

The Ultimate Blueprint to Build a Legal Operations Team

Everything you need to know before building a solid legal ops function.



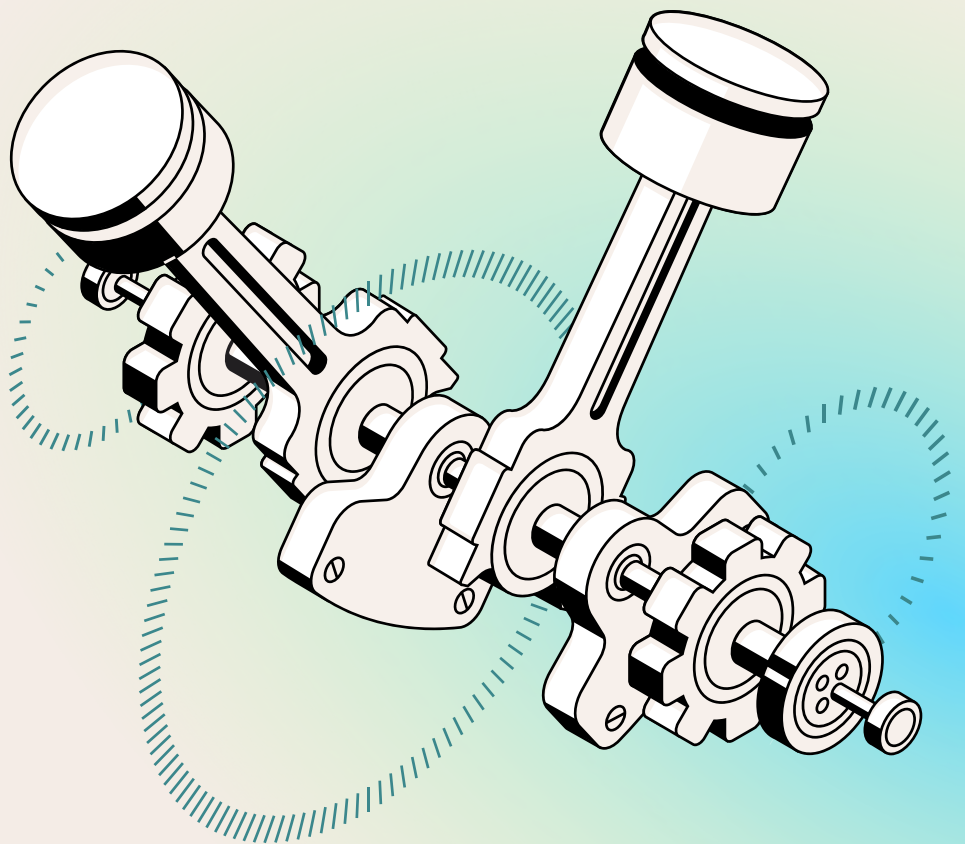
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What is Legal Operations?

Legal operations is a business tool that optimizes the delivery of legal services. Legal operations can be thought of as the “lubricant” that keeps the legal function running and growing. Legal operations is a way to steer the legal function in the right direction by asking the right questions and doing the necessary groundwork so that legal can focus on what they do best.



What is Legal Operations

Jonathan Williams, Chief Operations Officer at Calame, when discussing the recent spectacular change in working habits, says, “A knock-on effect has been the change in attitudes towards tech. Even the most conservative and under-equipped teams moved to remote work and e-signature, even if only temporarily. Legal teams, for once, have not been an exception to the rule, and have scrambled to improve their operating efficiency. While tech is only a part of the legal ops story, the legal ops function has nonetheless been thrust into the spotlight.”

He adds, “The legal ops profession is nowhere near as mature as the legal profession itself, and its relative youth means it is less well-defined. ‘Legal ops’ is not a protected title, nor is it a regulated profession. Accordingly, a discussion of what the function can do for a business has to start with a definition of what that function is. My personal definition, which will not please everyone, defines outcomes in the vaguest possible sense and does not refer to skills or qualifications at all.”

We define legal ops as a business tool because it drills a business mindset within the legal department. Not only does it handle budgeting, technology, workflows, and relationships, but does something more essential for a legal department — turns it from a cost center to an integral part of the business.

Tommie Ferreira thinks that legal operations is a bit of a misnomer. Legal operations experts are operationally laying the foundation for a legal team but the work that a Legal Operations team does will positively impact other departments within a company. It’s called Legal Operations, simply because “cross-functional operations that materially impact the entire company from sales to finance but also legal” is just too long a title for a function.

