

Pricing Legal Services Master Class

Module 4: Records of Instruction, Legal Project Management, and Managing the Transitions

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Today's Program

- Record of Instruction
- Linking Legal Project Management (LPM) and AFAs
- Measuring the Results
- Transitions

Record of Instruction

Record of Instruction

Date of Instruction	19/09/2019
Requesting counsel	Choose an item.
Authorising counsel	Choose an item.
Sector of Business	Choose an item.
Sub-Sector	Choose an item.
Billing code (Local Company/ Project/HQ central department)	Click here to enter text.
Region	Choose an item.
United Kingdom	Choose an item.
Territory	
United States	Choose an item.
State	Choose an item.
Transition Matter <input type="checkbox"/>	New Matter <input type="checkbox"/>
Insured matter	Choose an item.
Is this matter	Choose an item.
Third Party Details <i>(if relevant)</i>	Click here to enter text.
Matter/project name	Click here to enter text.
Work Categories	Choose an item.
Value of litigation claim	Click here to enter text.
Description of Legal Services Required	Click here to enter text.
Deadline	Click here to enter a date.

Step 1 – Request for Legal Services
(Completed by Scottish Airlines)

Record of Instruction

Step 2 – (Completed by
Law Firm)

Conflict cleared	Choose an item.	
Instructed Law Firm	Click here to enter text.	
Instructed legal advisor	Click here to enter text.	
Description of Legal Services to be delivered	Click here to enter text.	
Matter plan	Task/ Phase	Number of hours
	1.	
	2.	
	3.	
	4.	
Total fee estimate		
Total number of hours	<i>Under 50 hours</i> Click here to enter text.	
	<i>Over 50 hours (matter plan included)</i>	
Disbursements in \$	Click here to enter text.	
Local Tax Estimate if applicable in \$	Click here to enter text.	
Anticipated Start Date	Click here to enter a date.	
Anticipated Completion Date	Click here to enter a date.	

Record of Instruction

- A portal to be used by the company and all law firms to instruct/brief firms on individual matters.
- The portal is to include detailed matter plans and budgets.
- Company should require additional signing authority, depending on matter thresholds.

Record of Instruction

- Ensure ISP/RFP requires firms to document this capability.
- Train all in-house counsel to use the portal and the ROI.

Linking Legal Project Management and AFAs

Linking Legal Project Management and AFAs

- Estimate work volumes by category of law and region
- Estimate annual variations if at least 10% for the ISP/RFP Scope of Work

Project Management & Process Improvement

The discipline of managing resources (people and technology) to bring about the successful completion of the specific goals of a legal matter (goals as carefully determined by the client) while honoring the constraints of the matter (such as time, money and the current state of the law).

Sample Matter Budget (Litigation)

Phases & Tasks	Description	Years								Total
		2018	2019				2020	2021	2022	
			Q1	Q2	Q3	Q4				
L100	Case Assessment, Development & Administration									
L110	Fact Investigation / Development	100	50	25	25					200
L120	Analysis / Strategy	50	40	30	30	30	80			260
L130	Experts / Consultants	50	50	30	20	20				170
L140	Document / File Management	40	40	40	40	40				200
L150	Budgeting	10	10	5	5	5	10			45
L160	Settlement / Non-Binding ADR	5	10	25	50	50	100			240
L190	Other Case Assessment, Development and Administration	25	25	25	25	50	50			200
	Total Hours - Phase L100	280	225	180	195	195	240	0	0	1315
L200	Pre-Trial Pleadings and Motions									
L210	Pleadings	50	50	50	50	100	100			400
L220	Preliminary Injunctions / Provisional Remedies	300	400							700
L230	Court Mandated Conferences	25	25	25	25	50	50			200
L240	Dispositive Motions	50	50	25	25	50	100			300
L250	Other Written Motions and Submissions	25	25	25	25	25	50			175
L260	Class Action Certification and Notice									0
	Total Hours - Phase L200	450	550	125	125	225	300	0	0	1775

Sample Matter Budget (Litigation)

Phases & Tasks	Description	Years								Total
		2018	2019				2020	2021	2022	
			Q1	Q2	Q3	Q4				
L300	Discovery									
L310	Written Discovery	25	15	10	10	10				70
L320	Document Production	100	200	200	150	100	100			850
L330	Depositions		100	100	150	200	200			750
L340	Expert Discovery			50	100	100	100			350
L350	Discovery Motions		25	25	25	50	50			175
L390	Other Discovery		25	25	25	25	50			150
	Total Hours - Phase L300	125	365	410	460	485	500	0	0	2345
L400	Trial Preparation and Trial									
L410	Fact Witnesses					40	50			90
L420	Expert Witnesses					100	100			200
L430	Written Motions and Submissions				50	100	200			350
L440	Other Trial Preparation and Support					400	400			800
L450	Trial Hearing Attendance						400	400		800
L460	Post-Trial Motions and Submissions							70		70
L470	Enforcement							50		50
	Total Hours - Phase L400	0	0	0	50	640	1150	520	0	2360

Sample Matter Budget (Litigation)

Phases & Tasks	Description	Years								Total
		2018	2019				2020	2021	2022	
			Q1	Q2	Q3	Q4				
L500	Appeal									
L505	Appellate Motions and Submissions							70		70
L520	Appellate Briefs							200		200
L530	Oral Argument							50		50
Totals Hours - Phase L500		0	0	0	0	0	0	320	0	320
Total Hours for the Matter		855	1140	715	830	1545	2190	840	0	8115

