



## LEGALTECHNOLOGY

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### Better Living Through Automation

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May 26, 2006

Imagine this scene from the not-too-distant future. A lawyer in a *Fortune* 500 legal department needs to draft a licensing contract. She fires up her PC's Web browser, and sees the department's home page. She clicks on "write a contract," and is prompted to enter some names and dates. Microsoft Word starts up, and she sees the latest version of the company's licensing contract. She fills in the blanks as prompts guide her through the drafting process, and the department's e-billing system automatically sends an invoice to outside counsel who helped her negotiate the terms of the contract. Done, she moves onto something else.

Easy? Definitely. Realistic? Almost.

That scenario is the vision of a group of in-house lawyers, tech experts, workflow consultants and bar associations. The one-and-a-half-year-old group, which calls itself the Open Legal Standards Initiative (OLSI, pronounced "ol-see"), includes some prominent in-house groups and personalities, from the Association of Corporate Counsel to general counsel such as Jeffrey Carr, of FMC Technologies Inc., and Steven Friedman, chief legal officer of Institutional Shareholder Services.

They envision a legal department in which standard, everyday tasks -- such as writing contracts, filing patents and drafting documents -- are routinized and automated. To that end, they're analyzing what legal departments do, and they're planning to release a set of guidelines, which legal departments will be free to adopt -- or adapt to their needs.



Naturally, with techies involved, at the core of this effort is a computer setup that will link the various systems that

legal departments use, such as case management, billing and e-mail. That will leave attorneys free to work on more complicated tasks.

The group -- and the tech consultants designing software to implement its efforts -- sees OLSI as a way to save the departments money. "There's no question that law departments want to be more efficient and lean," says Suzanne Hawkins, managing director of the legal practice division of Huron Consulting Services, a New York-based technology firm. "There's room for improvement in almost every [law department] process," adds Hawkins, who says she harbors some doubts about whether OLSI's approach might be overly ambitious.

Exploring ways to automate company lawyers' jobs is a new development in the in-house world. Up until a few years ago, whenever *Corporate Counsel* conducted a technology survey, we found that the legal department was often the poor tech stepchild of the company. Sure, most in-house lawyers had computers on their desks, used e-billing to track outside counsel spending and were devoted BlackBerry and Palm users. But for the majority of respondents, the core tasks of in-house lawyering were untouched by modern technology.

The members of OLSI aren't the first to think about such things. A couple of the more thoughtful law departments have put their procedures under glass in the past few years. E.I. du Pont de Nemours and Co. and General Electric Co., in particular, have led the pack. The impetus for their efforts came from a companywide adoption of the Six Sigma management theory, a quality control initiative that examines every step in a particular task in an effort to reduce inefficiencies and produce better products.

At GE the legal department cut the time needed to draft routine contracts from 30 to only three days. "We found there were opportunities in every area for improving processes," says Hawkins, who was senior counsel of legal operations at GE in the mid-nineties. A similar effort at DuPont yielded \$4.5 million in annual savings, according to assistant GC Thomas Sager.

The projects at GE and DuPont pale in comparison to what today's visionaries have in mind, however. OLSI isn't just biting off a few practice areas to analyze and measure. The organization wants nothing less than to standardize most of the work performed by legal departments across the nation. "There are core tasks [e.g., drafting contracts, managing intellectual property] that are consistent from department to department," maintains Steven Lauer, OLSI's chair and a director of integrity research for compliance software vendor Integrity Interaction Corp.

To define those core tasks, OLSI members are dissecting the jobs that law department attorneys do. The process, called "workflow analysis," involves asking lots of questions of in-house lawyers. What tasks need to be done? Who does them? What is the current procedure? Who signs off on the work? Other matters that OLSI is analyzing include crisis management, auditing and compliance, both within the department and for the company at large.

Improving efficiency is one thing, but why should law departments everywhere do things the same way? FMC's Carr says it's all about metrics -- having common tools to help GCs evaluate the work that their lawyers do and how efficiently they're doing it, and to fix areas that need improvement.

Meanwhile, there are some technologists who hope to take OLSI's guidelines and build computer systems around them. It's a new market space, and so far the only company that's already developing software for it is a firm called The Corporate Legal Standard Inc., based in New York and Los Angeles. Right now, CLS is in the talking stage with some legal departments, according to CEO Nena Wong, who recently demonstrated the interface of her company's product. Essentially, it's a click-here, fill-in-the-blank-there setup, in a Web form that seemed hardly more complicated than negotiating Amazon.com's checkout.

It all sounds great, but will this efficiency drive work? "I'm not sure how valuable that standardization is," says legal tech guru David Baker, of Baker Robins, a Chicago-based consultancy. (Two of Baker's colleagues are OLSI members, but not Baker himself.)

Hawkins also has her doubts about any project that purports to streamline everything a department does. "You don't boil an ocean," she says. "It's better to take specific processes that are in need of some improvement, and work on those first."

Despite his qualms, Baker says he's intrigued by the idea. If nothing else, he says, "it'll take the heavy lifting off the table." And that may be enough to get GCs to sign up.