“Transforming the legal function in corporations.”

— ANA BURBANO VILLAVICENCIO



How Legal Ops came to be

For far too long, legal has been and still is, most times, considered an expense. Legal ops helps pick up speed and integrate with the rest of the business purely because of the nature of their role, which we'll dig into later, and that's where the company starts viewing it as a valuable asset.

Attorneys, you might not run *everything* just yet. There are tons of tasks that fall to the legal department but don't require an attorney. Many can be handled by a seasoned non-JD pro, such as a paralegal or contract coordinator. [TriNet](#) is all over this approach — less than a third of their 90-person in-house legal team are attorneys.

So, is it time for attorneys to stand aside? Well, it depends. (See what we did there?)

Sometimes an attorney is not only unnecessary but ill-equipped. For example, a non-JD with an understanding of business development, analytics, and project management makes for a great legal ops manager. Plus, they're a whole lot cheaper.

Eric Lentell from Archer Aviation sums it up when he says "Everyone has a hand in legal operations whether or not you're an attorney. Lawyers need to identify the pain points in their jobs so that legal ops can come to help them figure out how to solve them."

Marie Widmer goes on to explain how there is a transition toward management roles taking place. She says, "The relationship between operations and commercial legal teams, as well as the structure of commercial legal teams, has changed drastically in the last few years. Previously, commercial teams were staffed with licensed attorneys, who specialized in certain areas of contract law (or generalists) who maintained a manual library of "bespoke" templates. By the time I entered the industry as a contracts manager, there was more pressure on commercial legal teams to process a higher volume of contracts (low to high risk), to stop overcomplicating every negotiation, and to use technology to automate their work and collect data on their output.

That is the point where the teams started taking more interest in contract manager roles - non-attorney hires who could manage the high-volume, low-risk contracts and improve the existing processes and technology. I was **introduced to legal operations by way of one of these "hybrid" contract manager roles**, where I was **responsible for** building the company contract repository, auditing legacy contracts, implementing a CLM, creating a template library, a negotiations playbook, and building internal and external processes. What I've learned through my experience is that Legal teams are truly missing an opportunity for success by classifying Ops work as "low volume" or "administrative" and trying to lump it into a contract manager role.



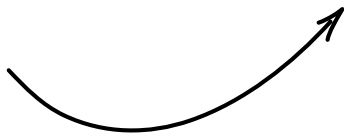
The day-to-day volume of negotiating commercial agreements (even lower risk) is a full-time job. And the value of hiring a single specialist (or team) to manage the operations of a commercial legal team is essential. Implementing a CLM and building contracting processes touches every corner of the organization - from top levels all the way down. Poor change management, inability to deliver on promised features or a lack of knowledge on the team of how to fully utilize the tech can have huge consequences for legal teams. A change management failure can weaken cross-department relationships and the trust the company places in the legal department."

Much like Lady Gaga, the legal ops role has been evolving and growing in popularity since the mid-2000s. Since then, the discipline has exploded. There's a dedicated organization, [Corporate Legal Operations Consortium](#) (also known as CLOC), whose membership went up from 500 in 2016 to over 2,000 in 2021.

More and more companies and even law firms are saying to legal ops *"Where have you been all my life?"* CLOC's [2021 State of the Industry Survey](#) reported an average of 7 legal ops FTEs, up from 6 in 2020. As of September 2022, about ****333,00**** [LinkedIn members](#) have "legal operations" in their title and there are about [28,363 jobs](#) in legal operations worldwide posted only on LinkedIn.

One legal operation hire can change the trajectory of the entire legal department when powered by the right mindset, skills and tools.

The only way is up.



Role of a Legal Ops Professional

We've seen all the good stuff.
But, what needs to get done? — Yes, literally.

What does legal ops do exactly? They act as a revenue protector, making sure the C-suite are getting maximum bang for their buck out of legal. They do so by looking at the business operations of the in-house legal department and figuring out how they can be improved.

Confusing intake systems. Bottlenecks in the contracting process. Attorneys' time is wasted on non-legal tasks. Legal ops takes all that off the lawyers' plates. Legal desperately needs someone with those skills because let's be honest, attorneys don't necessarily know the first thing about business or project management. Legal ops also keep an eye on the greater mission, so lawyers can focus on putting out fires. In other words, if GCs are Neil Armstrong, legal ops is Houston.

