Document Management Trends: A Source of Efficiency for Corporate Legal & Risk Leaders

Presented by
Robin Snasdell

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1:15 PM- 2:45 PM
Document Management Trends
A Source of Efficiency For Corporate Legal & Risk

Topics Covered

• Introduction
• About Consilio
• Session Goals & Objectives
• Trends from 50,000 Feet
• Selection/Implementation Best Practices
• Vendors
• Success Factors
Session Goals

Documents are not just documents anymore. Social media, messaging, voice and video use are increasing exponentially...

Goal of this session is to...

• Discuss document management trends and departmental needs
• Introduce the various solutions available
• Provide strategies for managing the solution selection, implementation and change management processes.

Objectives

Identify the best practices for document management

Discuss critical factors to be considered when evaluating and selecting a document management solution

Examine some of the merits and drawbacks of emerging document management technologies/solutions.

Outline strategies for guiding change management and ensuring user adoption.
Consilio - A Truly Global Solutions Provider

- Being a global provider means more than footprint, it means **leveraging local expertise**
- Guiding clients through **operational efficiencies** and **automation enablers** while promoting regional best practices
- Working across geographically dispersed outside counsels
- Navigating time zone and cultural challenges

Consilio Legal, Proven Legal & Consilio

- Worked with over **275 general counsel** and **95% of the AmLaw 100 law firms**
- Currently serving **70% of the top 20 financial institutions in the world**
- Conducted more than **15,000** engagements for more than **4,300 clients**
- **100+** consultants who are experts in IGRC, eDiscovery, Forensics & Law Department Operations
- **300+** technology consultants in India proficient in enterprise application development and system implementations
- **60+** Sales executives across the globe
The Law Department Management Team

- 20+ consultants serving the office of the general counsel and in-house legal operations
- 6 JDs, 2 in-house legal ops director, and 7 specialists from partner technology vendors
- Demand based developer capabilities utilizing Consilio and established sub-contractors relationships

West Coast
Murtuza Vohra (SD)
Rishi Waghmare (M)
Debby Young (AS)
Jasmine Hui (AS)

Houston
Robin Snasdell (MD)
Bret Baccus (MD)
Mike Haysley (MD)
Julia Nye (M)
Julie Juranek (AS)
Meredith Brown (AS)
Mike Nguyen (As)

Chicago
Jill Rusk (SD)
Mary Jummati (D)
Vikram Arneja (M)
Jaime Woltjen (AS)
Anuj Patel (AS)
Charlie Camisasca (AN)
Ali Baranco (AN)

East Coast
Leslie McNiece (SD)
Keith Brown (SD)
Theresa Pak (AS)

London
Stephanie Yang (M)
Ryan Antkowiak (AS)
Viren Bhakta (AN)

Trends from 50,000 Feet

1. Exponential Growth
2. Stumbling Movement to Cloud
3. Increasing Regulatory Issues & Penalties
4. Technology Stack consolidation / Integrated View / Central Repository
5. Process Automation
6. Data Analytics / Predictive Analysis
Today’s document risk analysis is largely based on a strategy of: “we hope that all relevant information becomes known in time to avert disaster.”
Legal Technology Trends

Best practices & Opportunities for improvement

Consilio Legal Best Practices Technology

- Investments in legal technology are vital to increasing efficiency and improving data access to support data-driven decision making.
- Developing a strategic technology plan to understand user needs, align technology with prioritized business processes, and ensure a cohesive integration of technology allows departments to effectively leverage technology and streamline processes.
- Mature law departments integrate technology with business systems to support business and law department procedures and allow for full visibility into performance metrics.
- Core legal technologies such as Matter management/billing systems and document management systems enable more efficient matter and invoice handling processes and provide the infrastructure to support the detailed analysis of legal spend and monitoring of key performance indicators.

Source: Consilio 2013 IMPACT Benchmarking Report

What Can Legal Technology Do For You?

