

A&O Consulting

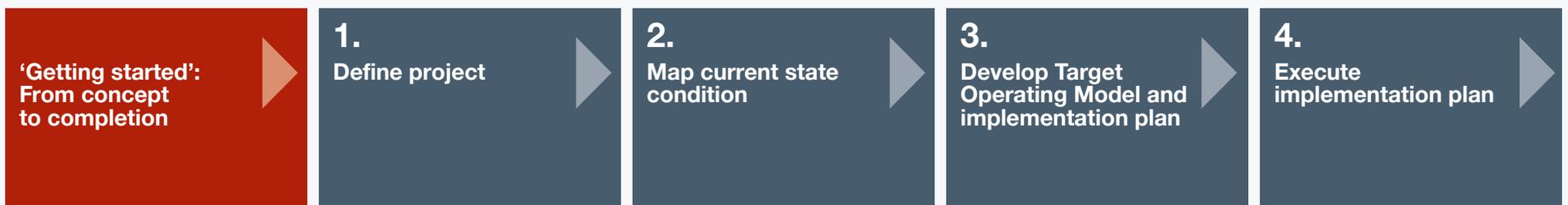
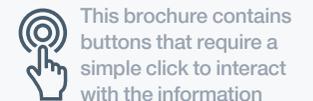
Business integrity by
ALLEN & OVERY

A model for in-house legal function transformation



A step change is underway in how in-house functions need to view their role and purpose. To become ‘future-fit’, in-house teams are under pressure from their organizations to embrace an innovation agenda for more effective operations. But planning a transformation project can seem daunting, even for those teams with senior management buy-in, a culture which embraces innovation and with access to the necessary resources and budget.

Our model breaks down the challenge, supporting our clients through four steps that when followed, best position each project to succeed.





“Getting started” From concept to completion: An introductory session

This two-part session provides a practical starting point to help you to determine how best to approach a transformation project. It can also be used as a kick-off workshop to engage your team at the start of a change project and covers:

1. A&O’s four step model for transformation, (project definition, current state assessment, Target Operating Model development and implementation), providing an opportunity for teams to explore the critical steps for success at each stage.
2. Benchmarking your current approach to innovation using A&O’s legal innovation benchmarking tool. This provides a useful context for initial prioritization of next steps and possible areas of focus as well as an opportunity to learn about how others are tackling the transformation challenge.

The Allen & Overy Legal Innovation Benchmarking Report

We have recently completed an extensive research program on this topic, including a quantitative survey of over 100 senior legal decision-makers from various-sized organizations around the world. Using that data, we can present the market findings to you for discussion. An indication of the depth of data available can be found in our **Report**.

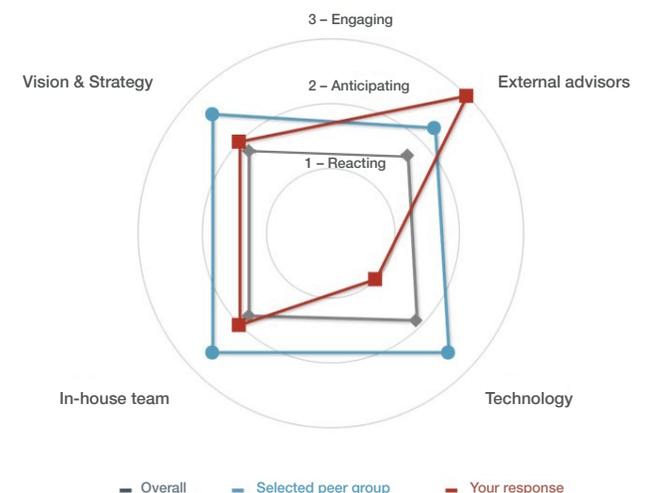
Personalized benchmarking

To further enhance the value of the session, we recommend that you first complete a short, 20-minute survey, enabling us to benchmark your function against the dataset as a starting point for thinking about where to focus your efforts.

