

The Future is Bright, the Future is Automation... for In-House Teams

ALTERNATIVE INSIGHTS: IN-HOUSE LEGAL HANGOUT#10
IN PARTNERSHIP WITH TLT & CLARILIS

Top 3 takeaways:

- 1 Not all transformation needs to be digital; tech is an enabler, not the objective itself. But if you are embracing a digital future, technology can be the key catalyst for helping you change and deliver on that.**
- 2 Collaboration is key. Treat your law firms as trusted advisors to help you navigate through the noise that surrounds LegalTech.**
- 3 First use cases need to give enough ROI to make the business say 'we need to get more of this'.**

Our first in-house hangout of the year was all about the future of automation for in-house teams.

This is topical given that in-house teams are always under extreme pressure to cut costs and operate more efficiently, amid increasing regulation, economic uncertainty, and an ever-expanding workload—all amplified by the pandemic.

The aim of the session was to find out where document automation fits with digital transformation? And where is it headed in 2021? A panel of leaders from top organisations came together to discuss these questions; and the practicalities of implementing contract automation within a business. Clarilis and law firm TLT LLP first partnered in spring 2019, and work together to enable businesses to automate their document and contract creation process. This collaboration brings together TLT's legal expertise (named by the FT as one of Europe's top 50 innovative law firms) and Clarilis' best-in-class automation software to provide clients with a solution right for their business, taking the pain out of repetitive and procedural document drafting, giving in-house teams a structured way to draft complex contracts efficiently, quickly and with reduced risk.

CONTRIBUTING COMPANIES



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Where does automation fit into the digital transformation puzzle?

Recent research shows that, on average, legal functions spend 65% of their time on contracts but less than one third of UK General Counsel are using technology to speed up the contracting process.

In-house teams can no longer afford to spend large amounts of time on routine document drafting. This is slowing down transactions, creating risk, and severely limiting the legal team's ability to deliver on its strategic potential for the business.

How has digital transformation evolved?

Amy Brookbanks, Head of Legal Operations at Ocado, said that automation was central to her department's tech journey, which started in January 2019 when they noticed just how much time the legal team were spending on low-value NDAs; time that their lawyers could be spending on more strategic work.

"We started off with automating nine low-value, low-risk templates so that the business could self-serve," she said, sharing some impressive stats for the last financial year where 1086 NDAs were self-served and only 8% went to legal for review. In January 2020, the department went further and automated its intake legal matter process:

"Anyone wanting legal support that wasn't a contract would come in via our 'front door' and the matter would be automatically triaged and sent to the right lawyer or team."

Ocado also automated the process for reviewing contracts – asking clients a series of questions so that the system could determine the right track: "If it falls below our risk and value threshold, it goes back to the client with a set of guidelines. Or it needs to be seen by legal and is sent to the right lawyer or team."

Amy's advice to organisations that were just starting with automation? Make sure you have your processes in order first rather than trying to shoehorn the technology in.

Simon Drane, Founder of Earlsferry Advisory, has worked in automation for years and recently chaired an in-house session on LegalTech that saw automation as a clear area of focus for 2021.

The importance of process and ROI
James Touzel, Partner and Head of FutureLaw at TLT agreed with the other panellists that there needs to be a clearly defined process in place first before going down the automation route and firmly believes businesses should never start with the tech; always start with the people, processes and the problem that needs solving.

TLT's focus is on bringing automation to clients – and they work with clients to develop a business case or show the ROI.

"Alongside the time and efficiency savings, from our perspective, the more powerful benefits of automation are around consistency, quality and releasing lawyers to focus on strategic work which can be difficult to quantify but really where we have seen a huge benefit."

Simply putting automation technology in place is not enough. **James Quinn, CEO of Clarilis**, remarked that law firms and in-house departments will often answer 'yes' when asked 'Do you have document or drafting automation technology?' But when asked 'Do you have a successful project up and running? Are you receiving a return on investment?' The answer is often 'no'. TLT and Clarilis focus on helping clients with the risks – and this starts right at the beginning with selection risk. "There are a hundred vendors out there with shiny products. Speak to people who have done it well and go with the recommendation of your law firm in terms of what they're using," he said. Then there's implementation risk: "Do you have the skills and bandwidth to get the project up and running? Do you have the budget? Traditionally the technology is just a small part of the cost – which can be variable in the implementation." And when it comes to selecting first use cases, he noted that it needs to give enough ROI to make the business say 'we need to get more of this in our business'.

