
ELM Solutions

People, partnerships, and technology

Critical components for expertise in
billing guideline compliance

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Introduction

At Wolters Kluwer ELM Solutions, we've always believed that good billing compliance practices are crucial to corporate legal departments (CLDs)—especially as CLDs are valued more and more as a vital part of the business. Clear, concise, and accurate invoices mitigate leakage, save corporate attorneys time, and foster better relationships between CLDs and outside counsel.

But that doesn't mean billing guideline compliance is easy. Billing guidelines take time to create, monitoring invoices is tedious and time-consuming, and corporate attorneys can be hesitant to call out possible infractions that could impact outside counsel relationships.

That's why we've spent years developing services and solutions to help our customers improve billing guideline compliance. We have created the world's largest legal database and augmented it with advanced artificial intelligence, machine learning, and predictive analytics capabilities. We support it with highly experienced teams of data scientists and complement it with consultants with decades of experience working with CLDs just like yours.

In the pages that follow, you'll learn about why each of these things is important and how they all work together to improve compliance. Because while optimizing compliance does not have to be difficult, it does require a combination of technologies, people, and partners.

Jeff Solomon

General manager, LegalVIEW® BillAnalyzer

Wolters Kluwer ELM Solutions



The key pillars of good billing guidelines

Practicing sound billing guideline compliance is critical to meeting the mandate for effective legal cost controls. Good billing compliance practices can lead to measurable improvements, including, in some cases, millions of dollars in savings, better outside counsel relationships, and greater productivity.

Given these factors, it's a little dismaying to realize that, according to Altman Weil, only 62% of CLDs routinely enforce billing guidelines.* These organizations are leaving money, time, and the opportunity to gain more value from their law firm partners on their tables.

Consider the ways in which billing guideline compliance contributes to improved outcomes:

- Cleaner invoices result in a reduction in invoice review times, freeing up attorneys to focus on more value-added work.
- Guidelines provide transparency, which helps CLDs understand which firms are meeting, exceeding, or missing their goals and expectations.
- Transparency can help CLDs improve their firm selection processes, so they're always selecting the right firms for the right matters.

* Source: 2019 Chief Legal Officer Survey – Altman Weil.



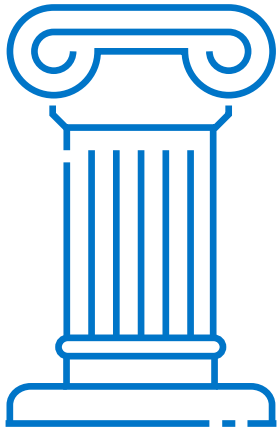
Wolters Kluwer ELM Solutions is committed to driving improvements in legal operations outcomes by helping customers improve billing guideline compliance. We do this by helping CLDs:

- Create more streamlined and agile operations
- Focus on strategic initiatives in alignment with organizational goals
- Manage and optimize outside counsel spend

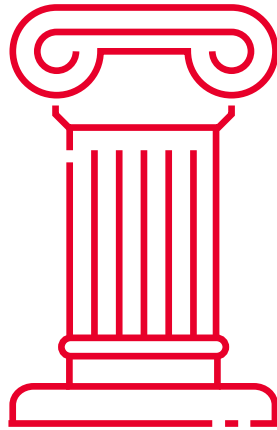
Perhaps one reason so few CLDs enforce billing guidelines is that they may be unsure of how to do so effectively. Or they might believe that consistently practicing good billing guideline hygiene is too time-consuming or complicated.

But establishing and maintaining good billing guidelines doesn't have to be any of those things. In fact, it can be broken down into three simple pillars:

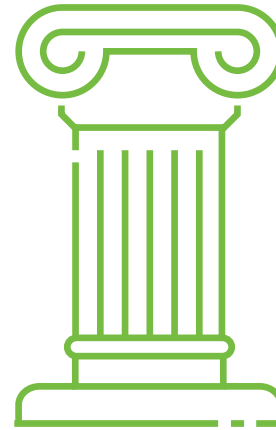
**Data and advanced
technology**



People



Partnerships

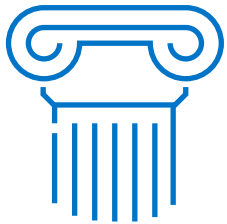


In this eBook, we'll closely examine each of these pillars and how your organization can apply them to create, manage, and optimize your billing guidelines.