The right technology when paired with policies and processes can help achieve the following:

- Ensure that the Legal Department business processes are cohesive
- Reduce manual effort for individual staff and increase access to important information
- Ensure knowledge capital is captured and leveraged internally and with outside counsel
- Improve operational and financial management of the Legal Department; reduce spend and effort duplication through proactive management
- Increase efficiency through collaboration across practice groups, geographies, companies and law firms
- Support development of the appropriate metrics and measurements to drive behavior
Defining the Future & Current State: Maturity Model

The following chart provides a summary of our assessment of the future state (three year timeline) of systems maturity compared to current state.

Prioritized Roadmap & Effort Estimate

<table>
<thead>
<tr>
<th>Core Technology Implementation</th>
<th>Impact</th>
<th>Priority</th>
<th>Effort</th>
<th>Estimated Timeframe (months)</th>
<th>Consultin g Project FTEs</th>
<th>Vendor Project FTEs</th>
<th>Ongoing Support FTEs</th>
<th>Start Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Technology Governance Policy</td>
<td>H</td>
<td>H</td>
<td>L</td>
<td>6</td>
<td>0.10</td>
<td>0.00</td>
<td>0.50</td>
<td>Q1 2015</td>
</tr>
<tr>
<td>2. Matter Management / e-Billing Technology</td>
<td>H</td>
<td>H</td>
<td>M</td>
<td>9</td>
<td>2.23</td>
<td>0.75</td>
<td>0.99</td>
<td>Q2 2015</td>
</tr>
<tr>
<td>3. Intellectual Property Management</td>
<td>M</td>
<td>H</td>
<td>H</td>
<td>15</td>
<td>1.50</td>
<td>2.50</td>
<td>1.40</td>
<td>Q2 2015</td>
</tr>
<tr>
<td>4. Document Management</td>
<td>M</td>
<td>M</td>
<td>M</td>
<td>18</td>
<td>1.00</td>
<td>0.50</td>
<td>1.40</td>
<td>Q3 2015</td>
</tr>
<tr>
<td>5. Legal Hold &amp; E-discovery Tools</td>
<td>M</td>
<td>L</td>
<td>L</td>
<td>15</td>
<td>0.75</td>
<td>0.50</td>
<td>0.60</td>
<td>Q4 2015</td>
</tr>
<tr>
<td>6. Reporting</td>
<td>H</td>
<td>M</td>
<td>M</td>
<td>12</td>
<td>0.50</td>
<td>0.25</td>
<td>0.50</td>
<td>Q1 2016</td>
</tr>
<tr>
<td>7. Legal Portal</td>
<td>L</td>
<td>M</td>
<td>M</td>
<td>12</td>
<td>0.50</td>
<td>0.25</td>
<td>0.10</td>
<td>Q1 2017</td>
</tr>
<tr>
<td>8. Contracts Management</td>
<td>M</td>
<td>L</td>
<td>M</td>
<td>15</td>
<td>0.50</td>
<td>0.00</td>
<td>0.00</td>
<td>Q1 2016</td>
</tr>
<tr>
<td>9. Corporate Secretariat</td>
<td>L</td>
<td>L</td>
<td>L</td>
<td>Ongoing</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>Ongoing</td>
</tr>
</tbody>
</table>
3-Year Technology Timeline

Establish a Return on Investment
System Selection Approach

### Project Management and Change Management

#### Gather, Validate and Prepare System Requirements
- Facilitate business and functional requirements interviews/focus group sessions:
  - Identify key stakeholders within each user group
  - Review current systems/processes
  - Determine detailed information and functional system requirements
- Interview technology infrastructure stakeholders to understand current and future technical environment, constraints and standards.
- Conduct requirements validation and refinement sessions with key stakeholders.
- Translate business and information requirements; prepare System Requirements Matrix containing functional, technical and vendor support requirements.
- Review Matrix with project team and further refine system requirements as needed.

#### Conduct RFP Process
- Confirm list of candidate vendors/products for RFP and onsite demonstrations.
- Prepare and distribute Request for Proposal (RFP) to candidate vendors
- Prepare and distribute script/guidelines for product demonstrations.
- Assist in communication with vendors and describe critical requirements.
- Consolidate RFP responses.
- Participate in product demonstrations with project team.
- Obtain presentation feedback and discuss initial thoughts.

