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Globalization and Collaboration: The Driving Forces Of Innovative Legal Technology

The Editor interviews Don Schad, general manager of corporate legal solutions of DataCert, about how globalization and collaboration have influenced the evolution of legal operations management solutions. During his time with DataCert, he has directed more than 100 software implementations in complex and multi-faceted environments for corporate law departments.

Editor: Please give our readers some information about DataCert.

Schad: DataCert was founded in 1998 and is the largest supplier of legal operations management solutions. Corporate counsel use DataCert's products and services to manage legal activities and outside counsel spend. In all, DataCert has 71 Fortune® 500 clients and customer connections in 116 countries.

Editor: What are corporate law departments currently looking for when it comes to legal operations management technology?

Schad: Operating a law department – especially on a global scale – presents numerous challenges. Law departments have company personnel and outside counsel working on a multitude of matters all over the world, making the management of matter information and financials a difficult task. Corporate law departments need a system to centralize matter and related financial information that provides both the law department and executive management with the information necessary to make business decisions and to meet the ever-growing

demands of regulatory compliance. This effectively paves the way for more transparency and collaborative processes.

Another very important factor for a global system is the ability to integrate with other local and enterprise systems. For example, why should law department personnel use one document management tool while the entire company uses another? Why receive and approve an electronic invoice from a law firm but have to print it out in order to submit it to accounts payable? By integrating with existing solutions, matter management and legal spend management technology not only streamlines processes but also allows law departments to take full advantage of their existing enterprise solutions.

Editor: What does collaboration mean to today's law department?

Schad: Collaboration comes up quite a bit when you talk about legal technology. It means different things to different people. In general, collaboration to a corporate law department means reducing the friction related to specific transactions between themselves and their outside counsel and other service providers. These transactions include rate negotiations, budgets, matter initiation and status and invoice payment status among others.

Each law department has its own comfort level and expectations when it comes to collaboration. Legal operations management solutions must be flexible enough to enable law departments to collaborate in accordance with their own needs.

On the other side of the transaction, outside counsel also has a vested interest in collaboration as a means to provide outstanding customer service and to promote efficiency and drive down costs.

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Editor: How has globalization affected legal technology?

Schad: Actually, it's more of a case of how technology and globalization have affected each other. Technology in general, including the Internet, mobile phones and e-mail, has enabled better communication and collaboration on a global basis. These innovations led to a greater emphasis on growth initiatives and global expansion. What happens next? The market then turns back to technology for more solutions that support globalization and essentially elevate it to the next level of operations.

This same process has been repeated within the past 10 years for corporate law departments. For an example, take a look at DataCert's product offerings. Ten years ago DataCert offered (what was at that time) a revolutionary concept: e-invoicing. This consisted of a secure pipeline for outside counsel to submit electronic invoices to corporate law departments. It was used primarily within the United States.

Please email the interviewee at don.schad@datacert.com with questions about this interview.

As technology on the whole improved in the late 1990s and early 2000s, DataCert's simple e-invoicing pipeline evolved to include automated workflow, invoice validation, reporting, multiple currency capabilities, help with VAT compliance and complex integration capabilities. Using technology such as this, corporate law departments are better able to meet the demands of their global corporate growth.

Corporate law departments continue to look to technology to enhance, support and further improve the processes associated with supporting a global company. By identifying this trend of technology and globalization, DataCert has created a unified, global platform of legal operations management - CLD 10. CLD 10, which includes both legal spend and matter management, gives corporate law departments the ability to control legal and IP spend and provides the necessary tools to manage legal matters on a global basis.

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Editor: Looking back, what have been some of the most interesting changes within the corporate legal technology industry?

Schad: Over the last 10 years, the increase in costs related to litigation and compliance and the law department's involvement in strategic growth initiatives have forced changes in the management and operation of the law department.

Law departments have grown to trust technology to improve processes, manage operations and finances and collaborate with outside counsel and service providers. Operational efficiency and reducing costs are a priority for law departments as they are asked to do more with less. This requires law departments

to work with their service providers in a collaborative manner, unlocking data that resides in systems on both sides.

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Ten years ago, corporate law departments knew there was value in getting invoice information from their firms electronically but technology to share this data did not exist. That problem has been solved with e-invoicing. But the sharing and management of additional data around the invoice transaction and managing matters is still needed. The problem with today's systems is that the data on either side of the transaction is basically the same and stored in multiple places making the sharing of the data difficult. Technology providers such as DataCert are developing solutions to leverage existing infrastructure and systems to more efficiently share data and reduce the friction on both sides of the transaction.

For example, CLD 10 allows law departments to create needed forms that can be completed by internal non-CLD users and outside counsel. The data from these forms can then be uploaded directly to CLD to update matter information and financial data related to the matter. This sort of collaboration promotes efficiency and data accuracy.

Editor: Please tell our readers more about CLD 10.

Schad: CLD 10 is a comprehensive platform of electronic invoicing, legal spend management and matter management. The technology allows in-house lawyers to take control of their legal operations. With CLD 10, corporate legal departments manage legal and IP spend while tracking the volumes of documents and financial information related to legal matters.

Editor: How do you see legal operations management solutions developing within the next three to five years?

Schad: Legal operations management solutions will continue to promote collaboration and operational efficiencies by building better solutions to link systems between law departments and their law firms and outside service providers. These solutions will be present in systems that legal professionals utilize in the normal course of their daily business. There will also be a continued push towards better system integrations as the desire for the law department to conduct business from one application continues.