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AMY BROOKBANKS, HEAD OF LEGAL OPERATIONS AT OCADO

Predictions for 2021

Whether by providing a risk-mitigated approach to bulk contract generation, faster contracting, or enabling self-service – how will document automation support digital transformation in 2021?

Simon thought it was interesting from a risk perspective in terms of what happens in the wider business when contracts do not come to the legal department: “The self-serve piece taps into the question of what organisational risk do people potentially have without automation?” A consideration of this potential risk is key to Clarilis’ automation solution, which enables business users to self-serve and create their documents, but in a controlled environment that mitigates risk and ensures compliance. Legal documents are produced across the business using approved language and content.

Automation will definitely become more commonplace, according to Amy, who advised first-timers to pick easy stuff first and get buy-in, then concentrate on more complex stuff as they go along. Her department started by looking at what work could be pushed back to the business. “We automated a number of basic templates for self-serve in April 2019. Some of which we thought would be a

hit, weren’t,” she said, noting how they were in the process of refining them. Going forward, they will look to standardise how the lawyers operate: “We’re going to develop more complex templates for the lawyers. You can automate playbooks and standard clauses, for example.”

James Touzel similarly thought that automation would move into more complex areas in 2021. “One advantage of automation is that rather than an individual lawyer working on a document with just her own experience, I now have an automated process that builds in the experience of 15 other lawyers in the team because that’s how the playbook was built,” he said. And where he sees it work best is a collaboration between the business, the legal department or other function, the vendor, and a panel law firm who can help with configuration and implementation. This is where TLT and Clarilis’ combined expertise – vendor and law firm – proves to be invaluable. In addition, such collaboration is inherent in the creation of the templates themselves. Clarilis’ dedicated team of professional support lawyers, document analysts, and automators develop and implement the document automation projects, in addition to testing, merging, and updating the templates.

“AUTOMATION HAS ENABLED THE BUSINESS TO TAKE MORE CONTROL OF THEIR CONTRACTS, SAVE TIME AND HELPS AVOID LEGAL BECOMING THE BOTTLENECK IN WHAT ARE OFTEN STRAIGHTFORWARD DRAFTING QUERIES. WE’VE FOUND USING A FULL SERVICE PROVIDER SUCH AS CLARILIS TO BE EXTREMELY HELPFUL AS THEY HAVE THE TECHNICAL AUTOMATION EXPERTISE AND IN-HOUSE LEGAL EXPERTS WHO CAN DO THE TRICKY AUTOMATION ELEMENTS LEAVING YOU TO FOCUS ON GETTING THE TEMPLATES RIGHT.

ZOE MORRISSEY, LEGAL BUSINESS PARTNER, NATIONAL GRID

IN PARTNERSHIP WITH:



PROFESSIONALS WHO ATTENDED THE SESSION

Poll results:

1 As a result of Covid-19, do you think your digital transformation agenda will accelerate in 2021?



66%

Yes, I think it will accelerate

34% No

2 Is legal document automation on your priority list for 2021?



82%

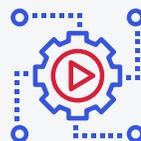
Yes, its a priority

9% No

6% Don't know

3% N/A

3 What, if any, legal automation technology do you currently already have?



39%

No automation

30% Basic automation

18% In-depth automation with value

12% In-depth automation but not providing value

Case Study: Contract Automation

Sarah Airey, Head of Human Resource Projects at Biffa, then provided a wealth of insight into how they successfully automated their employment offer letters and contracts; revealing the impact that document automation had on the business, and how it could work for in-house teams.

What started Biffa on the path to contract automation was a drive to be compliant with the Good Work Plan legislation that came out in 2020. They had many variations of clauses that they used across contract types. "We reviewed compliance against the Good Work Plan but also looked at whether these variations were all necessary and still fit for purpose," said Sarah. It just so happened that TLT was working with Biffa on that project, and mentioned contract automation to them: "TLT set up a demonstration and we realised the potential."

Sarah noted that getting the business on board wasn't a hard sell as it was easy to see the benefits that automation could provide. "When we demonstrated how quickly you could produce an accurate offer letter and contract, we had little to do to sell the concept to the HR administration team and the Group HR Director" said Sarah. "Our end customer is the prospective employee, so they do not use the tool but this has improved our ability to deliver a faster more efficient service."

As expected, one of the main benefits from the automation was the time-savings. "If the team generate an offer and a contract now, it takes less than a minute for the offer letter and contract to be produced.

Someone else then completes using the automated data entry summary. So, it takes less than five minutes from start to finish," she said, contrasting that with the 20-25 minutes it used to take to choose the right template and manually update it with the relevant information.

