



Five Steps for Defining Your Legal Operations Digital Transformation Strategy

A White Paper

Introduction

There has been a lot of talk about the need for Digital Transformation in the Legal Operations space, and rightly so. Over the past few years, as companies launched Digital Transformation initiatives to find new and better ways to serve their customers, CIOs focused on data-driven technological solutions and deployed them in areas such as Finance, HR, and Supply Chain management. Now it's Legal's turn and General Counsels and Chief Legal Officers are being asked to respond, and quickly.

What do we mean by Digital Transformation for Legal?

Digital Transformation for Legal is focused on creating a sustainable environment where relevant decision-making and prioritized focus of resources contribute directly to the corporate bottom line while mitigating organizational risks. In many legal departments, the CLO has a general understanding of what their legal professionals are working on at any given time. However, their processes are typically not as structured or monitored in such a way that effective use of key performance indicators (KPIs) or metrics can drive prioritization of individual or team performance.

Digital Transformation for Legal is about using all the system data available to improve decision-making, automate processes and ensure resources are appropriately focused on high value-add activities. Successful organizations are those that have

- Defined data-driven operations as a critical element of their vision
- Articulated a clear strategy that is well understood and well communicated
- Employed technology to tear down silos and provide ubiquitous access such that new insights can be gained and critical decisions can be made more quickly
- Prepared and trained employees to derive insights from process analytics
- Automated processes and gain an end-to-end view creating tighter cross-functioning teams focused on continuous improvement

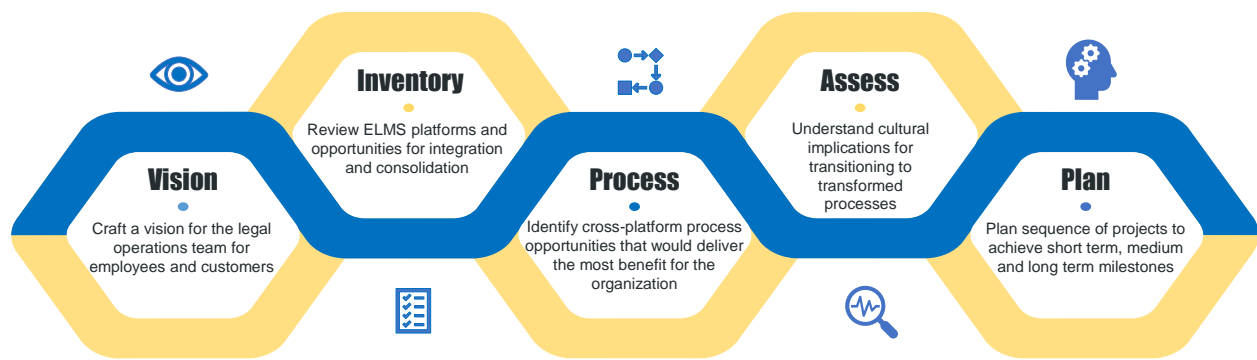
Why do you need a well-defined strategy?

It takes more than technology to make a Digital Transformation initiative successful. It requires strong leadership, executive support and buy-in from the entire organization in order to succeed. In addition, organizations often don't take the time to truly understand the external environment that can have a positive or negative impact on its performance. This is not to say that leaders are not in tune with their customers, or not aware of their competition.

The question is, how thorough an analysis are you doing? Being aware and prepared for potential shifts in your industry or customer expectations provides the opportunity to take action before it happens.

Creating and tracking progress against a plan is essential for the success of any major initiative. However, what is often missing is the relationship these plans have to the future. Too often plans are created as a result of looking in the rearview mirror. Without a clear plan for what the future should look like, the plan will always be more reactive than proactive.

So, a well-defined strategy ensures that you have a vision and plan of attack for achieving it that incorporates your company's culture so that you know how well a new technology will take root in your company, how it will be received, and what its overall impact will be.



The 5 steps for creating a well-defined Digital Transformation strategy are listed below and explained in detail in the following paragraphs.

Step #1

Create a Vision for Transformed Legal Operations



The first step in undertaking this program is to create the vision for what the legal operations team needs to transform into in order to be data-driven. A vision allows you to set expectations for future state goals that, when achieved, enable you to conduct the transformation in an iterative, measurable process.

