

Legal Project Management Can Reduce Cost and Future Expense

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Companies can employ process management techniques to run more efficiently and reduce future legal costs. Among the many steps a company can take in this regard with respect to legal services are the following:

1. When selecting outside counsel for potential future litigation, encourage competition, which may include requests for proposals (RFP's) from several firms to ensure you partner with a law firm that understands your unique business realities, and are therefore a trusted resource for a long term relationship.
2. Where appropriate, and considering your unique business realities, seek legal fee agreements that best meet your long term strategies. Work closely with your outside legal teams to establish contracts that are based on either an hourly fee, alternative fee arrangement, flat fee, volume discount, bonus for settling matters quickly, or a myriad of other options that are available. This may result in the more efficient handling of legal matters in a way that fits closely with your long term business strategy. Engaging your outside counsel during your long term strategic planning, including a consideration of fee agreements, creates trust and confidence that all members of your team are striving towards the same corporate goals.
3. Utilize in-house counsel to work hand-in-hand with your selected outside counsel to ensure coordinated progress and communication to achieve your company's long term strategic goals.
4. Recognize that electronic data may be subject to discovery in lawsuits and categorize your data as part of its creation or retention process. Proactive processes will save e-discovery expense down the line.
5. Budget legal expense, including outside legal expense, and manage to budget.

Law firms can also play their part in assisting companies to control and predict legal expense by using legal process or project management tools ("LPM") that help in budgeting and staffing specific matters.

Effective communication requires a company to work closely with its outside legal counsel, establishing a clear understanding of your corporate long term strategy in general, as well as a specific strategy during any particular litigation. This can set a foundation to best deliver a "win /win" outcome for all parties involved. While it is true that a "win" when referring to litigation may include an aggressive litigation strategy through trial, or in other situations, a "win" may also include early settlement of a matter. Effective communication is the best way to understand your desired outcome when working with outside counsel. After all, effective use of your trusted outside counsel is an invaluable tool to achievement of your corporate strategy, risk management, and defense where necessary.

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