And the benefits were not just from the automation tool itself. "Reviewing everything – you have to do it in order to automate – was a huge benefit because we condensed the number of clauses and reduced some of the complexity around the contracts," she said.

As a top tip for in-house teams wanting to transform their business through contract automation, James Quinn reminded attendees that in addition to producing the document, putting automation processes in place is also about risk mitigation, and guiding users to the right result. "It may be that the job of your system initially is to tell them that they don't need an NDA because it's not information which is confidential, or that it's a complex NDA and they need to speak to legal. There are risk mitigation aspects like limiting options, so maybe a certain benefit isn't available to a certain category of staff," he said.

It was a wide-ranging discussion and as James Quinn pointed out in his closing remarks, there are a lot of ingredients to successful automation. With so many working parts to a document automation project, it's critical for in-house teams to get the widest possible expertise. TLT and Clarilis together work with clients to make it easy for them to get their precedents, documents, and processes in order before they start automating contracts and then take them through the automation process.



PROFESSIONALS
WHO ATTENDED
THE SESSION

Poll results:

4 What are the main barriers to automation in your business?



45%
Time to fully consider

- 42%** Budget constraints
- 30%** Lack of understanding within the business as to what automation can offer
- 24%** Not enough documents on our business's own paper

5 What are the key barriers to getting buy-in for LegalTech within your organisation?



31%
No budget

- 19%** Not convinced of the ROI
- 16%** No clear plan for how legal tech can help us transform
- 13%** Other
- 9%** Fear of change
- 6%** Existing staff are resistant
- 6%** No senior buy-in

THE FUTURE IS AUTOMATION



More information about how TLT and Clarilis work together with clients and to see Clarilis’s automation platform in practice can be found [here](#).

If you would also like further assistance to assess whether:

- The speed with which you draft documents gives you a competitive advantage in terms of responsiveness and timeliness.
- Consistently high-quality, accurate legal documents are produced every time, with the ability for business users to self-serve within a controlled environment.
- Your in-house legal team is acting as a business enabler — or whether you need a new approach.

Please complete this short [survey created](#) by Clarilis and they will provide you with a detailed report showing where you are getting it right and where there is room for improvement, with expert advice on how to improve your capabilities and the steps you can take to get a better return on your in-house legal team. All answers are confidential and will only be used to create your personalised report.



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TLT LLP

TLT supports large corporates, public institutions and high growth businesses on their strategic and day-to-day legal needs. The firm's offering includes market-leading legal expertise, near-legal consultancy services and a suite of solutions developed under its FutureLaw innovation programme.

TLT is changing expectations of what a law firm can do, we deliver solutions built on insight, process and technology and client need to ensure better outcomes for our clients.

Able to advise across the three UK legal jurisdictions of England & Wales, Northern Ireland and Scotland, TLT has offices in Bristol, London, Manchester, Glasgow, Edinburgh and Belfast, as well as a specialist ship finance team in Piraeus, Greece.

The firm's international network includes a strategic alliance with Dutch law firm Holla and Belgian law firm GSJ, giving clients assurance of a consistently high quality of service beyond the UK.

With significant experience advising organisations in the clean energy; digital; financial services; leisure, food & drink; public sector; real estate; and retail & consumer goods sectors, the firm has a strong track record of consistent growth driven by client need. TLT has over 130 partners and employs around 1,150 people.

www.tltsolicitors.com/expertise/solutions/tlt-futurelaw/

Clarilis

Clarilis is a market leading intelligent drafting platform, positively disrupting the legal sector since 2015 and has the largest team of automation specialists in the UK, based in Leamington Spa. Working with both law firms and in-house legal teams, Clarilis is particularly known for the automation of complex document suites.

Clarilis has a unique, highly structured approach to automation - modelling data in relation to entire transactions rather than individual documents. Clarilis has a dedicated team of experienced professional support lawyers who work directly with clients to 'speak legal, not tech.' Business benefits include improved risk mitigation and accuracy, 90% reduction in drafting time and ultimately, a means for lawyers to be liberated from manual drafting time constraints to provide bespoke advice and handle non-standard aspects of transactions.

Clarilis is proud to be partnering with TLT. TLT Intelligent Drafting combines TLT assured documents with Clarilis' automated drafting technology into one easy to use drafting solution. It offers clients increased efficiency in the drafting of contracts and delivers improved risk mitigation and control through the use of TLT assured templates and precedents.

www.clarilis.com/in-house-legal

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