

CLIC

Corporate Legal Innovation Consultants

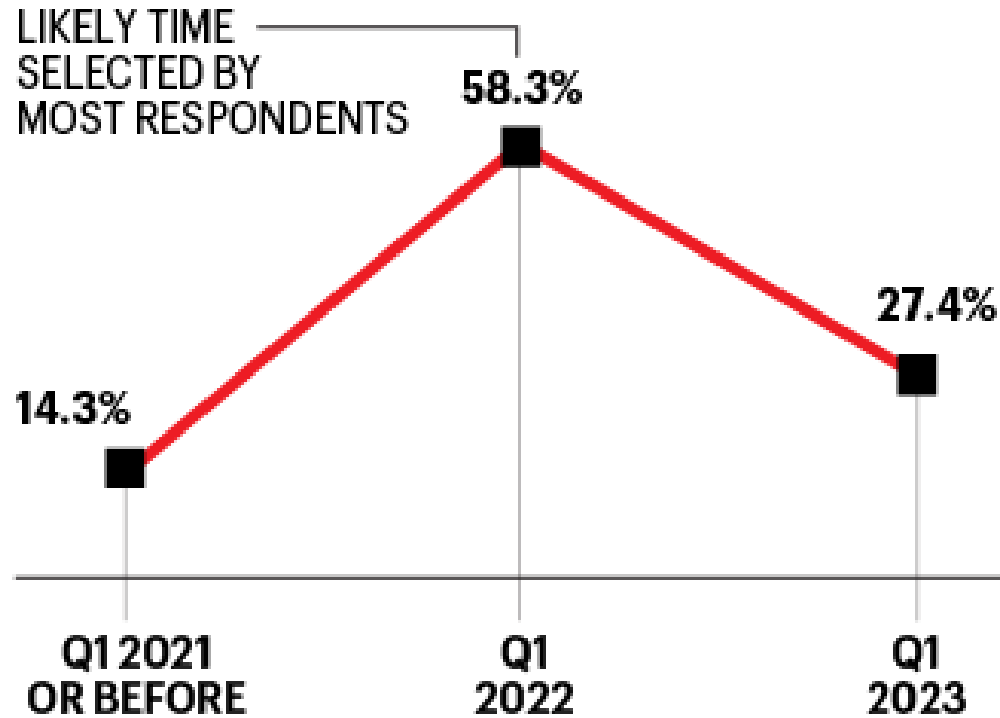
Does your Corporate Legal Department need a COO?

June 19, 2020



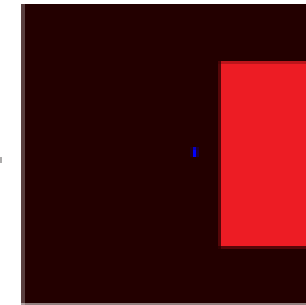
Feedback from leaders on the impact of the current market conditions on business