A legal ops hire on your team will be a decision you won't regret. We dug into that in our recent article on [Why You Need A Legal Op Hire On Your Contracting Team](#).

Kate Lane, Legal Operations manager at [Pendo.io](#) describes the role of legal ops as the "north star." She says, "The legal operations role is the north star within the department and can help to alleviate pain points, fill the problematic knowledge management gaps between departments, and streamline processes."

When it comes to making your first legal ops hire, there's no standard, one-size-fits-all approach. A perfect fit could be someone internally familiar with the business, someone with past experience, someone from outside or a paralegal considering a transition! The most important bit is being able to match your requirements with their capabilities.



"The role of a legal ops professional is to make a legal team shine."

— JONATHAN WILLIAMS



"At the end of the day, legal op is a role where you have to serve while you're leading."

— TOM STEPHENSON



"Legal Ops is like being the COO of the legal department."

— DEISHA VAZQUEZ



From Paralegal to Legal Ops

Carl Morrison discussed his career trajectory during a recent [Lawtrades webinar](#) in which he and two other legal ops directors — Tom Stephenson at Credit Karma and Deisha Vazquez at Benevis — encouraged paralegals that they could effectively make the switch to legal ops roles.

All three panelists shared that having a wide variety of experiences as paralegals helped them develop an array of skills and successfully become legal operators.

Stephenson, during his time at law firms, worked as a corporate finance litigation paralegal before moving into other areas, including employment and bankruptcy. He later managed paralegal groups, legal professional groups and legal administrative teams.

“Whether or not it was called legal operations, I was handling workflows,” Stephenson said. “And I think a lot of us in this profession take on these responsibilities as we grow with the law firm.”

Carl mentions that he acts as an advisor to not just the business but to the GC or senior leadership within the legal department. “My role is to help legal ops, love lawyers,” he adds.

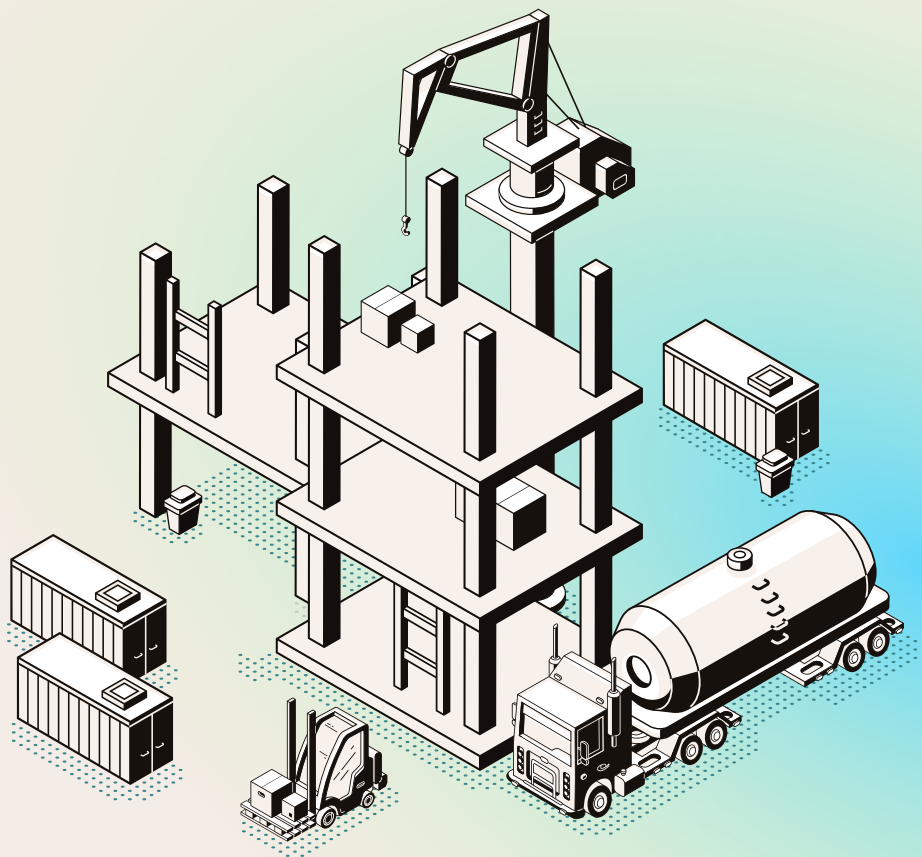
Vazquez said she gained paralegal experience initially in-house before moving to law firms, including Seyfarth Shaw. Her law firm paralegal experiences included corporate, litigation, and healthcare work. She also worked as a legal secretary, a claims assistant and an anti-money laundering analyst, roles that helped her learn more about different areas of the law.