Illustrative extract from a personalised benchmarking report

Our benchmarking tool segments in-house functions into three stages of legal innovation maturity across four key areas:

Vision and strategy; In-house team structure and capabilities; technology and data; advisor and supplier relationships.



1.

Define project

At the outset of any innovation project, leaders will want to explore a number of critical factors: to ensure any overall drivers and objectives are reviewed and understood, that the parameters for the program are clearly defined and that their teams have an opportunity to reflect on possible barriers.

Managed well, this step provides an opportunity to demonstrate commitment from leadership and for the team to share ideas and concerns, earning their buy-in.



How A&O Consulting can help

Project definition workshop

Working closely with senior management, A&O will design and facilitate a workshop to help you crystalize the following critical factors:

- Change drivers and barriers
- Prioritization of functions/services for change
- Company objectives and ensuing legal function objectives
- Change principles
- Internal stakeholders and impacted internal client groups
- Allocation of responsibility for future steps
- Critical timeframes/deadlines

By working at a high-level through A&O's four-step model, teams can establish which elements have been done, which remain to be done, who will do those remaining elements and how.



2.

Map current state condition

Clearly understanding your current practices is critical, helping to draw out existing strengths and prioritize areas for improvement.

Designing an optimal Target Operating Model (TOM) will be made much easier with an understanding of your team's portfolio of internal clients and the services they value. Analyzing the data available to you today will help to inform how to structure your operating model and key processes to deliver the management information required to better manage risk and cost going forward.



How A&O Consulting can help

Current state assessment

Assessment options	Examples of our approach
<ul style="list-style-type: none">- Catalogue of available legal services- Map of personnel and skills vs. (internal) clients and services- Build a data model- Pain point analysis and identifying areas of inefficiency, poor or inconsistent service models or skills/seniority mismatch- Review of existing external advisory appointments and legal supplier arrangements- Analysis of time spent and budget allocation- Classification of tasks by volume, complexity and risk- Technology maturity assessment- Inventory of available data to establish or build upon KPIs framework	<ul style="list-style-type: none">- Model online questionnaires- Senior management, internal clients and key stakeholder interviews- Facilitated team workshop(s)- Key process mapping- Providing a structure to capture time and financial data for analysis- Technologist and subject matter expertise review to determine adequacy of current technology versus objectives- Inventory and/or analysis of data available in existing systems and processes

An assessment could be applied to an individual team initially as a manageable “pilot” before considering whether to undertake a broader review.



3.

Develop Target Operating Model

Translating the insights gained through your current state assessment and an analysis of your function's drivers and objectives into a TOM will give your transformation program critical clarity. A successful TOM will be closely aligned with the direction of your organization and sensitive to dependencies such as budget, information security concerns and regulations. Personnel factors such as existing team culture and values will be equally important.



How A&O Consulting can help

TOM development and implementation planning

Depending on your appetite and tolerance for change our designs can factor in a number of elements:

TOM options	Examples of our approach
Service catalogue refinement, aligned to an agreed purpose for the legal function.	Providing a decision-making structure for go-forward service catalogue.
Technology roadmap development, to maximize efficiencies in data model delivery.	Coordinating with your subject matter experts to assemble department-wide 3-5 year technology strategy taking current state, future requirements, data requirements, objectives and the enterprise IT landscape into consideration.
Optimal resourcing model development: balancing use of in-house, outsourcing to third parties, use of lower cost in-house shared service centres, automation or business self-service.	Presenting options based on task-specific factors including importance to the business, available market/managed services options, complexity, volume, cost and relative risk.
Identification of standardized processes and associated playbooks to be developed.	Identifying available tasks based on measure of complexity, volume and risk.
Implementation plan development to prioritize and sequence steps, taking account of dependencies.	Drafting an initial plan for your consideration and refinement.
Strategic review of potential third-party or technology providers.	Options can include assembling a list of potential providers for refinement; drafting RFQ documents; coordinating an RFQ process with your procurement point of contact and framework and/or A&O running an end-to-end RFQ process on your behalf.