#### Compare and Analyze Product, Finalize Decision
- Communicate with vendor(s), Law Department, and IT groups to answer/resolve open issues.
- Analyze vendor RFP and scorecard responses.
- Check vendor finalist references.
- Prepare a Comparative Product Analysis and weighing of product strengths and weaknesses.
- Obtain feedback and facilitate decision-making process.
- Confirm selected vendor.
- Assist with contract negotiations (as needed).
- Prepare a high level Implementation Plan.

### System Selection Evaluation Areas

When helping a client with system selection, we evaluate the following aspects of each candidate system against the client's departmental business processes and objectives:

<table>
<thead>
<tr>
<th>Vendor viability</th>
<th>Ownership; management &amp; oversight; financials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementation</td>
<td>Configuration; functionality; testing; data conversion time</td>
</tr>
<tr>
<td>Usability &amp; functionality</td>
<td>User adoption; integrations with existing or planned systems; audit trails; security; searching; reporting; system administration</td>
</tr>
<tr>
<td>Vendor commitment</td>
<td>Responsiveness; support strength; client focus; law firm on-boarding support</td>
</tr>
<tr>
<td>Reference customer experiences</td>
<td>References from similar companies regarding implementation and ongoing usage; targeted reference checks</td>
</tr>
<tr>
<td>Maintenance &amp; support</td>
<td>Managing changes; bugs; technical expertise</td>
</tr>
<tr>
<td>International suitability</td>
<td>Experience accepting invoices in most currencies; automated conversion; reporting in multiple currencies; acceptance of VAT (eBilling)</td>
</tr>
<tr>
<td>Vendor hosting</td>
<td>Where applicable, capability to host system without impact on functionality or integration</td>
</tr>
<tr>
<td>Cost</td>
<td>Up-front software costs (and hardware costs if required); implementation services; ongoing maintenance and upgrades</td>
</tr>
</tbody>
</table>
System Implementation Approach

<table>
<thead>
<tr>
<th>Initiate and Plan</th>
<th>Design</th>
<th>Build</th>
<th>Convert</th>
<th>Test</th>
<th>Deploy and Monitor</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Confirm project scope</td>
<td>• Analyze legacy data use</td>
<td>• Coordinate configuration and development activities with vendor</td>
<td>• Create QA test plans and test cases</td>
<td>• Finalize training materials and training plan</td>
<td></td>
</tr>
<tr>
<td>• Identify resources</td>
<td>• Conduct workshops/ interviews to understand current state and develop future state processes</td>
<td>• Support data cleanup efforts</td>
<td>• QA test screens, business rules and processes, security, integrations, reports and eBilling</td>
<td>• Confirm training logistics</td>
<td></td>
</tr>
<tr>
<td>• Define project roles and responsibilities</td>
<td>• Document design specifications: – Functional design</td>
<td>• Prepare training and other documentation</td>
<td>• Create UAT test plans and scripts</td>
<td>• Validate operational readiness</td>
<td></td>
</tr>
<tr>
<td>• Establish matter management goals</td>
<td>– Integration specs</td>
<td>• Develop conversion strategy</td>
<td>• Lead User Acceptance Testing</td>
<td>• Deliver training</td>
<td></td>
</tr>
<tr>
<td>• Develop detailed project work plan and timeline</td>
<td>– Security</td>
<td>• Test converted data from user perspective</td>
<td></td>
<td>• Provide post-implementation support</td>
<td></td>
</tr>
<tr>
<td>• Conduct project kickoff</td>
<td>– Reports</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Review requirements</td>
<td>– Workflow and business rules</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

What is Document Management?

The goal of the Document Management system within Legal is to effectively provide tools to streamline document creation, leverage existing work products, facilitate document collaboration and provide a central repository for storage.

It facilitates collaboration, retention and re-use of work-product and secure access.