Paralegals are better equipped than you think. The legal operations department can definitely use some of their whacking operational skills.



How to Build a Legal Ops Function From Scratch

Building a legal operations function from ground up can be done only when you've set the foundations right. Tommie Ferreira takes a pyramid approach that stacks systems based on priority, she highlights what the usual journey looks like and how this approach can transform the "building" process.



How to build a Legal Ops function from scratch

Here's what it looks like:



You are building out a Legal Operations function, there's no legal technology implemented, and the sales team is bombarding the lawyers on the team with contracts. There's pressure from the CEO to hit this quarter's revenue targets but there's no mechanism to prioritize the deals. The marketing team has 427 new ideas for content that are, "little to no risk" that needs legal sign-off and there's no tool in place to track the 427 ideas but based on what some of your teammates have said, these are very *high-risk* initiatives. Finally, the F, P, & A team would like another meeting, it turns out they want to cut your \$100 legal budget in half, but you are pretty sure, based on nothing other than back-of-the-envelope math (because you don't have a way to track your legal spend yet) that you've already exceeded that budget by 300%. So, where do you begin?

1. Understand your team's needs

Before jumping into writing that job description, ask some "screening questions" to capture the understanding of what's going on at your company.

Questions you should ask:

- What's stopping our legal team do their best?
- Do we already have someone that fits the bill?
- Do we need someone on this long-term or can we work our way through contractors?

These 3 are foundational questions. First, identify all the blockers that restrict your legal team from doing the work they should be doing. Second, vet your team to see if these "blockers" can be solved by someone at your company. If yes, you should wait and assess before you make that first hire. If not, go ahead and evaluate if the "blockers" are short-term or long-term problems.

You can always leverage internal resources before you make that big decision.

If you decide to go the other way, we have a plan for you.



2. Match skills with Legal Ops responsibilities

There are responsibilities and there are skills. But they're interconnected. You need a particular skill to fulfill a particular responsibility. For example, legal ops involve heavy workflow improvement and naturally, a legal ops hire should be able to manage projects. Duh!

There's no "this for that" responsibility and skill list that we can give you because every responsibility requires you to use multiple skills at a time and not just one. But, Tommie Ferreira thinks we could do great with her pyramid approach. She asks, "What's **really** on fire?"

Ultimately, you are going to do it all: you will cut the budget, mitigate risk, and enable sales to bring in revenue faster, among myriad other initiatives. You can leverage the technology you have, hack tools the company already pays for, or carve out 4% of that legal budget and put it on legal technology. And don't forget to use already existing talent (of paralegals, contract managers, and program managers.) and build your prioritization pyramid.

Why a pyramid?

Because you are priority stacking and by the time you reach the top you've systematized based on the layer that came before.

How you will likely focus your talent during the first year:

1

Financial

- Wrap your arms around the spend
 - Make strategic decisions based on priorities
 - Develop a process for engaging outside counsel
-

2

According to a [recent Gartner study](#), 76% of in-house legal teams cited "controlling outside legal spend" as their top priority, which corresponds to the key responsibilities of legal ops professionals such as improving workflows, implementing tech, and managing vendor relationships.

3

Technology & Processes

- What investments are you making into technology?
The knowledge that the hire has about using different tech tools and whether they match your tech stack is important. If they have worked with other tools, what are their ideas on bringing new tech or utilizing existing tech better? Qualify what is considered "beginner" and "advanced" when it comes to tech knowledge.



Understand how they would decide if a tool is right for the team. Calculating ROI and ticking off boxes against team requirements are crucial when picking technology. For example, when choosing e-billing software, you would look at a tool that's easy to use, simple, improves cash flow, and is affordable.

You don't need tech for everything. Your legal ops hire should know this. Ask them what processes need tech and look where they draw the line.

- What process can you create, iterate, refine

Understanding how someone can improve existing tech becomes an essential piece of the legal ops hiring puzzle. Dig into the different ideas or steps someone takes to get a better bang for the buck.