Linking LPM and AFAs

- Legal project management and budgets for all matters requiring more than 50 hours.
- Essential to control total hours and staffing ratios.
- Improves likelihood of respecting
 - Blended rates for hourly billing arrangements.
 - Total hours and collar for fixed fee arrangements

Linking LPM and AFAs

Detailed matter budget includes

- Hours by phase and task
- Planning assumptions by task
- 85 % certainty for planning assumptions
- Hours by timekeeper
- Total fees by phase and task
- Blended rate by phase and matter

GARRETY TRIAL BUDGET		Scottish Airlines Budget		Rebus & Skinner	
Activity	Lawyer	Hrs	Fees	Hrs	Fees
TRANSCRIPT ANALYSIS	Ian Rankin (380 € /HR)	10.0	3 800 €		
	Quentin Jardine (600 € /H)	5.0	3 000 €	15.0	9 000 €
	Mary Scott (750 € /HR)			10.0	7 500 €
		15.0	6 800 €	25.0	16 500 €
PRE-TRIAL MOTIONS	Ian Rankin	9.0	3 420 €	4.0	1 520 €
	Quentin Jardine	6.0	3 600 €	5.0	3 000 €
	Mary Scott			5.0	3 750 €
		15.0	7 020 €	14.0	8 270 €
PLEADINGS	Ian Rankin	2.0	760 €	3.0	720 €
	Quentin Jardine	2.0	1 200 €	3.5	2 100 €
	Mary Scott	1.0	750 €	3.5	2 625 €
		5.0	2 710 €	10.0	5 445 €
KEY DOCUMENT	Ian Rankin	3.0	1 140 €	1.0	380 €
	Quentin Jardine	3.0	1 800 €	14.0	8 400 €
	Mary Scott	1.0	750 €	15.0	11 250 €
		7.0	3 690 €	30.0	20 030 €
WITNESS PREP	Ian Rankin	1.0	380 €	15.0	5 700 €
	Quentin Jardine	1.0	600 €	30.0	18 000 €
	Mary Scott	-	-€	35.0	26 250 €
		2.0	980 €	80.0	49 950 €
FURTHER TRIAL	Ian Rankin	3.0	1 140 €	10.5	2 520 €
	Quentin Jardine	-	-€	14.5	8 700 €
	Mary Scott			-	-€
		3.0	1 140 €	25.0	11 220 €
WITNESS CROSS EXAM	Ian Rankin	-	-€		
	Quentin Jardine	-	-€	17.0	10 200 €
	Mary Scott	-	-€	33.0	24 750 €
		-	-€	50.0	34 950 €

Sample Trial Budget

GARRETY TRIAL BUDGET

Activity	Lawyer	Scottish Airlines Budget		Rebus & Skinner	
		Hrs	Fees	Hrs	Fees
CASE MANAGEMENT	Ian Rankin	2.0	760 €		
	Quentin Jardine	2.0	1 200 €	-	- €
	Mary Scott			6.0	4 500 €
		4.0	1 960 €	6.0	4 500 €
TRIAL - 9 DAYS					
Trial attendance	Ian Rankin	90.0	34 200 €	110.0	26 400 €
Oct 23,24, 27-31, Nov 6, 7	Quentin Jardine	90.0	54 000 €	120.0	72 000 €
	Mary Scott	5.0	3 750 €	95.0	71 250 €
		185.0	91 950 €	325.0	169 250 €
POST TRIAL					
	Ian Rankin	3.0	1 140 €		
	Quentin Jardine	10.0	6 000 €	10.0	6 000 €
	Mary Scott	2.0	1 500 €	10.0	7 500 €
		15.0	8 640 €	20.0	13 500 €
WRITTEN BRIEF AND					
	Ian Rankin	30.0	11 400 €	19.0	7 220 €
	Quentin Jardine	20.0	12 000 €	20.0	12 000 €
	Mary Scott	2.0	1 500 €	21.0	15 750 €
		52.0	24 900 €	60.0	34 970 €
DECISION OF JUDGE					
	Ian Rankin	1.0	380 €		
	Quentin Jardine	1.0	600 €	10.0	6 000 €
	Mary Scott	1.0	750 €	-	- €
		3.0	1 730 €	10.0	6 000 €
DISBURSEMENT - EXPERT WITNESS					
			7 500 €		7 500 €
TOTAL		304.0	158 040 €	645.0	376 485 €

Sample Trial Budget

Measuring the Results

Measuring the Results

- Calculate projected legal spend for reference period (e.g. 2020-2022) using current year baseline rates from historical data or from the Request for Information (RFI).
- Build in average annual rate increases as reported by firms in the RFI.

Measuring the Results

- Projected legal spend should be by region and by category of law.
- Provisional legal spend should be based on a provisional allocation of work volumes to panel firms

Measuring the Results

- Panel should cost 20% less than projected legal spend, on average.

Transitions

Transitions

- Experience proves that companies will take 6-12 months to transition to new arrangements and new allocations.
- A 1-month transition should suffice.
- Stop assigning work to non-panel firms 6 months before effective date.

Transitions

- CLO / General Counsel must oversee the transition program personally.
- Law firms can assist with this transition by
 - Appointing a project manager
 - Providing internal training to CRMs
 - Collaborating with client on technology
 - Undertaking regular reviews

Additional Materials

- Tab 9: Record of Instruction
- Tab 10: Case and Matter Budget
 - Completed example provided
- Tab 11: Trial Budget

Additional Buying Legal Council Materials

- Panel Convergence with Chris Stewart
- Law Firm Selection and Management with Edward Wilson
- Legal Procurement Matrix with Matt Todd
- RULES – An Introduction to Law Firm Economics with Tim Corcoran

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