

Westpac / Lawcadia Case Study

‘Using Data to Control and Lower Legal Spend’



The challenge

Controlling and reducing legal spend has become a strategic imperative for organisations worldwide. Establishing legal panels and adopting digital solutions like e-billing are some of the ways legal teams are tackling the challenge. However, they only solve part of the problem.

To gain the insight required to positively influence and lower legal spend, corporate legal teams must embrace data.

With greater knowledge of why external firms are being engaged and for which matters, legal teams can encourage different behaviour from their legal service providers and promote a focused, strategic approach to matter management. By automating the data collection and analysis process, laborious manual processes can also be minimised or eliminated, encouraging the more efficient allocation and utilisation of resources.

This was the objective of one of Australia’s Big Four Banks, the Westpac Group (‘Westpac’). Having committed to achieving digital transformation by 2020, they were actively seeking a legal technology solution that would help them capture and manage the data held in emails, spreadsheets and as corporate knowledge that would help them:

- ✓ Eliminate duplicate effort and inconsistency
- ✓ Gain greater oversight of trends
- ✓ Increase transparency and predictability over spend
- ✓ Improve their ability to manage costs
- ✓ Efficiently transfer data

Description of the solution and how it was implemented

The Lawcadia Platform is a two way conduit through which corporate legal teams and their legal service providers can monitor and manage the entire legal function – from issuing RFPs, briefing tenders and engaging law firms, through to invoicing, data analytics, matter completion and evaluation.

Rather than simply capturing data at the point of invoicing, the Platform captures useful, relevant data from the starting point – i.e. scoping and budget. By focusing on these, legal teams can implement cost control mechanisms from the beginning of the process and capture information throughout.

Budget and scope are set at the outset and are monitored and managed as matters progress via change requests and reporting on forecasted, actual, and work-in-progress spend. Scope assumptions are also agreed upon, with approval processes

set before work begins and scope creep and change requests tracked and proactively managed throughout.

Westpac initially implemented Lawcadia within its Compliance, Legal and Secretariat team and their law firms, with full implementation completed in May 2018. Reporting and data collection was automated, with standard and bespoke reporting rolled out in tandem with implementation. Specific reporting requirements included management of secondees, matter count and spend.

The impact of the solution

Lawcadia is one of the first legal technology solutions implemented as part of Westpac's broader strategic objective of digital transformation. The Platform has been live organisation wide since May 2018 and a range of significant, measurable benefits have been achieved.

Rather than relying on information stored in emails and as broader corporate knowledge, Westpac now has a central repository of data that is being used to provide insights into engagement and matter management processes and positively influence relationships.

The automation of reporting processes has eliminated duplicate effort and inconsistency in data collection and analysis, while providing greater insight and oversight across engagement and matter management trends. Data transfer is now more efficient and, thanks to Lawcadia's world-class security standards, secure and contained.

This in turn has led to increased transparency and predictability over external legal costs, along with an improved ability to manage costs across business units and individual matters.