What do they know about implementing tech? What steps do they take after purchasing a new tool?

Not only is it important that your legal ops person implements ideas for better processes but also brings substantive results, and is able to measure, report and streamline their own work.

- Develop or re-design existing Standard Operating Procedures, Playbooks, and centralized knowledge centers
How are they planning to build knowledge centers? Are they getting right into it or are they brainstorming with the team, taking time to understand pain points and existing processes? Are they asking for suggestions?

4

Explain your current processes and ask them about their thoughts. If they spot the red flags and are able to identify the points that make your legal department lose revenue, they're the best fit. Are they beating around the bush and trying to sound fancy? Processes need to be improved in a simple way and there's no other way around that.

Here's what Marie Widmer suggests on tech: *"A CLM failure is a very public six-figure loss. And we know from the ContractWorks survey that almost 70% of legal teams have experienced a tech implementation failure. To avoid this, the commercial team should allocate a specific headcount for operations. One senior leader to build the program, conduct an RFP, implement the tool, and delegate tasks related to maintaining that tool to junior operations team members (or contract managers). Luckily these days, there are many young professionals getting up to speed on legal operations and CLM. It isn't hard to find hires with experience using (or administering) at least one CLM. My best advice would be to look for people with practical experience implementing matter management systems (of any kind) and with strong communication and project management skills. A contracts background doesn't hurt but it isn't needed (nor is a legal one) - a skilled project manager can build requirements documents without being a subject matter expert in your field."*

5

Right Size Resources

- Right people, the right talent, the right risk

6

The right people are key to building, nurturing and managing vendor relationships. No more 'legal' trying to figure out who to follow up with, when deliverables are due or whether payments have been made. Legal ops will take over the process of procuring and managing vendors, payment, making sure deliverables are handled, and everything in between.



One right hire leads to the next right one. You might not have the perfect fit in one instance. Putting in extra trust and belief in your first legal ops hire can help. You might fail. They might fail. But remember that operations are all about discovering a sweet spot —and building from there.

Knowing the behind-the-scenes of why your operations person decides to work with a vendor can help you dig into what they hold important in business relationships. While this will help you uncover their relationship intelligence, it also shines light on their financial decision-making when deciding to do something in-house or outsourcing it. It also becomes essential to know why they would terminate a relationship with a vendor. Legal operations is about maintaining clear business boundaries.

7 Cross-Functional Cheerleading

- Develop strong partnerships across the business to launch initiatives that scale legal services across the business

8

Sumi Trombley shares how the gap between the legal department and other stakeholders can be reduced. She says, “As the role and the department matures, the next step is to create space for self-service, which requires enabling guides to increase the individual speed of execution, while also maintaining consistency and managing operational risk. The Legal Operations person is the liaison between other internal organizational stakeholders in the contracting process and Legal. The feedback loop of continuous improvement requires an understanding of what is working both within the legal department (to manage retention and resources) and outside the legal department (to align Legal’s risk management with the business), and Legal Ops professionals are particularly well-suited to manage those relationships.”

Asking questions about inter-team challenges can help you understand their self-awareness and the pain points they would need to optimize for. Where have priorities not aligned? Did ambiguous communication stall this project? Navigating frictions is a tough one but your legal ops pro needs to know how to deal with this. At the same time, they need to lead with a spirit of opportunity. How can procurement and legal work together on “XYZ” so we can throw our worries out of the window?

9 Strategic Vision

- Define who the team is, what is each person’s remit, and how they deliver and scale their work
It’s important to move from the “perfectionist” mindset and tick things off that list. How someone fixes loopholes in their work is important to gauge. Is there accountability? How are they dealing with episodes of failure?
- What stays in-house vs. what goes to outside counsel
- What are the company’s objectives and building your team’s objectives with those in mind

10

“With legal professionals bogged down in specific legal matters it is critical to have someone who can oversee not only the entirety of the one-to-one matters but who can provide strategic direction for how best to position the legal department and ensure the tools and processes being used are providing scalable solutions.” — Kate Lane



Mary O'Carroll in her article at legal dive shares why it's a top priority to hire a strategic thinker. She says, "This person should not only be able to handle the execution of their initiatives, but also be the one planning them. This person should be a great listener, and understand the challenges you, your team, and your business understand inside and out. They need to act as your partner, and be the one presenting these solutions to you — not the other way around."

