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When 'Just Do It' Isn't Enough

Building the Business Case

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Preparing for the Race

- **Ownership of the concept**
 - IT or Legal?
- **The right ‘volunteers’**
 - The ‘A’ team
- **Leadership vs. sponsorship**
 - Both are required for success
- **Leadership skills**
 - Relationship & team building
 - Meeting facilitation
 - Project management
 - Writing skills



The Starting Line

- **Criteria for approval**
 - A compelling business case?
- **Framework**
 - Background
 - Legacy
 - Alternatives
 - Strategic fit
 - Project description
 - Justification (risk, cost...)
 - Financial estimate
 - Project milestones
 - Key uncertainties
 - Supporting exhibits!



Crossing the Finish Line

- **Time commitment**
 - The effort can be significant
- **Walking the halls**
 - Get approval before you get approval
- **Executive review**
 - Recommendation first!
- **Sustaining the case**
 - Approval doesn't guarantee sustainability
 - With the changing economy, what does 'compelling' mean now?



Welcome Aboard!

- Statistics/Role at Colgate
- Position expectations
- Seek to Understand, then be Understood
- Build Relationships
 - Lunch meetings
 - Breaths of fresh air



Turning the Battleship

- “Real” Priorities Surface
- OGC Management
 - All ahead slow
 - Uncover deficiencies
 - Explore new possibilities
- Due Diligence
 - Corporation references
 - Consultant references
 - Law firm service provider stats
 - Internal Colgate departments
 - ROI



Turning the Battleship

- **Full Right Rudder**
 - Negotiate with old vendor
 - Sign on with new vendor
 - Justify new hire
 - Fixed fees “all around”!
- **Land, Ho!?**



Six Steps to ROI calculations: Decision to license software

1. Determine the known **costs** for a five-year period

License fees

Consulting internal and external

Customization

Maintenance

High-Medium-Low

2. Estimate the **soft costs** for the same five years

Learning

Glitches

User group fees; references; decisions on upgrades; rollouts

Speak to other users about costs; gather benchmarks

3. Estimate **contingencies** and deduct a portion

Turnover of people who operate it

Vendor problems

Disruptive technology

Opportunity cost of the selection process

Six Steps to ROI calculations: Decision to license software

4. Estimate **savings** of lawyer time and paralegal time

Fully-loaded hourly costs

Document assumptions

Cost-benefit analysis gives some guidance

Layoffs are clearest evidence (net of severance)

5. Estimate **improved quality**, responsiveness, coverage

Reductions in outside counsel costs

State in terms of time savings, if possible

Risk avoided is the wild card

6. **Subtract** projected costs from 75% of projected savings

Depict net results graphically

Explain the strengths and weaknesses of ROI

LAW DEPARTMENT MANAGEMENT



Rees Morrison, Esq., has consulted to more than 275 law departments over 22 years to help them better manage themselves and their law firms. [Visit my website](#), [email me](#), or call me 973.568.9110.

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Six Sigma projects in various legal departments

Preparing for a presentation on Six Sigma as it can be applied by general counsel, I collected what I have written since my first metapost (See my post of Feb. 13, 2008: [Six Sigma](#) with 18 references.).

Surprisingly different applications of the set of Six Sigma tools have appeared (See my post of March 26, 2008: flood of hard-copy invoices at Liberty Mutual; June 11, 2008: savings at Caterpillar for toxic tort cases; Oct. 24, 2008: corporate entity oversight; Nov. 22, 2008: contracting at Becton Dickinson; Jan. 22, 2009: pro bono at Caterpillar; Nov. 23, 2008: Six Sigma project allocated RACI roles to Legal, IT, Finance, Procurement, and Vendor for contracting process; June 26, 2009: Home Depot, Gulfstream Aerospace, and ING are adherents to Six Sigma.).

Several posts bring into the Six Sigma picture law firms that have applied its techniques (See my post of April 28, 2009: Morgan Lewis in its mortgage loan practice; June 24, 2009 #2: FMC likes Seyfarth Shaw because of its Six Sigma for litigation; May 4, 2009 #4: Six Sigma legal departments (including DuPont and Dow Chemical) and several law firms.

A white paper on "Six Sigma, The Discovery Process In The Corporate Legal Department" was presented to the ABA Litigation Section earlier this year. Many people think of Six Sigma as a method to root out defects but it is also a technique for project management (See my post of Feb. 17, 2008 #2: low ratings in survey for Six Sigma.).

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