Time by Which Economic activity will return to pre-pandemic levels



January 2021 Economic Outlook

EMPLOYMENT WILL BE LESS THAN IT WAS IN JAN. 2020
72.6%



SAME OR INCREASED
27.4%

Additional Effect of the Pandemic

ACCELERATION OF COMPANIES' TECHNOLOGICAL TRANSFORMATION

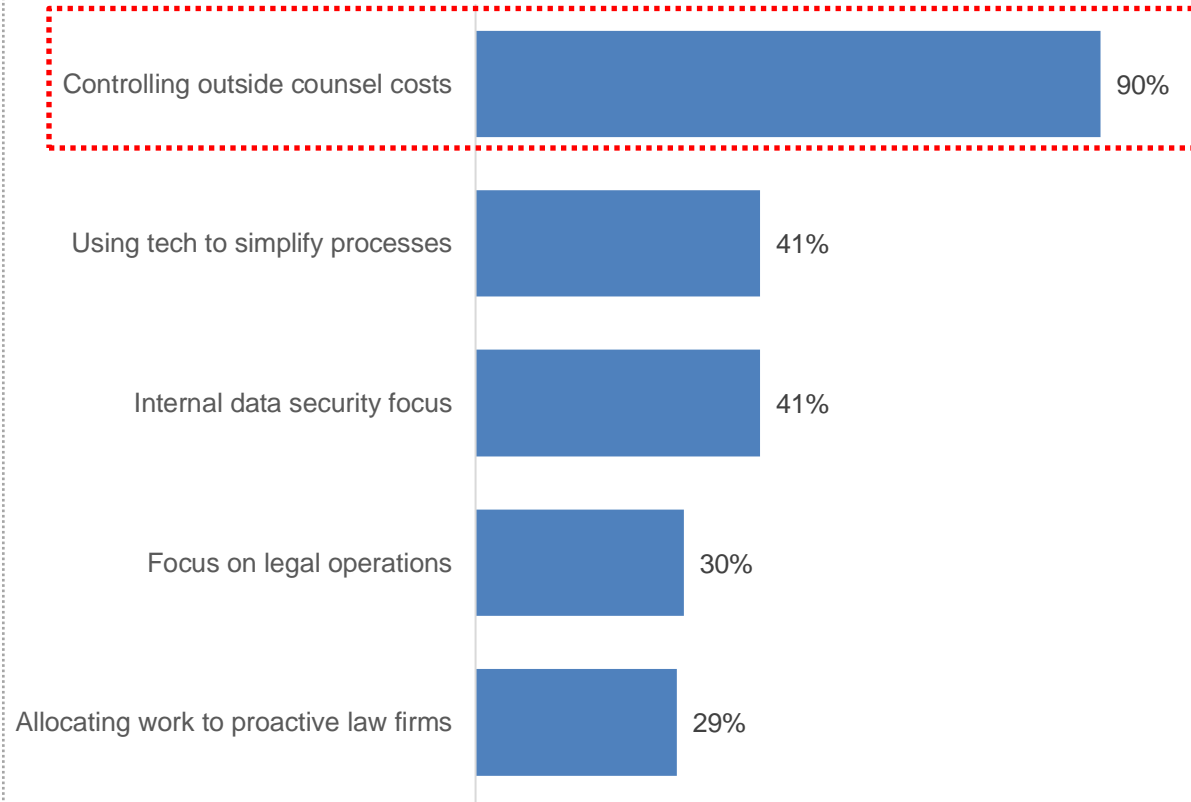


NO EFFECT OR SLOWING TECHNOLOGICAL TRANSFORMATION

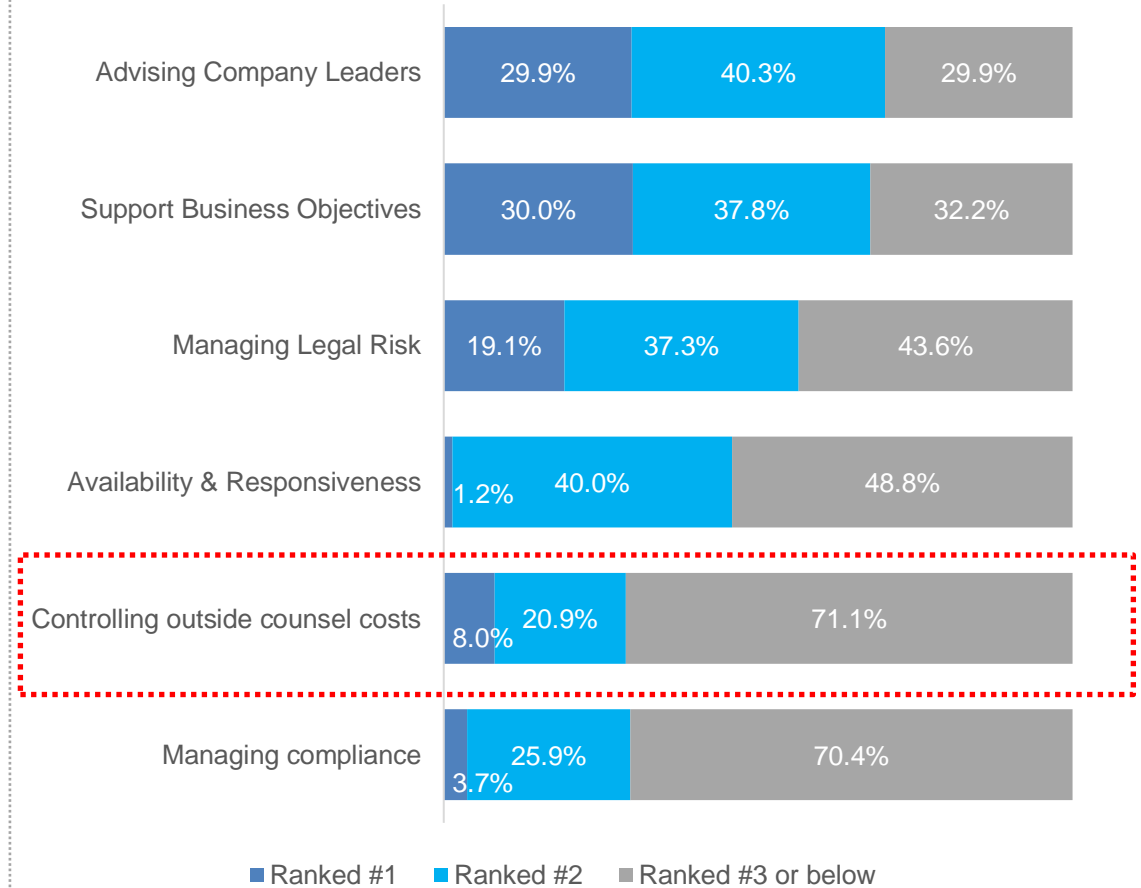
Source: Fortune 500 CEO survey, May 2020