Apart from what Tommie mentions, thinking about business intelligence and the ability to train can be a game changer.

Business Intelligence

From making sense of data to capturing actionable insights, business intelligence is what you make of it. The best way to put it across is it's a dashboard that pulls data and gives you a sense of business update with charts and numbers. Business intelligence is not so intelligent— it doesn't tell you what to do or what happens if you do "X." Rather, it presents a way for you to decode things faster, create actionable steps and streamline your efforts parallel to what's working and what isn't.

Deisha in a LawTrades webinar said that "A part of data management is understanding where all of our claims are coming from and what are the offices that have the most claims so that we can provide them resources for additional training. It's not only to help mitigate those risks in the future but also to empower them to do their jobs day-to-day. It allows us to understand exactly where our pain points are and come up with more efficient processes and resources in order to help them."

Tom Stephenson says, "we're all really using data to help tell our stories and provide examples of inefficiencies. We rely on data every day from sunrise to sunset from how we run our legal ticketing cues to how we're forecasting trends, and how we're pivoting with the needs of the company."

Carl goes on to add, "Your analysis and analytics around data is only as good as the data that you have. If it's bad data, you're going to have bad analytics. With bad analytics, you give bad advice and guidance to your GC or the legal department. Bad data in, bad data out."

Team training

Training is about bringing everyone on the same page by building resources that can help guide the team every step of the way. What does a successful training kit look like? How is that built?

Training is more of putting yourself in the other person's shoes and meeting them where they are. Feedback is key to the growth of legal ops and ultimately the legal department. There needs to be an established feedback loop for the legal ops professional who's going to do all the training.

No candidate will be a 7/7. You could find a jack of all trades, a master of a few or someone in between. What matters more than how much they know is if they're willing to know more.

3. Make your first hire

Tommie Ferreira shares the traits you should look for in the person you want to head up or be a part of your legal ops team:

The person that gets excited about optimizing outdated processes or creating processes where none exist.

The engineering brain. This person that approaches an issue and deploys the scientific method:

Make an observation or ask a question.

"Why don't we use a digital signature tool?"

Gather background information.

"Would we process contracts faster if we used a digital signature tool?"

Creates a hypothesis.

"My hypothesis is that each attorney can review three more contracts a day if they did not have to oversee a wet signature process."

Creates a prediction and performs a test.

"Each attorney reviewed five more contracts a day because they did not have to oversee a wet signature process."

Analyzes the results and draw a conclusion.

Conclusion: we should invest in a digital signature tool.

You've captured what your team needs. Priority stacking is done and dusted. Now, how do you identify the best legal ops person that can lead your future team? Tommie Ferreira shares her best hiring insights:

- **The diplomat / social chair:** This team will work cross-functionally, and you want to ensure the team members are comfortable developing strong relationships outside of the legal team. These relationships will prove invaluable for enterprise projects, e.g. implementing contract lifecycle management or workflow tools that scale legal advice out to the business.
- **Strategic thinkers:** Your first foray into strategic planning, particularly when building out the function from the ground up, comes in the form of putting out the fire in front of you while also designing the what's next roadmap. Legal Operations professionals are strategic by default because we must be in order to survive and then we must be in order to thrive. Legal Ops leaders are nothing if not innovators. We see the big picture and you will find us advising the general counsel as well as to the broader legal team and the company on how we evolve the legal department to meet the business needs.



- **Storytellers:** Whether through the budget numbers, displaying business insights, or selling the benefit of legal technology, a solid legal ops leader wants to be a good storyteller. They know the right formula for holding attention and garnering engagement because building rapport and gaining stakeholder buy-in is going to be an imperative tool in their kit.

Sumi Trombley from UpLevel Ops adds, "Legal skills and training can be incredibly valuable when searching for a Legal Ops hire dedicated to contracting, as contracting requires some subject matter experience to understand and develop appropriate metrics and identify trends, but Legal Ops personnel often come from varied backgrounds or progress through the company ranks and grow into the role.

Most importantly, an effective Legal Ops person must have a positive attitude and the mindset of building relationships. A successful Legal Ops person will connect the dots between data and what they see in behavior and actions in the people and process of contracting, and they will bring that information to the table to facilitate conversations and decisions for continuous improvement."

As a Legal Ops leader, you will develop the long-term strategy for the department and align the team and resources against these plans. You will execute on the vision, communicate change, and represent legal across nearly every department within the company."

