

How to Make Sure Your Legal Panel Review Really Delivers

By David Curtain

Reviewing legal panel arrangements can be a bittersweet process. On the one hand, there's the alluring potential of reduced costs, better services, and efficiency gains. On the other, there's a lot of work to set the process up, trawl through responses, and manage some awkward conversations. Not to mention trying to assess whether all these technology solutions you keep hearing about actually help or hinder you. Too often panel reviews fail to deliver the intended benefits because crucial information is never collected.

Before starting a legal panel review, it's worth asking, "If I were responding to this tender, what information would I need to put forward my best possible offer?"

1. Needs analysis

A good place to start is collecting data on your current requirements and prioritising what you need most to fix identified problems or taking full advantage of unrealised possibilities. This data should be both qualitative and quantitative.

Relevant *qualitative* data includes:

- **Interviews** with legal team members, internal clients, and external lawyers.
- **Legal team strategy**, such as reviewing: What it says now and what needs to change. What does the data say? Are you even getting the right data, let alone using it as an effective guide? Most teams aren't.
- **Work types.**
 - What are your most important work types, by reference to the key legal and organisational goals?

- Is your legal team's time being spent on the most important work, or are they getting bogged down in the weeds? (And going slowly mad with frustration...)
- What work should be done internally? What's best outsourced (and why)?
- What's the right balance of quality, speed, and risk for each work type?
- **Systems and technology.** What do you already have that could be better used to achieve wins?

Relevant quantitative data includes:

- Historical internal versus external legal spend. Where has the money been spent in the past and why? Do you have the right mix of resourcing for current and anticipated needs? Have you tested this?
- Market rates and "value adds." Get reliable data on these from a source outside the firms.

2. Establish the right team to run the panel review process

Look at your pipeline of work and consider who's best placed within your legal team to lead and participate in the panel review.

Consider the team head's availability and how awkward it's likely to be for them to play "hard ball" with existing relationships. If you have a procurement team, involve them and leverage their strengths.

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3. Tender strategy

Decide what sort of strategy you want to run — such as full tender, evidence of insurability (EOI), or informal proposal — and why.

Choose whom to invite. Who would you love to work with? Who are you curious about?

Invite a mix of tenderers to give you a good cross-section of solution options. A good blend might include two to three top-tier firms, one to two mid-tier, fewer than five specialists, and one to two new law providers to enable you to flex as needed.

4. Tender content

Tell tenderers what sort of information you want, and in what level of detail, to avoid wasting your time and theirs. Key areas to consider include:

1. What are your prioritised challenges?
2. What are the key areas where you want to see improvements or efficiency gains?
3. What sort of work do you want done internally versus externally?
4. Are there any work types where you want fixed fees or other non-hourly rates?
5. What are your expectations on service levels, fee estimates, and variations?
6. What data do you need to assess how well things are working, and adjust as needed?

Make it clear you want offers capable of acceptance, not fluffy answers requiring more work to progress to a binding contractual obligation.

Ask tenderers to provide their best price for the core requirements you've identified. Don't get sucked into discussions about "value adds" — it's well known they're not actually free.

5. Managing the new arrangements

Once your review is complete, establish processes to manage the new arrangements, including:

1. Ensuring the panel is adhered to unless there's a good reason to go off-panel;
2. Getting reliable data (both from external vendors and your internal team) to help you demonstrate the benefits you've achieved or address any issues that arise;

3. Monitoring and using this data (e.g., using simple dashboards that the rest of the business works with daily);
4. Incentivising and rewarding good performance, manage issues, and promoting wins;
5. Using technology in the right way — rather than fitting your legal team around the tech, make the tech fit around you. Too often teams report that painful change processes to procure and start using new technology cause more problems than they solve. Before you go out and buy new tech, look at the tech stack you already have. Most teams don't use their use Microsoft suite to anywhere near its full potential — solutions like LOD365¹ can fix this; and
6. Continually monitoring the data so you can easily spot action opportunities to keep improving the team's efficiency and well-being. We all have better things to do with our lives than deal with mindless processes. When legal ops and tech are done right, you and your colleagues will be more engaged and a lot happier.

If you'd like help with any of this, or just to connect, please get in touch via email at david.curtain@lodlaw.com. **AB**

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- ¹ www.lodlaw.com/solutions/lod365.