With a clearly defined vision, you can set Transformation Imperatives that, when achieved,

incrementally move your legal operations team down the right path.

To arrive at this vision consider organizing a team visioning workshop. Visioning is a technique that is used to support a group of stakeholders in developing a

shared vision of the future. It involves asking the group of participants to appraise where they are now and where they can realistically expect to be in the future. In facilitating a visioning workshop, organize the activity as follows to direct the discussion:

1. Explain the 'what', 'why' and 'how' the workshop will be conducted to get your team in the right mind-set with a quick overview of why they're here
2. Ask questions to form the basis for your team vision
3. Formulate your team vision statement

Some of the key questions that need to be asked are; What is the value we're trying to bring to our customers? How do we know if we're working on the right things? How do we continue to be more valuable to our customers? To the business? What do we really know about our customers needs? What information is available to us in our Enterprise Legal Management Systems (ELMS)? What should we know about our customers that maybe we don't know? It's important to challenge your assumptions about how you think about your customers and what information you need to better serve them and meet their expectations.



Step #2

Inventory Strategic ELMS Platforms

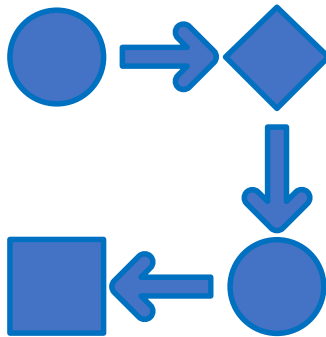
With a vision for the future now clearly defined and understood, the next step is to document what data exists in your ELMS platforms or applications that can be, and should be, more accessible and useable to drive the desired transformational outcomes.

The current ELMS landscape for many legal ops teams is often a complex combination of homegrown applications, spreadsheets and siloed disparate

platforms. Most of these systems are house compartmentalized customer data with limited integration or aggregation insight. Review these platforms and applications and identify opportunities for platform integration and consolidation to improve data consistency, quality and accessibility.

To understand where these opportunities lie, it is important to understand exactly what platforms and applications are critical to the organization, how they are being used and what mission critical processes they are supporting. To accomplish this, inventory the ELMS systems and applications, understand the nature of the data they are housing, and identify their ability to interface with other platforms for potential integration.

Step #3



Identify Cross-platform Processes

Every legal ops department has a number of core, ELMS applications that are supporting the organization's day-to-day business operations. There is much benefit to be gained by integrating these platforms and providing a single pane of glass to access information within the context of a given business process. This is the promise of Digital Transformation as ultimately you will uncover a myriad of opportunities to re-engineer and streamline

new and innovative processes that will better serve your customers.

To identify potential candidate processes for integration, interview departmental subject matter experts that rely upon the information in these systems to complete their day-to-day responsibilities. Too often organizations will only focus on their platform experts and ask them how the platform could be better utilized. Ask a platform architect how to best solve a problem and more often than not they will limit their thinking to the capabilities of the platform in question. The goal here is to rethink how customers are served to go beyond the capabilities of a single platform and look for opportunities to innovate through integration.

Leverage an Information Architect to document and understand the data models for the key platforms to create an independent, universal data model designed to meet the transformational objectives. Then use the new data models to identify new processes. Once the new data models and processes are understood, a low-code development platform can be employed to quickly build the new workflow applications.



Step #4 - Create a Change Management Plan

Undergoing a digital transformation is about more than just simply adopting new technology, investing in fancy gadgets, or upgrading current systems. Often, organizations do not adequately understand that digital transformation means the outcome is data-driven rather than process-driven. As legal departments integrate their ELMS platform processes and data, they overlook the potential impact on the organization as a whole as well as the end users.

Employees and managers are accustomed to doing their jobs in certain ways that will require change as the processes are created, streamlined, re-engineered and transformed. Unless the organization recognizes at the outset that digital transformation is a fundamental organizational change issue rather than a technology issue, and manages the journey from that perspective, it will fail to deliver the anticipated value from investing in transformation.

The purpose of this step is to understand your culture so that impact of transitioning to the new environment can be anticipated and addressed with a Change Management Plan. Provide questionnaires to all departments that will enable you to gain insight into what the organization embodies and values. Design the questions as to get at the espoused values, goals and philosophies that are explicitly stated and supported by the organization, as well as the basic underlying assumptions that are the unconscious, taken for granted beliefs that often drive the organization's culture.

