want from the artificial intelligence or the predictive coding."

Increasingly, she said, they are looking to the law firms they retain to also use technology in ways that make the work easier, faster, and cheaper. "They have to find ways to do things differently," she said.

### **Controlling Corporate Legal Spend**

All three panelists said their legal budgets were limited, so they are always assessing how efficiently they're spending that money and the value their companies get from it.

Hammer, for instance, noted that his company's legal spend is relatively flat and that the hourly rates he's paying firms are up a bit while the number of hours is down. He has also sought out firms who can provide core business services in a highly efficient way.

For example, he contracts with a single firm to handle all of the company's trademark filings around the world. Another firm, based in London, does all of the company's corporate secretary work in the 44 countries in which the company operates. That kind of specialization has saved Toshiba hundreds of thousands of dollars.

For more unpredictable work, he manages budgets in short intervals.

"You can't manage a budget for a lawsuit for two years," he said. "But you can manage it week to week or month to month." He'll sometimes take tasks that outside attorneys are doing and give it to someone on his in-house team to save money and keep outside counsel focused on the highest value work.

Holland said that for him, the best legal decision is often whatever the best business decision would be, and often that means what's most efficient.

"I only have so much money I can spend," he said. "If you're working with me as outside counsel and you want to charge me more on that, we're no longer working on it [together]."

Holland doesn't have a problem with firms charging for the time of young associates, so long as his company is getting value from those hours.

When Clay works with outside counsel, she tries to set expectations up front about budgets and how work is done.

"I'm not going to pay to get people up to speed over and over again," she said. "We try to set ... those expectations out there from the beginning."

How outside counsel does the legal work is where the real value is, Fanning noted.

"Boiling this down," Fanning said, "competency, trust, communication, [and] expectations equals the value."

### **Succession Planning**

Succession planning both internally on the corporate legal team as well as at firms retained by the company is important, the panelists said. Corporate counsels need to ensure their outside firms have succession plans so that work can continue uninterrupted if the lead attorney on an engagement leaves the firm or can no longer work.

“When I was at a law firm, one of my clients came to me and said, ‘You’re great ... but what happens if you get hit by a bus?’” Clay said. “No one’s irreplaceable, so you have to have people in the know.”

Hammer said in his relatively small legal department; he tries to think about his lawyers’ careers three to five years out.

“There are very few things you can do that are sustainable over 40 years,” he said. “We have to be conscious when we think about succession planning.”

And Holland noted that it’s important for general counsel to set up systems and procedures in the business to ensure that corporate legal work would continue if someone new had to step into the role unexpectedly.

“If you don’t set things up, there can be problems,” he said. Even if it’s “something as simple as having a file cabinet with your contracts in it, making sure that things that are supposed to be directed to the legal department get directed to the legal department.”

“Document your processes,” he said. “Think about what happens if somebody has to step into your shoes.”

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*This is one of a series of articles summarizing key takeaways from Ward and Smith's In-House Counsel Seminar. See additional articles:*

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