“Year after year, legal departments that are technology leaders outperform other organizations that are transitioning in their use of technology, with advantages across the board.”

**2022 Survey Report: The Wolters Kluwer
Future Ready Lawyer: Leading Change**

Data and advanced technologies: The lifeblood of billing guideline compliance

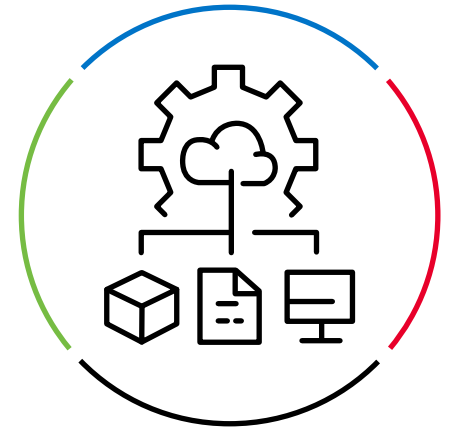


It's been said that data is the lifeblood of an organization. Increasingly, that statement could also apply to artificial intelligence and machine learning. All are critical tools when it comes to enforcing billing guideline compliance.

With the right data and innovative solutions, you'll be empowered to:

- Benchmark your guidelines against industry standards and identify opportunities to optimize for cost savings
- Combine legal technologies with data experts to control legal spend and enforce billing guideline compliance
- Attract and retain top talent, who want to work for tech-savvy legal departments

But compiling the right data can be challenging. Manual processes are too onerous and come with the risk of inaccuracies and human error. CLD teams also generally do not have good insights into how their guidelines compare with the rest of the industry—an important metric that helps teams ensure their organizations are performing on par with their peers.



“While technology provides essential tools, data provides the insights to guide the most effective use of those tools. From legal research to litigation strategy, from compliance to pricing, data is the key that unlocks smarter decision-making.”

Bob Ambrogi, Massachusetts lawyer and journalist

Wolters Kluwer ELM Solutions' LegalVIEW database represents \$155B+ in anonymized legal spend, compiled from actual legal invoices across Am Law 200 and Magic Circle firms, Fortune® 500 corporations, and small-to-medium-size firms and companies.

It is this wealth of reliably accurate data, combined with award-winning, AI-powered solutions, that empower legal teams to take advantage of technology and extend beyond the limitations imposed by long-standing manual practices.

Manual process	AI and data-powered approach
Generalized guidelines are drafted to address all possible scenarios.	Data-backed analysis informs the development of clear, concise billing guidelines, aligned with common compliance issues and organizational objections, benchmarked against your industry and peers. Ongoing insights surface opportunities to optimize for greater clarity and cost savings.
Tedious, time-consuming bill review processes are carried out by legal professionals who are susceptible to human error. Errors can result in spend leakage and low rates of compliance.	AI-powered legal bill review solutions identify patterns and possible compliance issues in invoices. As more data is fed into the system, the AI continues to learn and refine its analysis, increasing the effectiveness of the recommendations.

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Business value

- ✔ Strengthened outside counsel relationships, backed by transparent communications and ease of compliance with clearly stated billing guidelines
- ✔ Savings of up to 10% across industries
- ✔ Up to 20% improvements in billing guideline compliance



PNC Bank used LegalVIEW BillAnalyzer and its AI capabilities to improve billing guideline compliance and drive cost savings. The company:

- Generated measurable savings in the first month of using the solution
- Improved collaboration with law firms
- Enjoyed better alignment with the company's broader legal operations and business objectives

[Read the full story here.](#)

Eight to 10% of revenue generated by Wolters Kluwer ELM Solutions is consistently invested in new and enhanced products to meet changing client needs.

The AI in our LegalVIEW offering is complemented by predictive and analytical models that help you make proactive, timely decisions. With predictive insights, you can align the best firm based on past compliance metrics and performance. You can also avoid surprises because you'll have the ability to predict budget and cycle times.

“Machines don’t get tired. They stay hyper-focused on every word and analysis within the dataset they’re looking through. This is key in allowing people to prioritize their time where it should be spent.”

