Checklist of key criteria for a legal spend management solution for in-house counsel

With the right technology, in-house counsel can capture and analyze detailed cost data from outside counsel and streamline business processes — empowering you to more proactively manage and reduce the cost of legal services and improve productivity. At a minimum, a legal spend management solution should satisfy the following requirements:

Drive significant cost savings and streamline the way lawyers and legal staff work

☐ **Role-based homepage** – Delivers relevant information, tasks, reminders, and reports to each user

☐ **Intuitive navigation and configurable, role-based interface** – Provide ease of use for staff to encourage user adoption E-billing – Eliminates the overhead associated with paper invoices

☐ **Automated, rules-based e-billing audits** – Detect billing errors and enforce billing guidelines, fee arrangements, and discounts

☐ **Invoice workflow** – Streamlines review of external counsel invoices and enables lawyers and legal staff to focus on the practice of law

☐ **AFA management tools** – Support negotiation, enforcement, and evaluation of alternative fee arrangement value

☐ **Legal spend reports** – Allow detailed legal spend analysis to identify cost savings opportunities

☐ **Contract management** – Integrates with contract lifecycle management software to streamline and connect key legal workflows

Improve visibility into legal spend to improve budget predictability and inform more strategic panel management

☐ **Management dashboard reports** – Communicate key performance indicators to help spot trends and identify potential risks

☐ **Advanced business intelligence tools** – Enable in-depth measurement and analysis of legal spend and trends across a matter portfolio to uncover cost savings opportunities and improve forecasting

☐ **Support for industry standards** – Use of LEDES (Legal Electronic Data Exchange Standard) and UTBMS (Uniform Task-Based Management System) empowers granular comparison of legal costs across all firms

☐ **Firm benchmarking reports** – Support negotiation of better fee agreements and identify which firms offer the best value to inform panel selection

☐ **Industry benchmarking intelligence** – Enables comparison of key metrics to gauge department cost effectiveness/efficiency in the context of peer companies and the broader market

☐ **Scheduled/event-driven reporting** – Automates distribution of critical metrics to key stakeholders

☐ **Combines with a legal matter management solution** – Provides a comprehensive view of the relationships between costs, risks, department workloads, outside counsel use, and matter status to optimize legal department performance

☐ **Artificial intelligence (AI) and advanced analytics** – AI, benchmarking, and predictive analytics capabilities embedded in the workflow to support a total spend management approach to drive cost savings and increase billing compliance

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Support communication and manage internal and external relationships more effectively

- ☐ **Collaboration tools** – Work in parallel with your law firms by streamlining the request and capture of matter budgets, accruals, and timekeeper rates from outside counsel
- ☐ **Graphical reports** – Facilitate communications with internal business partners and help to set expectations on how legal budget is managed and demonstrate value of the legal department
- ☐ **Central database/information management** – Centralizes storage of all matter-related data and documents in a single, secure environment
- ☐ **Search engine** – Enables users to quickly find matter information and documents and reuse/repurpose existing assets
- ☐ **Performance reports** – Facilitate communications with internal business partners and help to set expectations on how legal budget is managed and demonstrate value of the legal department

Meet current and long-term business needs

- ☐ **Flexible and configurable** – Supports the unique needs of each practice area and can evolve as business needs change
- ☐ **Global e-billing tax compliance support** – Ensures ability to use multicurrency and compliance with VAT and other European country-specific tax regulations
- ☐ **Integration with accounts payable and other legal or enterprise systems** – Streamlines business processes and enables exchange of relevant data/metrics
- ☐ **Client-side tools** – Permit custom configurations without the cost of a vendor services engagement
- ☐ **Extensible** – Allows solution to be tailored and capabilities expanded to address specific or evolving needs
- ☐ **Strong product roadmap and investment in research and development** – Ensure sustainable solution that addresses new customer requirements, as well as technological advances
- ☐ **Legal holds automation** – Automates the assignment, notification, and administration of custodian acknowledgments
- ☐ **Diversity tracking** – Tracks organization and timekeeper diversity data to ensure firms comply with company initiatives

Protect sensitive information

- ☐ **Role-based security** – Limits what different groups of users can see, protecting sensitive information
- ☐ **Hosting** – Flexible hosting options that comply with your company security requirements: private cloud-based SaaS, dedicated hosted, or behind the firewall
- ☐ **ISO, SOC, AICPA, FISMA hosting** – Peace of mind that secure hosted environments meet rigorous external security audit and testing criteria
- ☐ **International hosting options** – Meet local data protection requirements with EU or other in-market hosting

Delivered by a vendor with a proven track record and global expertise

- ☐ **Financial stability** – Established brands with extensive networks provide more stability and peace of mind than private equity market entrants
- ☐ **Documented experience with global spend management deployments** – Ensures solution is designed to meet requirements unique to each region where deployed, including compliance with local regulations
- ☐ **Demonstrated commitment to e-billing and matter management technology and the enterprise legal management market** – Provides assurance of reliable, long-term vendor-client partnership
- ☐ **Experienced, multilingual, in-market staff** – Provide local consultation, system implementation, and support
  In-house law firm support team - Manages onboarding and training of law firms and provides them 24/7 technical support
- ☐ **Extensive partner network of leading software and solution providers** – Ensures availability of complementary, best-in-class offerings to support business objectives and simplifies solution implementation
- ☐ **Broad range of training services** – Supports successful deployment and user adoption to maximize solution ROI

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