DM File Structure

- Matter/Workspace
Differentiating Document and Records Management

**Documents**

“Documents consist of information or data that can be structured or unstructured and accessed by people in organizations.”

**Records**

“Records provide evidence of the activities of a given organization’s functioning and business goals.”

**Document Management**

“Electronic document repositories provide for the checking-in and checking-out of documents that can be revised and unlocked for future revision, with version tracking and histories.”

**Records Management**

“Records management needs to place records in their proper context so that generally they are kept in series, or in indexes determined not by internal, enterprise-dictated rules, but by external rules.”

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Differentiating Document Management & Contract Management

Many types of systems can be used for managing contracts and documents, each with specific differentiators. There are systems that specifically support and automate the entire contract management process, while there are other systems that can be adapted to meet the legal department’s document management goals.

<table>
<thead>
<tr>
<th>Type of System</th>
<th>Concept</th>
<th>Drafting</th>
<th>Negotiate</th>
<th>Execution</th>
<th>Storing &amp; Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Management</td>
<td>⚫️</td>
<td>⚫️</td>
<td>⚫️</td>
<td>⚫️</td>
<td>⚫️</td>
</tr>
<tr>
<td>Procurement Management</td>
<td>⚫️</td>
<td>⚫️</td>
<td>○</td>
<td>○</td>
<td>⚫️</td>
</tr>
<tr>
<td>Document Management</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>⚫️</td>
</tr>
<tr>
<td>Document Assembly</td>
<td>○</td>
<td>⚫️</td>
<td>○</td>
<td>○</td>
<td>⚫️</td>
</tr>
<tr>
<td>Matter Management</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>⚫️</td>
</tr>
<tr>
<td>Records Management</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>⚫️</td>
</tr>
</tbody>
</table>

- ⚫️ System supports contract functionality
- ○ System partially supports contract functionality or requires integration
Value of Document Management

- **Easier to find documents**
  - Documents organized around a matter—called “matter centricity”—reduces the need for standard naming conventions or policy
  - Filing structure is less important with full text search capabilities
    - “Google-like” searching capability
    - Reduce document search time

- **Easier to share documents**
  - Document management system will be the central repository for all Legal documents
    - Users no longer need to determine which repository holds the document
    - Transform individual know-how into enterprise knowledge
    - Leverage exemplary documents, templates and forms
  - Version control is built into the storage and retrieval process
  - Large documents can be shared via emailing links instead of large attachments

- **Easier to secure documents**
  - Flexible security model allows users to set security as strict or lenient as they wish
  - Security can be set at the Workspace, Folder, or Document level
    - Documents automatically inherit rights associated with the Workspace and/or folder at which they are attached

Document Management Lifecycle Process

Document Management (DM) systems provide a common platform for unifying people, processes, and content. Common features and functions of a DMS include:

Create/Capture  Manage  Deliver  Retain/Archive
Document Management Matter Centric Approach

- A matter-centric document management design facilitates filing, retrieval and collaboration as well as the implementation of retention policies.
- In matter-centric collaboration, categories of matters and other projects are defined and assigned a default folder structure at initiation. For example, a patent prosecution project might include folders for drawings, PTO correspondence and applications.
- Each folder has an assigned metadata, security and retention schedules which are automatically applied (“inherited”) to the document as it is saved to the folder; matter-centricity helps establish a highly functional relationship between metadata, organization and content using a familiar metaphor. This is generally transparent to end users, who can use existing skills to save and retrieve documents without learning the intricacies of metadata profiling.