**Jeff Solomon, general manager,
LegalVIEW BillAnalyzer, Wolters Kluwer
ELM Solutions**



People: The essential human component of billing guideline compliance



AI and predictive analytics are wonderful tools, but for them to be most effective, they must be developed and supported by strong domain expertise. It's this coupling of smart machines, alongside data scientists and legal bill review experts, that creates standout solutions.

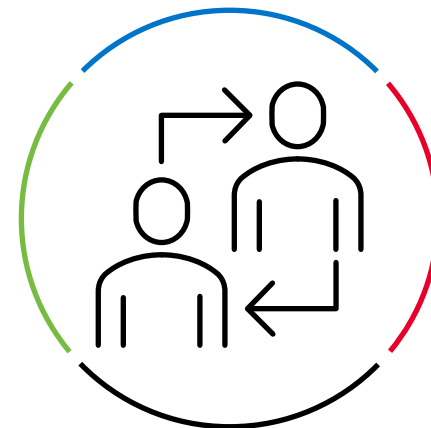
AI-powered billing guideline compliance excels when backed by teams with extensive experience in knowing what to do with the potential violations, errors, and invoice inconsistencies highlighted by the technology. Their recommendations for improvement are fed back into the AI, enabling ongoing process improvements and identification of strengths, weaknesses, and opportunities for billing guideline improvement.

With this approach, the AI's machine learning algorithms become further refined, get smarter over time, and bring continuous improvements to your billing guideline compliance.

Having a team with technical expertise is essential to maximizing technology investments.*

→ 49% of legal departments cited a lack of technology knowledge, understanding, or skills as the reason why new technology is resisted in legal departments.

→ Fewer than 40% of corporate lawyers understand AI, machine learning, big data, predictive analytics, and other emerging technologies.



“The right expertise and experience are crucial to using data science to activate the value of the data you collect.”

Wolters Kluwer ELM Solutions’ Experts Corner: Data science can unlock the value of your legal information

Indeed, humans are and will always be critical to optimizing billing guideline compliance. Machines are great at picking out inconsistencies in reams of line items, but only people can surface insights that allow for proper legal cost control. People also provide invaluable expertise and personal experience that an AI model cannot replicate.

AI will always be good for removing some of the most mundane tasks off your attorneys' plates, but it will never replace your attorneys. Instead, it will make the administrative part of their jobs much easier and more productive.

Wolters Kluwer ELM Solutions' legal bill review team is one of the most experienced in the business.

→ 100+ data scientists

→ 400 compliance experts

→ 50 process experts

→ 200 hours of specialized training

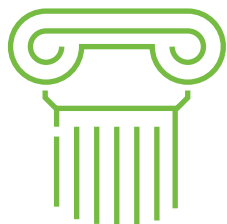
→ 19.4 years of average experience

The legal operations team at a New York-based financial services firm had a bold plan to transform into a modern, innovative, and highly efficient organization. They turned to Wolters Kluwer ELM Solutions for AI-powered legal bill review solutions to increase efficiencies and cost savings. Since then, the firm has:

- Reduced outside counsel onboarding by 50%, saving 10,000 manual hours and two administrative resources
- Achieved an 8% reduction in outside counsel expenses and a 25% reduction in invoice review time
- Reduced attorney review time by 2,400 hours annually

[Read the full story here.](#)

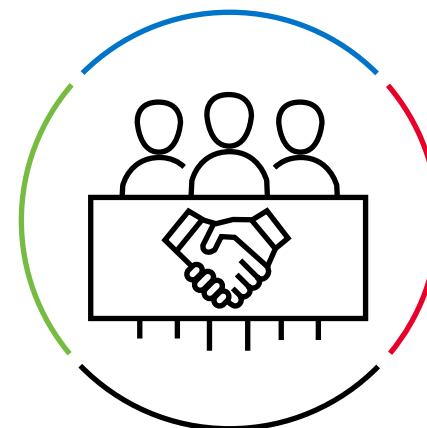
Partnership: The final key to success



Most CLDs have two types of partnerships. The first is the partnerships they have with their law firm providers. Then, there are the partnerships they have with their technology vendors.

Ideally, the latter is providing you with support and technologies to effectively manage billing guideline compliance and help you strengthen your relationships with outside counsel. If not, here are three things to look for in a vendor partner:

The ability to identify program objectives. The ideal vendor should be a business partner as well as a legal technology provider. Choose a vendor that is willing to help you identify your program objectives, right from the start, and who has the capabilities to develop a customized solution to meet those objectives.