The right legal ops leader can make or break the future of a legal operations department.



What is it like working in Legal Ops?



What is it like working in Legal Ops?

Tom Stephenson's one-liner to that is, "Our day is looking like what data-driven decisions need to be made? What processes need to be understood and is there an appetite for change or not? We really have to be able to be a balancing act."

Let's get to the behind-the-scenes footage. Here's a typical "legal ops" day:

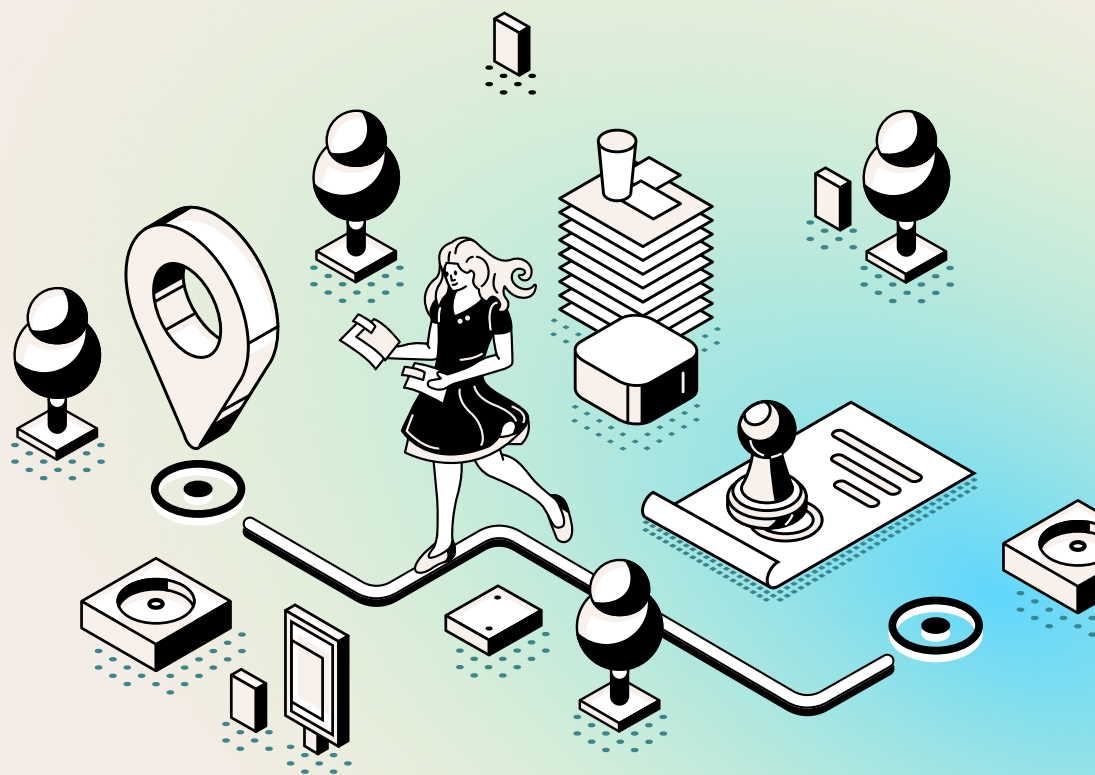
- Implementing legal tech, systems for gathering data, and workflow solutions.
- Making data-driven decisions.
- Using performance data to show how legal is killing it.
- Pushing for a bigger tech or talent budget.
- Liaising with ops teams in other departments.
- Growing and shaping the team.
- Providing business advice to the GC.



"The wonderful thing about legal operations is it can be exactly what you want it to be at any given moment in time."

— RYAN BLACK

The Legal Ops Roadmap



The Legal Ops Roadmap



"Legal ops is finally getting a seat at the table."

— TOM STEPHENSON

The legal operations wave has just begun. It will continue to be the foundational piece of a successful legal department. Building a team from scratch is no easy task but our 3 step process for building a team and the legal ops roadmap—should help you build a process that sticks and help find the right cheerleaders for your legal department. The person who can bring efficiency across the board while keeping everyone on the same page and allowing every team member to leverage their individual core competency. As you make the transition from legal ops being an expense to *"wow, where was this all my life,"* we wish you the best of luck.

Go get your revenue protectors now!

Here is another resource so you feel better equipped for building a legal operations team

— A webinar

