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Takeaways From CLOC: What Happened in Vegas Won't be Staying in Vegas

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Last week, [CLOC](#) (the Corporate Legal Operations Consortium) hosted one heck of an [Institute](#) in Las Vegas. You probably read a bit (if not a lot) of coverage of the events via your favorite ALM publications, or via other media, such as the Institute's Twitter feed ([#CLOC2017](#)). Since I published a ["pre-meeting" look at the ops movement](#), I figured I should break with the long-standing tradition about not divulging what happened in Vegas in order to dish some takeaways post-meeting.

The meeting's diversity of attendees, sessions and conversations defy easy categorization or simple assignment into buckets of like things. By trying to capture some general themes below for those who weren't there, I don't want readers to think that they now have the full flavor or content of the meeting. There were more than 70 sessions on several tracks of topics and the educational fervor was pretty fierce. So I encourage you to talk to your peers who were there, or take the initiative to make a much deeper dive into the nuances and specifics of each topic that the meeting covered that is relevant to your particular practice or interests. I know that CLOC will also likely post a number of resources created for the meeting on their website (www.cloc.org) for you to digest at your leisure.

My goal here is to draw together some of the meeting's overarching themes to help you see why the institute will not conclude with the closing session. (Read Mary O'Carroll's [closing remarks](#).) The impact of this meeting and its call to action for change will carry forward for some time and hopefully, with great impact. The only question now is not whether, but how you and your colleagues in law departments, law firms, legal service providers, law schools and bar regulatory entities will respond in the coming days and years.

Takeaway: Technology is inspiring and is doing amazing things: so what?

While only some of the tracks at the meeting were dedicated to technology topics, technology pervaded almost every session in one way or another ... sometimes to the point of frustration or exhaustion. There were a plethora of technology partners/sponsors in the exhibit hall and on the program platforms, and I was consistently impressed by how valuable their contributions were at the meeting. But consider the sentiments that I heard more than one participant mutter: "So if I don't have the ability to simply trash everything we've already got in place and start fresh with this new, shiny, expensive and sophisticated new system, I'm screwed?" And "So you're telling me that if I buy your nifty tech solution, all of the problems that have plagued previous tech implementations will simply disappear?"

As a result, one of the most resonant messages at the meeting was most clearly articulated by Lucy Bassli of Microsoft and Margaret Hagan of Stanford Law ([see coverage of that session here](#)): technology is secondary to engaging your people and re-engineering your work process. Indeed, new

technology, no matter how good it is, is pretty much useless without people and process improvement as a condition precedent.

Thus, a number of the biggest-buzz sessions featured faculty talking about technology platforms that could successfully leverage and integrate data and functions performed by older, less sexy legacy systems (such as the "Hype vs. Reality" AI session featuring [Kerry Phillip](#) of Vodafone and [Karl Chapman](#) of Riverview Law/Kim Technologies), or technologies that operate in critical second chair roles, supporting the data, time management, budgetary or reporting needs of the department as currently prioritized (such as the Managing Timekeeper Rates program that discussed better systems for benchmarking firm rates against fair market value, featuring [Connie Brenton](#) of NetApp, [Mike Haven](#) of Gap, Inc. and [Peter Eilhauer](#) of Elevate). Even the opening session for the conference cleverly featured three leading technology companies—ThinkSmart, Seal and Onna—which successfully connected their legal operations systems to a voice-activated [Alexa/Amazon EchoDot](#) for a live presentation of the power of voice recognition technology: the point, we all saw, wasn't that AI is now possible, but rather that with it, it may actually be possible to get a lawyer to use a department-sponsored technology to save time and improve results since all the lawyer has to do is talk. (And we've established that lawyers are good at that!)

If you want to read an article that further demonstrates this point, check out the [session summary of the program](#) featuring Cisco's and Microsoft's pilot projects; these companies have the internal heft to drive uber-tech projects, but they're still most focused on testing out technologies that support success in addressing internal—seemingly "mundane"—priorities like conducting effective triage when work comes in the door, boosting smarter engagement between their teams and clients, and bettering process workflows.

Takeaway: General Counsel need to step up.

I didn't hear a single operations leader at the Institute say anything other than the nicest things about their teams and their leaders. But it's impossible for me not to read between the lines when session after session talked about how operations leaders are literally swimming upstream against the current of budgets, inability to secure buy-in from skeptical lawyers inside and outside the department, insufficient IT resources at the corporate level or internally on their teams, and stiff resistance from legal teams who don't want to change the way they work.

Since I've run head on into this issue countless times before, I'll name it even if those loyal and team-minded operations leaders at the meeting can't: we need more general counsel to step up on operations leadership.