4.

Execute implementation plan

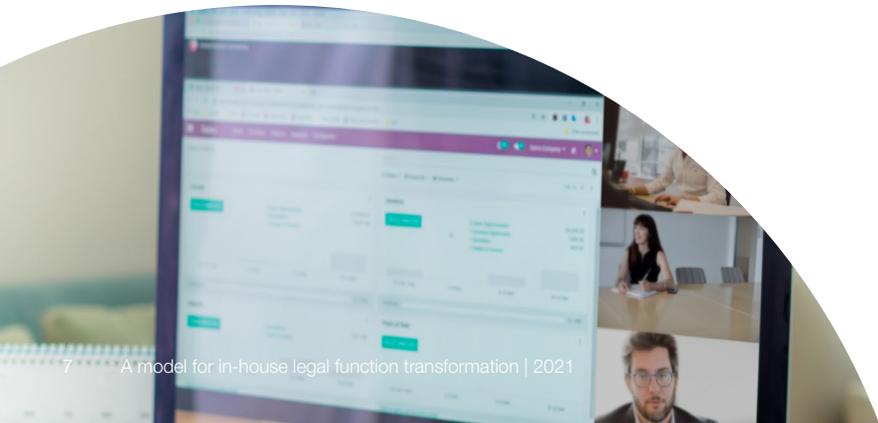
Implementation of your TOM should be broken down into discrete steps to deliver the required objectives. Each plan will need to address how to overcome any barriers (eg resistance to change, need for additional interim capacity or technology considerations) and include well-designed communications and consultation with critical stakeholders, such as your directly impacted internal clients (eg sales or procurement teams) and support areas (eg IT or compliance).



How A&O Consulting can help

Implementation plan development and ongoing support

Options for support	Examples of our approach
Drive development of the implementation plan.	Drafting, refining and assistance obtaining necessary approvals for the plan.
Project management for the implementation plan.	Providing dedicated project management leadership to record, track and report on project status.
Change communications planning and support.	Developing and scheduling communications for all relevant audiences taking into account culture, purpose and strategy themes.
Interim legal resources/capacity.	Utilizing additional resources from our Peerpoint (interim talent) and managed legal services teams to address any gaps in capacity or skill sets.
Assistance with third-party provider selection and engagement processes.	Coordination with internal stakeholders to execute RFP or similar selection process; facilitating provider onboarding and transition of services.
Post implementation assessment.	Performing project evaluation against initial objectives and identifying opportunities for continuous improvement/innovation.





Why A&O Consulting?

Deep bench of transformation experts

Our team includes experienced transformation experts with diverse backgrounds across key corporate disciplines and industries. We deploy expertise in areas including compliance, risk, data strategy and legal and business operations, each adept at making smart use of technology, process mapping and resource models.

Unrivalled combination of legal and consulting expertise

Unlike other consulting groups, we bring the combined knowledge and track record of A&O's legal teams and its Advanced Delivery & Solutions group. This means our clients benefit from an unrivalled combination of consulting services, legal expertise, technology, data science, resourcing and project management capabilities.

Significant market insights

We use our extensive practical experience and knowledge of the legal services provider market, and current and developing legal technologies to help you navigate the challenges and opportunities that innovation can provide.

Leading industry data-set

Through a rigorous market analysis of over 100 in-house leaders, we have arguably assembled the most robust global data set into how in-house legal functions are tackling change and transformation. Our benchmarking provides a detailed picture of how General Counsel and their leadership teams are addressing important challenges such as innovation strategy, team structure and capabilities, working with external providers and data management.

Insight from own transformation journey

A&O is not immune to the digitalization revolution. We have invested significant time and resources into our own legal transformation and can share the lessons of our own innovation programs.

