



Partnering To Extend Each Of Legal Operations Innovations

By Jennifer J. Salopek

An agricultural processing company doing business in 160 countries with 35,000 employees, Archer Daniels Midland (ADM) has a far-flung legal department of 80 lawyers in 16 countries. When Cam Findlay (an ACC Value Champion in 2012 when he was GC of Medtronic) joined ADM as General Counsel in 2013, he was frustrated that the company couldn't easily locate basic information about the number and type of legal matters facing ADM, how many law firms it was using, or how much it was spending on particular matters or in aggregate.

Findlay knew that, to reduce total legal spend while providing better service to clients, the department needed better information on where risks lay and how ADM spent money managing those risks. Good data and technology would be critical to making such basic decisions about hiring outside counsel, driving cost savings through enforcement of billing guidelines, developing alternative fee arrangements, and evaluating firms through reporting and dashboard metrics.

"The legal department wants to be integral to the strategic changes we're making here at ADM," said Findlay. "We need to contribute to operational efficiency through alternative, value-based fee arrangements and lower rates; we need to be able to select and evaluate the right law firms to assist our businesses in creating and preserving value; and more generally we need to partner with ADM's commercial and support functions (finance, HR and IT) to make all of their low-value administrative tasks more efficient."

One of Findlay's first moves was to recruit former Aon colleague David Cambria to join ADM as Global Director of Operations – Law, Compliance and Government Relations. Cambria helped to identify opportunities for improvement and cost savings through technology-enabled solutions, enhanced internal processes and better management of external firms. Cambria worked closely with ADM's global legal team to understand the company's strengths and weaknesses.

“It's about bringing business discipline to legal problems to advance the goals of the business. An in-house legal department must operate like a business and spend shareholders' money wisely.”

– David Cambria, Global Director of Operations – Law, Compliance and Government Relations, ADM

As with any operational transformation, it is the partners you choose that help drive its success. ADM undertook an extensive vendor selection process, visiting each solution provider for a day. They asked not only about system features and functionality but about each company's vision for the future, product roadmap and the evolution of legal service delivery.

ADM was impressed by the nimble, innovative, cost-effective solution offered by Onit, a newer entrant to the market. "We saw Onit's platform and approach to managing all aspects of a law department as an accelerator to ADM's vision," Cambria said.

"ADM's selection of Onit was a validation of everything we are trying to do here at Onit. David and Cam sought a smaller, newer solution, and believed that the potential was worth taking the risk," said Onit CEO Eric Elfman.

The legal team began their journey with four primary objectives:

- ▶ Ensure that the leadership team had visibility to all matters at ADM worldwide and real-time access to legal spend
- ▶ Implement consistent processes to minimize low-value administrative tasks while providing visibility to legal risk across all ADM business units

- ▶ Provide a system for understanding and level setting that included ongoing feedback supported by analytics
- ▶ Implement systems and technologies to enforce company business processes and procedures.

“ Everything ADM did on this project was intended to optimize the law department function. The project was enterprise-wide, creating consistent and repeatable tools for improving and managing the law department. Strong teamwork, insight and analytics worked together to create sound and repeatable processes, and highly sustainable results. ”

By leveraging Onit’s technology, and applying sharp change management techniques, ADM’s legal leadership was able to reach all corners of the law department and accomplish its initial goals. The team also built alliances and partnerships with ADM’s shared services organizations, working with them to change policies where necessary to facilitate automation.

This collaboration has produced results for the company. The legal department has reduced its outside legal spend by more than one-third and now relies increasingly on fixed-fee and other AFAs for matters ranging from transactions to litigation. ADM also implemented a series of metrics, reports and dashboards to give better insight and guidance to lawyers and others who manage risk for the company. This combination of innovation, automated tools, process re-engineering and a robust and nimble technology platform helped ADM aggressively meet their challenges head-on, and achieve ROI unmatched by other technology investments.