Yes, there are some shining examples of general counsel who are all-in on supporting operations leaders. Huzzah for them. And obviously, due to the exponential growth in the legal ops community in recent years, more and more general counsel are recognizing that they can't afford to be without a leader and team on operations issues. But in truth, most general counsel don't really understand the enormous value and potential of what their ops leaders are working to deliver, and they continue to pay millions to outside firms to address legal problems without investing thousands in operations teams that could make headway into such important initiatives as predictive analytics that would help the company avoid the problems or make better decisions, or find and reward the firms and vendors who are providing the best service and the best value for the most predictable cost, or maximize the higher use of their incredibly talented internal team members (rather than deploying them to continue to perform tasks they've always done but in which they may not drive the greatest value or return).

General counsel are really busy with a full plate of responsibilities. They hire operations leaders to help them deliver better results and optimize their department's resources. So I'd love to see more general counsel make a concerted effort to give their ops leaders greater authority, larger budgets and a seat at the department's executive management table (all of which will signal to lawyers in the

department that they have to join in carrying forward the ops agenda or pay the consequences at review time).

Takeaway: Get over the "lawyer/nonlawyer" bit. We're a team, dammit.

You've heard it before, but it got the equivalent of standing ovations at the CLOC meeting. It's time, as [Ron Friedmann](#) happily tweeted during one session, to get rid of the lawyer/nonlawyer caste system. Law firms will continue to struggle with the role of their lawyers and their professional staff because of their business model, whether we like it or not. (And I think they will pay increasingly higher costs in terms of value in the marketplace the longer they and our legal regulatory systems continue to mess up by creating false dichotomies between those who service clients in the legal marketplace.) But law departments have no excuse.

Lawyers in law departments work in companies where their skill set composes a small fraction of the relevant skills relied on to run the company. They work in industries that celebrate the skill sets of pretty much every discipline except law. And at this meeting, program after program highlighted the critical importance of financial acumen and business skills, project and process management, HR/EQ leadership traits, data and technology savvy. This was not a conference celebrating legal insights; it was an institute for people in firms, departments, and the legal services marketplace who are in the business of delivering legal outcomes.

Mark the words of the leaders of the legal value movement: whether they come from CLOC or [ACC Legal Ops](#) or leading commentators such as CLOC keynoter [Richard Susskind](#): there is no place for professional arrogance on law department teams charged with solving business, not legal, problems. Lawyers should instead be paying homage to their colleagues on their teams who bring other business disciplines to the law department's toolkit. There are many experts and professionals who work in legal departments: some of them happen to be lawyers.

Takeaway: If law departments don't re-engineer their own practices to drive value, they will never succeed in retaining, leveraging or rewarding outside providers who do.

The panel focusing on defining CLOC's "Magna Carta" session dealt with any number of tough topics. But one of the most interesting conversations rotated around the issues of law departments enabling their firms to continue to engage in high cost and sometimes low value practices by continuing to pay them exorbitant rates (and not sending the work instead to more efficient providers—inside or out). This concern has been at the heart of change and value conversations for years: how can departments change the law firm market if they aren't rewarding value-based practices in their firms?

For many in the room at that session or in conversations following it, the question morphed: from "how can departments force change in firms," to "how can departments be expected to change the external market if they haven't yet changed internally, themselves?" How can we understand the value of what we say we want in our firms if we don't drive value and results through our own toolkits and practices? It's not a coincidence that this turn in conversation is accompanied by an amazing period growth of insourcing in legal departments over the last few years.

So here's the takeaway: law departments shouldn't spend so much of their precious time trying to change outside "legacy" partners (firms, tech providers, vendors); that's not their job. Changing the way law firms work is the job of law firms. The job of law departments is to change the way that the law departments work and to model what they value. Then it's relatively easy to seek aligned values in the service providers they reward with their business.

Takeaway: We're tired of talking; it's time to act.

I know, there's an irony to a bunch of folks talking at a meeting about the importance of telling folks to stop talking and act. But it's how we walk before we run in driving change in the market. The constant

theme of this Institute, from the opening remarks to the closing gavel commentary was: what are we waiting for? We have the power, we have the purse, we have the skills, we have the technology, we have the energy, we have the attention of the supporting marketplace: let's go make the change we want to be.

While there were several sessions that were designed to collect thoughts about next steps, and while CLOC and other groups like ACC's Legal Ops are already working on initiatives that will help their members drive change internally, it will be interesting to see what it is that CLOC's leadership decides to do to in the coming months. They have already demonstrated that they can very successfully pull together [working groups of their members](#) to attack issues of importance by providing guidance or templates or resources. And we know they can pull off a terrific conference that invigorates attendees and provides them with a call to action. But only the coming months will show how they choose to leverage the energy and ideas to transform all those good intentions into practical realities.

It will be one thing if CLOC succeeds in helping members drive better results in their own operations; it will be another if they can pull together the corporate legal industry under a common banner to drag the legal profession into the 21st century.

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