Rigorous project management and budgetary transparency

We understand the importance of ensuring value and cost-certainty. We fully scope any projects upfront and are happy to work to fixed fee arrangements for defined workstreams. On larger-scale programs of work we can deploy dedicated project managers, either as part of the A&O team or seconded to work client-side.



Key contacts



Catie Butt
Executive Director – New York
Tel +1 646 344 6653
catie.butt@allenoverly.com

Catie is an Executive Director in A&O Consulting's corporate and legal function transformation business. She has primary responsibility for delivering transformation advisory, new model design and implementation services for clients' corporate and legal functions. This role allows her to employ her wide-ranging in-house, legal service provider and consulting experiences to drive effective change management across multiple stakeholders for corporate and legal function transformation projects of all sizes and scale.

Throughout her career, Catie has been a transactions lawyer and legal operations executive for various technology, telecom and IT outsourcing companies. She was a Deputy General Counsel at CSC for 14 years, leading the global transactions and legal operations functions, when it merged with Hewlett Packard's Enterprise Services division to form DXC Technology in 2017, where she was then at the center of DXC's legal department transformation which involved outsourcing the majority of the global legal function. Catie then joined UnitedLex for a couple of years to serve as Global Operations Executive for the DXC project. She brings a unique perspective to her endeavors using a combination of executive leadership, technology and data, process innovation and right resources for right tasks.



Tom Balogh
Executive Director – London
Tel +44 20 3088 2595
tom.balogh@allenoverly.com

Tom is an Executive Director in A&O Consulting's transformation, strategic and regulatory consulting business, based in London. He has extensive experience working with the largest global financial institutions and start-up technology and financial firms to provide bespoke, scalable solutions, with deep experience in the UK and US financial services industry. Tom is an experienced leader of business, operations and legal function transformation mandates; with a focus on mandates relating to risk and compliance.

Tom has worked in regulation for 18 years, in both the financial services and communications sectors. Prior to joining A&O, Tom was a Director in EY's risk advisory business, where he worked for eight years in both London and New York. He also spent five years working in UK financial and communications regulators.



Kate Morris
Executive Director – Sydney
Tel +61 417 042 643
kate.morris@allenoverly.com

Kate is an Executive Director in A&O Consulting's Asia Pacific practice, designing experience-tested solutions for global financial services and technology firms, as well as a number of Australian major banks and listed companies. She has particular experience mobilizing stakeholders and building consensus, and is passionate about targeted automation.



For more information, please contact:

London

Allen & Overy LLP
One Bishops Square
London
E1 6AD
United Kingdom

Tel +44 20 3088 0000
Fax +44 20 3088 0088

New York

1221 Avenue of the Americas
New York, NY 10020
United States of America

Tel +1 212 610 6300
Fax +1 212 610 6399

Sydney

Level 25, 85 Castlereagh Street
Sydney
NSW 2000

Tel +61 2 9373 7700

GLOBAL PRESENCE

Allen & Overy is an international legal practice with approximately 5,500 people, including some 550 partners, working in over 40 offices worldwide. **Allen & Overy** means Allen & Overy LLP and/or its affiliated undertakings. Allen & Overy LLP is a limited liability partnership registered in England and Wales with registered number OC306763. Allen & Overy (Holdings) Limited is a limited company registered in England and Wales with registered number 07462870. Allen & Overy LLP and Allen & Overy (Holdings) Limited are authorised and regulated by the Solicitors Regulation Authority of England and Wales. The term **partner** is used to refer to a member of Allen & Overy LLP or a director of Allen & Overy (Holdings) Limited or, in either case, an employee or consultant with equivalent standing and qualifications or an individual with equivalent status in one of Allen & Overy LLP's affiliated undertakings. A list of the members of Allen & Overy LLP and of the non-members who are designated as partners, and a list of the directors of Allen & Overy (Holdings) Limited, is open to inspection at our registered office at One Bishops Square, London E1 6AD.

© Allen & Overy LLP 2021. This document is for general guidance only and does not constitute advice.

UK

CS2012_CDD-62449_ADD-94176