

The Pacesetters



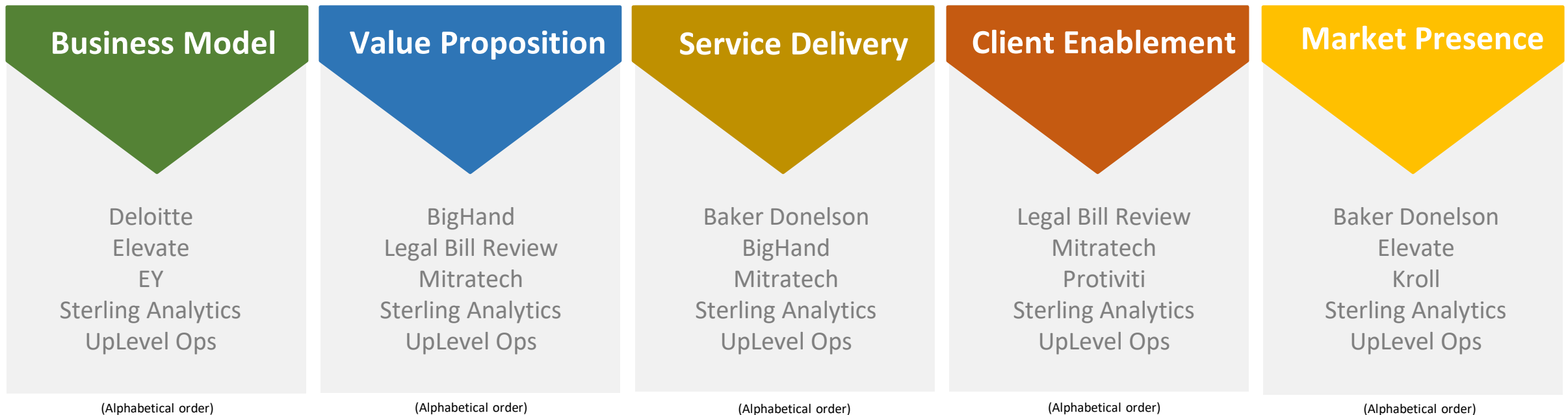
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LEGAL DEPARTMENT SPEND MANAGEMENT 2023 – 2024

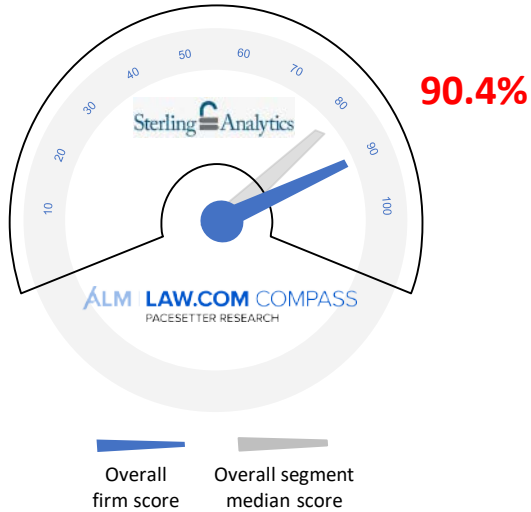


The near-universal approach to spend management and cost reduction in legal departments by professional services providers assumes the problem – and solutions – lay beyond balance sheets, leaving as a potential differentiating factor the degree to which providers can frame their solutions to suit the unique needs of legal departments and their budgets, operations, team organization (and skill sets), and their working relationships with internal clients

Overall technology & specialist boutiques proved the most innovative and responsive segment to legal department spend management needs, and their scores dominated the two most impactful categories (according to the results), Value Proposition and Service Delivery. This was despite the capacity challenge many legal departments complained about. Most of these boutiques were founded by former industry veterans intensely aware of legal department challenges. Among them count many of the earliest legal operations proponents. Innovators among law firms addressed spend management as a client relationship management issue (and opportunity), while consulting and multiservice firms see an efficiency play and an opportunity to help legal departments build relationships in their organization.



Overall Score: Supply Chain



90.4%

Profile:

“Sterling Analytics’ services focus on cost reduction, but also help clients better manage their outside counsel relationships, and reduce some of the traditional friction in those relationships”

Owned by New York State-based SterlingRisk Insurance (a privately-held insurance broker), Sterling Analytics is a full-service captive consulting firm focused on legal billing: billing reviews, fee management, and billing training & education. Founded in 2009, the key underlying theme behind Sterling Analytics’ services is compliance cost reduction. In fact, SterlingRisk also has upstream consulting services focused on claims management, out of which the Sterling Analytics offering flows in the form of legal cost control. The firm has a global reach maintaining a staff fluent in 12 languages and operating a Glasgow office to assist with GDPR compliance. Sterling Analytics is often hired by clients experiencing change. With its legal bill reviews and audit services, Sterling Analytics uses experienced legal professionals to perform an historical analysis, update the billing guidelines, help with e-billing vendor selection (including helping with system implementation), review AFAs, implement consistent monitoring of outside counsel behaviors, and ultimately reduce long-term overall legal spend. Offering legal fee expert services, Sterling Analytics performs audits of legal fees and helps negotiate or mediate more equitable rates – including, when necessary, litigation support (e.g., expert witness testimony). Sterling Analytics also teaches a New York State-accredited Law Practice Management CLE class for lawyers on how to be better billers, including ethics rules, case law, and proper billing practices. This was born of Sterling’s belief that lawyers receive inadequate training in billing, both in terms of process and ethics.

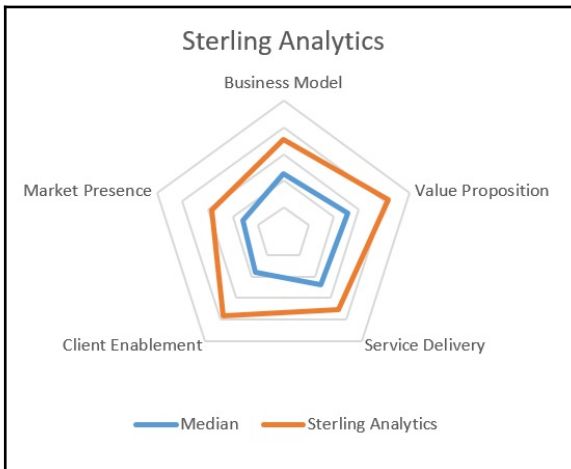
While the main thrust of Sterling’s services is centered on cost reduction, an important underlying theme is helping clients to better manage their outside counsel relationships and reduce some of the traditional friction in those relationships through improved communication. Sterling accomplishes this goal by always seeking to demonstrate the importance of fostering strong relationships with outside law firms. Rather than accusation, Sterling requests clarification and information, never questioning the ethics of other attorneys. In all its dealings, the firm works to strengthen the attorney-client relationship and foster long-term partnerships. Since Sterling Analytics is comprised of attorneys, its professional staff can speak at eye level with counsel, emphasizing education, trust, and transparency. Working with Sterling Analytics, both client legal departments and law firms benefit from a streamlining of the billing process, compliance to agreed-upon billing guidelines, a clearer setting of expectations, improved relations, and shortened payment cycles.

Sterling Analytics

Legal Department Spend Management Service Focus

Data, technology tools & solutions	Accounting & auditing
Consulting services	Forensic investigations
Function-focused advisory services	Interim, managed & outsourcing services
Legal services	Stakeholder Management
Risk assurance services	Risk transfer services
Cost Reduction	
e-Billing/ Billing Hygiene	
Resource Management	
Legal Ops/ Efficiency Management	
Project/ Matter Management	
Relationship Management	
Value Management	

■ Services offered
□ Services not offered



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