Vendor Overview

- **Document Management and Content Management Vendors**

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Overview</th>
<th>Key Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>OpenText</td>
<td>Founded in 1991. Headquartered in Ontario, Canada. Publicly traded. Primarily an enterprise content management company.</td>
<td>BFS (Switzerland), Fauchaufer Gesellschaft, Tronox, Siemens</td>
</tr>
<tr>
<td>netdocuments</td>
<td>Flexible workflows. Quick deployment timeframe (4 months). Built on EMC platform and EMC certified. Integration with Captive Capture for extraction of information from forms, etc.</td>
<td>Microsoft, VMware</td>
</tr>
<tr>
<td>Docmate</td>
<td>Privately owned company based in the United Kingdom. The company was founded in 1996 and has been supplying document and file management software ever since. We have been developing our own software products for over 15 years.</td>
<td>JTV, Majority Strategies, Summa Fitness, Rifax, Knight Litigation</td>
</tr>
</tbody>
</table>
### Vendor Overview

#### Integrated Matter Management / E-Billing Platforms

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Overview</th>
<th>Key Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>MITRATECH</td>
<td>Founded in 1987. Headquartered in Los Angeles, CA. Privately held company. TeamConnect and Lawtrac.</td>
<td>AEG, Exxon, Shell, Barclays, Ford, GM</td>
</tr>
<tr>
<td>passport</td>
<td>Founded in 2014 by the merging of Datacom and TyMetrix. Headquartered in Houston, TX.</td>
<td>Husar, ConocoPhillips, Philips, Commerz</td>
</tr>
</tbody>
</table>
## Vendor Overview

### Contract Management Vendors

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Overview</th>
<th>Key Clients</th>
</tr>
</thead>
</table>
| APTTUS      | Founded in 2005  
Headquartered in San Mateo, CA  
Privately held company  
Enterprise Contract Lifecycle Management  
Built entirely on the salesforce.com platform (Force.com) | CAImersoft  
Equity  
HP  
PayPal  
Trimble  
United Healthcare |
| Selectica | Determe and Casta merged in 2014 to expand product offering  
Headquartered in San Mateo, CA  
 Went public on NASDAQ with IPO in 2000  
 Introduced Selectica Contract Performance Management (now Selectica CLM) in 2005  
Enterprise Contract Lifecycle Management | Marriott  
Disney  
Randstad  
ManTech  
Prudential |
| CobbleStone | Founded in 1995  
Headquartered in Sunnyvale, CA  
Provides fully sourced solution  
Primarily buy-side but support sales side also  
Ariba 3.x to be released March 2015 | Arvato  
British Airways  
CVS Caremark  
Ohio State Univ.  
Volvo |
| Emptoris | Acquired by IBM in 2012  
Founded in 1991  
Headquartered in Burlington, MA  
Provides sourcing solutions  
Sells both buy-side and sell-side lifecycle processes | IBM  
Alstom  
Bosch  
ConopPhleg  
Microsoft  
NTsource |
| CobbleStone | Founded in 1995  
Headquartered in Sunnyvale, New Jersey  
Privately held company  
Infrastructure built on the Microsoft .Net platform  
Enterprise Contract Lifecycle Management | American Achievement Corp.  
City of Houston  
State of Colorado  
St. Joseph Health System  
TreeHouse |
Vendor Overview

• Contract Management Vendors

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Overview</th>
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</tr>
</thead>
</table>

Vendor Overview

• Contract Management Vendors

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Overview</th>
<th>Key Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broadway</td>
<td>Founded in 1899. Privately held company. Started as a collaboration project between the Association of Corporate Counsel and Bridgeway Software Research.</td>
<td>Avery Dennison, CDW, 3M, The Legal Aid Society.</td>
</tr>
</tbody>
</table>
Vendor Overview

• Contract Management Vendors

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>Overview</th>
<th>Key Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICERTIS</td>
<td>Founded in 2009, headquartered in Bellevue, WA with operations center in Pune, India, privately held company, leverages Microsoft Azure platform to develop and deploy its products, ICERTIS Contract Lifecycle Management (ICLM) was launched in April 2012</td>
<td>IBM party, E-commerce, ICICI Bank, Juney, JPT, Microsoft, Mindtree, Purplo, Praxie, Siverado</td>
</tr>
</tbody>
</table>

SUCCESS FACTORS

• Be Practical, narrow scope
• Communicate, and over-communicate
• Governance and Change Management Structure
• Ability to say “No” when it's right to say it
• Build and show, move in smaller increments
• Baseline each roll-out and use that as a starting point
• Don’t over-engineer, simple is better