The current disconnect between the priorities of GCs and the top issues valued by the C-suite

Current Priorities of the CLD in 2020



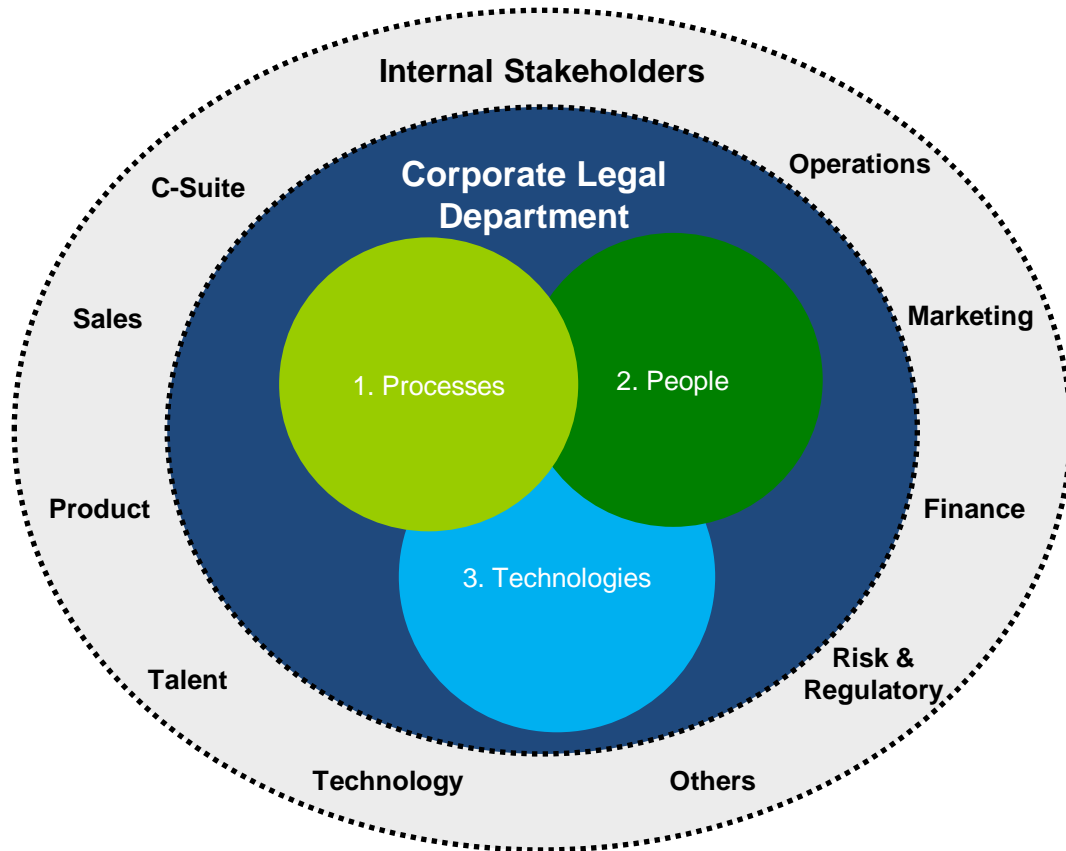
Top Issues valued by the C-Suite and Board of Directors from their General Counsel



Source: 2020 State of Corporate Law Departments, Effectiveness, Efficiency & Expanding the Guardian Role, Thomson Reuters, 2020 ACC Chief Legal Officers (CLO) Survey

Actions for Corporate Legal Departments to take to position itself for success

The Corporate Legal Department and its Internal Stakeholders



1. Identify the needs of the key internal stakeholders and create “bridges”
2. Determine actions needs to position the department as a key strategic adviser to the C-suite
3. Conduct a guided, structured self-examination of the CLD through several lenses:
 - **Overall** – Refine or craft CLD mission statement and establish metrics to measure success and communication with stakeholders
 - **Processes** – Optimize internal CLD processes with a focus on the top 5-10 most time-consuming activities
 - **People** – Examine human resources needed to execute refined CLD processes, and consider selective use of alternate talent models to meet those needs (e.g. mix of W2, 1099, and a greater variety of alternative legal service providers)
 - **Technologies** –Curate and deploy tech solutions that meet the company’s specific needs within their unique industry, company and departmental culture