If the new, innovative processes are not understood, accepted and adopted by the organization, the transformation will not be successful. The Change Management Plan must answer the following questions:

- What is the nature of the change?
- Who is impacted by each change?
- What must be done to help transition the organization to a new state?
- What must be done to mitigate resistance to change? (procedure changes, policy changes, training, sustainment techniques)
- What must be communicated to inform impacted parties, and when?
- What are the training needs?
- How will you know if success has been achieved?

Change is not easy. To the degree that you can, you want to remove the chance or variability associated with change. Unless you proactively support and guide your legal ops team through the changes introduced by a digital transformation, you leave the

adoption of change to chance. A well-designed Change management plan removes chance from change by providing employees with the preparation, support and skills they need to succeed in change.



Step #5 – Create a Roadmap

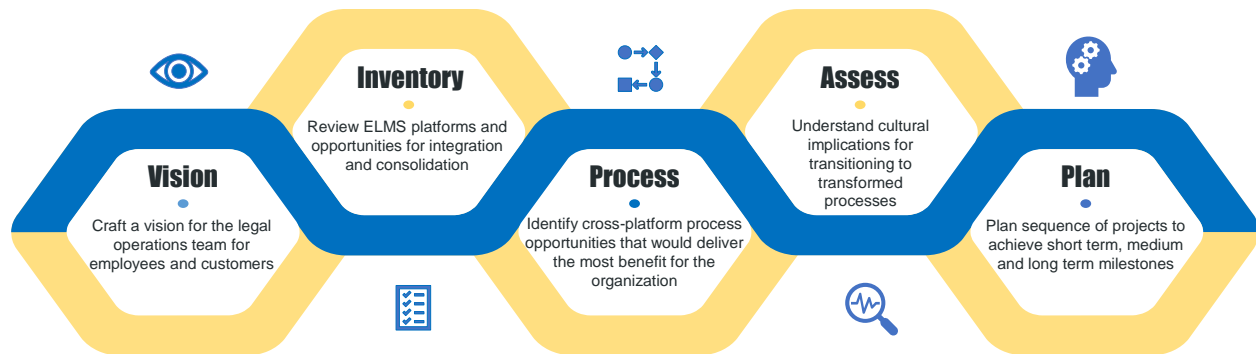
The final step in a Digital Transformation strategy is to create a roadmap for success. The roadmap should take the form of a Program Plan. A Program Plan is a sequence of projects to achieve short-term, mid-term and long-term milestones. The Program Plan is organized as a portfolio of prioritized projects, each containing project timelines, resource requirements, risk mitigation strategies and cost estimates.

The Program Plan should include a description of the scope of the program, a reiteration of the objectives of the Digital Transformation initiative, and a summary of the phases associated with the development and rollout of the program.

The Program Plan is your guide for success. It is a living document. As you progress with the implementation of your strategy, you will undoubtedly learn what works and what doesn't. It's important to be flexible in your implementation. Don't be afraid to fail with a particular project. But when you do fail, fail quickly and quickly try something else. The speed of execution is a lot more important than perfect execution.

Summary

Digital Transformation for Legal is about using all the ELMS data available to improve decision-making, automate processes and ensure resources are appropriately focused on high value-add activities. It requires a strategy to ensure that you have a well-defined vision and plan for achieving it. It takes into account your company's culture so that you know how well change will take root, how it will be received, and what its overall impact will be. Strategy creates competitive advantage, technology does not. An innovative culture is what allows you to sustain your advantage, and technology and communication allow you to deliver it successfully.



About LogicShark

LogicShark focuses on two major changes taking place in the legal community: Digital Transformation and the increasing need to integrate data across enterprise platforms. In our approach, technology is not the deciding factor: knowledge, leadership and culture are must-haves for organizations to recognize relevant technology and apply it appropriately in order to provide the transformational value today's customers demand.

LogicShark helps organizations in designing and implementing their digital transformation strategy and making it a reality. Our knowledge and experience with ELMS platforms, building comprehensive roadmaps that facilitate fast and effective change, and our ability to deliver it using our low-code, application development software, the LogicShark CNECT Platform, provide our clients with the highest opportunity for success.

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