

# Corporation Saves \$12M Annually by Implementing Legal Invoice Review Program

Experienced Attorneys + Proven Model = Quantifiable Results

## Challenge

Faced with increasing legal costs and a mission to reduce outside counsel spend, the in-house legal team of a large corporation needed a solution to efficiently and effectively review legal invoices and submit adjustments. Our client wants to be fair with their outside counsel, but also diplomatically enforce billing rules, eliminate waste, and create continuity. After consulting with the client on priorities, two Legility attorneys were chosen for their relevant expertise and ability to support our client's in-house team.

## Highlights

An in-house department was able to use two Legility attorneys to implement a legal invoice review process saving millions of dollars in legal fees since inception.

“ The **cost savings** generated by this model saved our client approximately **\$12M per year.** ”

## Solution

**Step 1: Initial Set-Up/Assessment.** This step consists of an in-depth assessment of the client's legal invoicing infrastructure, including evaluation of current billing processes and enforcement protocols for all legal department groups. When the analysis determines that there are gaps in cost containment, our team will make suggestions for revisions to the existing guidelines and process.

**Step 2: Invoice Analytics.** During this phase, the team dives into review and adjustments. Throughout the engagement, our attorneys and project managers continue to analyze the billing process, capture data, and provide recommendations for efficiency improvements. We work closely with in-house and outside counsel, providing and seeking guidance on continual problem areas and process improvements.



## Solution

**Step 3: Tracking/Reporting/Training.** This step consists of monthly deliverables, including reporting on efforts to track and maintain an invoice review platform to ensure timely payments to outside counsel, monthly/quarterly/yearly progress reports identifying the difference between accounts payable vs. paid amounts (i.e. percentage of savings) segmented per matter/overall, consistent monitoring of invoices against billing guidelines, and continual training.

**The Importance of Manual Review:** Our method has proven that manual invoice review is critical to any truly successful cost-saving model. Technology is helpful in aiding with the ease and efficiency of payment, tracking and reporting; however, the human element is required for a successful program. Our attorneys combined with our proprietary algorithm make sure you receive the best of people + process+ technology.

**The Key to Success:** Building the trust of our clients is of utmost importance. Our attorneys have the best interest of the corporate client and its relationships with outside counsel while endeavoring to save as much time and money as possible. Through rigorous training, education, and partnership, Legility attorneys achieve great results at a fraction of the cost of our competitors.

## Results

The small Legility team focuses on a collaborative approach between corporate legal operations departments, in-house attorneys, and outside counsel. Legility produced \$12 million per year on average; *the return on investment for our client was more than 20 times what Legility billed.*

**There have been significant other value-adds and savings, including:\***

- Pre-submission write-offs
- Negotiated timekeeper rates
- Outright rejected invoices
- Other cost avoidance measures such as contract negotiations, negotiated blended rates, program development and avoidance due to firms' compulsory compliance with billing guidelines.

\*These initiatives are not included in the \$30 million in overall savings but are the types of activities that drive efficiency and further value.

## By the Numbers

**\$12M**

in annual savings

**20X**

return on investment (ROI)

**2**

Number of attorneys used to implement legal invoice review process



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