LEGAL MANAGEMENT
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Enterprise Legal Management and Legal Departments

Our interview with **Jason Parkman,** Chief Executive Officer of Mitratech

Mitratech provides fully integrated enterprise legal management solutions for global legal departments of all sizes, including more than 25 percent of the Fortune 500 and more than 230 organizations. These solutions include the TeamConnect and Lawtrac product platforms, both of which offer end-to-end matter management, spend management, e-Billing, legal hold, contracts management and compliance solutions. Mitratech's services apply to legal professionals working on the business side of the legal industry.

ALA interviewed Jason Parkman who serves as the Chief Executive Officer of Mitratech in Austin, Texas. Parkman explained how Mitratech works with Legal Operations Managers and Legal Administrators who are responsible for ensuring that the entire department is operating effectively, efficiently and profitably. He says, "Ultimately, they are accountable for providing insight and controls to the department, so our products support that mission by centralizing and organizing information, automating tasks, managing follow-through, and ensuring that data across the legal department can be reported upon consistently."

Parkman responded to five questions on Enterprise Legal Management (ELM) as a maturing market that is changing the way legal departments are run.

1. **Can you please explain the term "Enterprise Legal Management" and its impact on corporate legal departments?**
   Historically, Enterprise Legal Management has been defined as an integrated set of applications that include matter management, e-Billing, financial/spend management, legal document management, and business process management. These systems form the very core of the legal department's ability to effectively manage its day-to-day responsibilities — from managing tasks, resources, and information to effectively communicating and collaborating with external partners.

2. **We often hear the term Legal Project Management as it relates to law firms. Can you please talk about its role in corporate legal departments?**

Legal Project Management as I've come to understand it typically refers to the processes and systems that law firms use to track activity, manage matters and provide financial visibility. Described another way, LPM is about optimally deploying specific resources to tasks to accomplish specific goals at a specific cost. On the corporate side, these goals are also important as legal departments are being asked to run more and more like other business functions — with predictability, visibility into metrics, better collaboration with business partners (including law firms) and rational, documented processes. The systems that help the legal department manage this goal are typically referred to as Enterprise Legal Management, and included integrated legal matter management, spend management, e-Billing and reporting capabilities.

3. **How has this role been evolving? What is the biggest change corporate legal departments can expect to see in 2015 and beyond?**
   Corporate legal departments are being asked to manage a dramatic increase in risk and compliance challenges, along with increasing litigation costs, without the corresponding increase in budgets. They are also being asked to be more than just a cost center, but instead to be a strategic business partner to the entire organization. These requirements mean that the department has to do more with less, while increasing visibility, predictability and responsiveness. ELM technology allows the general counsel to make decisions based on metrics instead of instincts, turning the legal department into a data-driven organization. In order to facilitate this data-driven decision making, robust ELM solutions have to offer users the ability to organize and analyze tremendous amounts of data to make educated decisions about everything from which matters to bring in-house, to which firms to use on specific types of matters, to how to better negotiate rates within a particular market or type of matter. Ultimately, this type of sound decision making enables the legal department to be an even more strategic business partner across the entire organization — minimizing business exposure and reducing overall costs.

4. **If you had one piece of advice to offer legal professionals in corporate legal departments on how to deal with legal matter and project management, what would it be?**
   I think you have to realize that the value of legal matter and project management goes far beyond what may be viewed as a tactical advantage. There is an ever-increasing compliance risk, legal risk, and IP litigation to manage. On the compliance side alone, automated processes (through the use of technology) are absolutely necessary to keep track of the changing regulatory environment ushered in by Sarbanes-Oxley (SOX), Health Insurance Portability and Accountability Act (HIPAA), the Affordable Care Act and hundreds of other state, local and federal regulations that are changing the business environment on a daily basis. Improper management of compliance needs means huge business exposure. On the litigation side, IP litigation has increased tenfold in the last ten years. All told, this means that how the legal department manages all of this risk and compliance can make a difference of millions, and even billions of dollars to the company. For many of our clients, the best way to manage that risk is to ensure that they have technology in place to provide the controls and visibility the department needs.

5. **What type of return on investment are corporate legal departments seeing from implementing Enterprise Legal Management systems? Can you offer any statistics?**
   ELM systems drive significant ROI, and we've been able to quantify and validate with more than dozens of our clients that have successfully tracked their results. The value drivers fundamentally can be broken into 3 categories:

   a. Legal Spend Savings: Through tighter enforcement of e-Billing guidelines and more informed decision-making on outside counsel selection and matter outcomes, our clients have realized an average 6 percent reduction of outside legal spend per client. For many large organizations, this equates to millions of dollars per year.

   b. Productivity Gains: In many cases, ELM solutions can reduce what used to take legal staff a week to accomplish down to seconds. For example, many of our clients have reported needing a week to compile a report showing legal spend trends across matter types, geographies, and categories. With a system in place, that analysis can literally take a second. Again, for clients, this averages between 5-15 percent gains in legal staff productivity.

   c. Risk Mitigation: Legal departments can realize significant revenue protection for the entire enterprise through ensuring that they have rigorous processes and clear visibility in place to be proactive about mitigating risks.

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