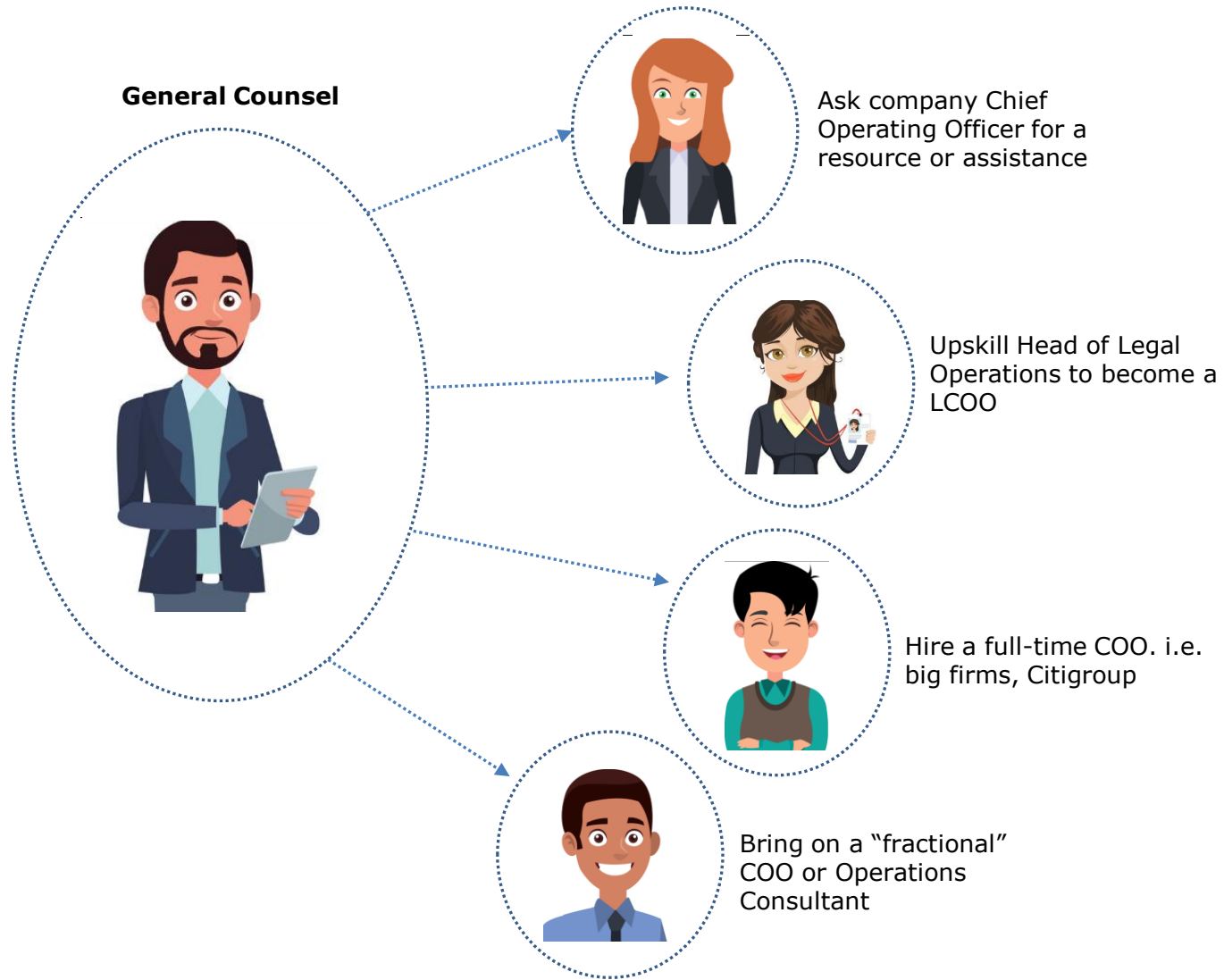
Need for a Legal Chief Operating Officer (“LCOO”)

- The General Counsel needs be focused on (1) being a strategic advisor to the C-Suite, and (2) meeting the legal needs of the business
- The GC needs someone they can rely on to manage the operations of the business – the Legal Chief Operating Officer. This is even more critical during a time of **market & business uncertainty when the needs of the C-suite and Business Unit are evolving**

Duties of the “LCOO”



Potential Approaches for getting a Legal Chief Operating Officer



Conclusion

1. We are in a market that is rapidly evolving, with reduced economic activity, lower revenues (for many), pressure on margins, reduced headcount and increased use of technology
2. A lot of the easy work of operational efficiency has been done. There is a lot of hard work ahead.
3. Risk of inaction is greater than risk of action

Our suggestion: Disrupt yourself, before you get disrupted.

Discussion: What would you as a General Counsel do?