“It’s critical to have the right partner with the right operating structure. That partner should provide you with appropriate corporate support and trustworthy data that drives improved models.”

**Jeff Solomon, general manager,
LegalVIEW BillAnalyzer, Wolters Kluwer
ELM Solutions**

Tailored communications. Look for a vendor that offers tailored communications designed to help your firms understand your position on billing guidelines and compliance. Your vendor should be a mediator between you and your firms, providing them with compliance tips and holding training sessions to go through your billing guidelines, set expectations, and outline your corporate goals and objectives. That way, your interactions with law firm partners can focus on legal matters.



“We’ve received very good feedback from the law firms participating in these sessions. They find it helps demystify the whole idea of compliance and the purpose of billing guidelines. It helps them to understand what a client is trying to achieve with their spend management program.”

Michelle Pratt, associate director, LegalVIEW BillAnalyzer

Strength in change management. Work with a vendor with a long history and deep experience in change management, particularly when it comes to managing change with law firms. The right vendor will help your firms become amenable to changes, understand the value clear guidelines can bring to their firms, and drive the adoption of your guidelines.



“There are a lot of buzzwords, but rather than following those, focus on seeing the actual usage of vendors’ models. That’s the key. How many customers are using their solutions? How many years of experience do they have? These are of high importance. You want someone who has done this successfully.”

Abishek Mittal, vice president, data analytics and operational excellence, Wolters Kluwer ELM Solutions

[Learn more about Wolters Kluwer ELM Solutions’ dedication to supporting successful change management.](#)

Global chemical organization Chemours turned to Wolters Kluwer ELM Solutions to improve billing guideline compliance without adversely impacting its strong relationships with outside counsel partners. The Wolters Kluwer team developed a detailed change management strategy for Chemours, including the implementation of LegalVIEW BillAnalyzer. Chemours now accurately tracks invoice compliance and holds regular communications with their law firms—all of which are on board with the effort.

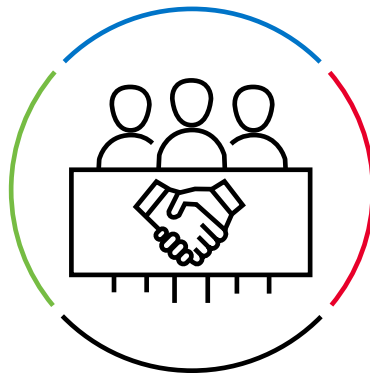
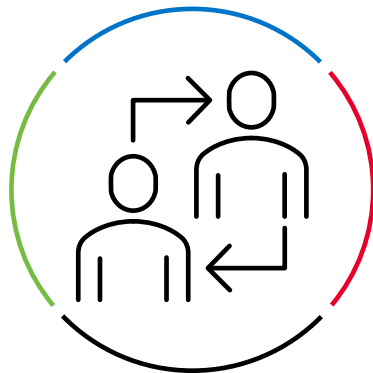
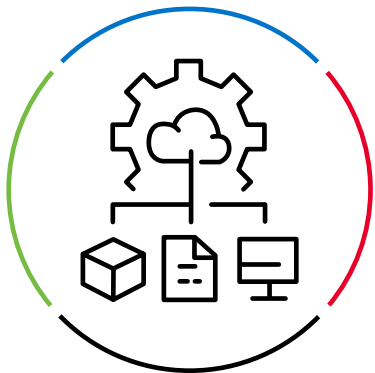
A winning combination for results

Each of the keys outlined in this eBook serves a unique and important purpose in improving billing guideline compliance. But they also rely on each other. Therefore, to achieve optimal results, they must all be used together.

It's hard to find a vendor that offers all three. Fortunately, you've come to the right place.

At Wolters Kluwer ELM Solutions, we have the database, advanced technologies, and data science knowledge necessary to improve your billing guideline compliance by measurable amounts. We also have the consulting expertise to help you maximize your compliance initiatives, manage change with your law firms, and build relationships with them.

In short, we offer a rare but winning combination. And we're ready to help you achieve the results you need.



Our solutions and company have been recognized by numerous award committees, including:



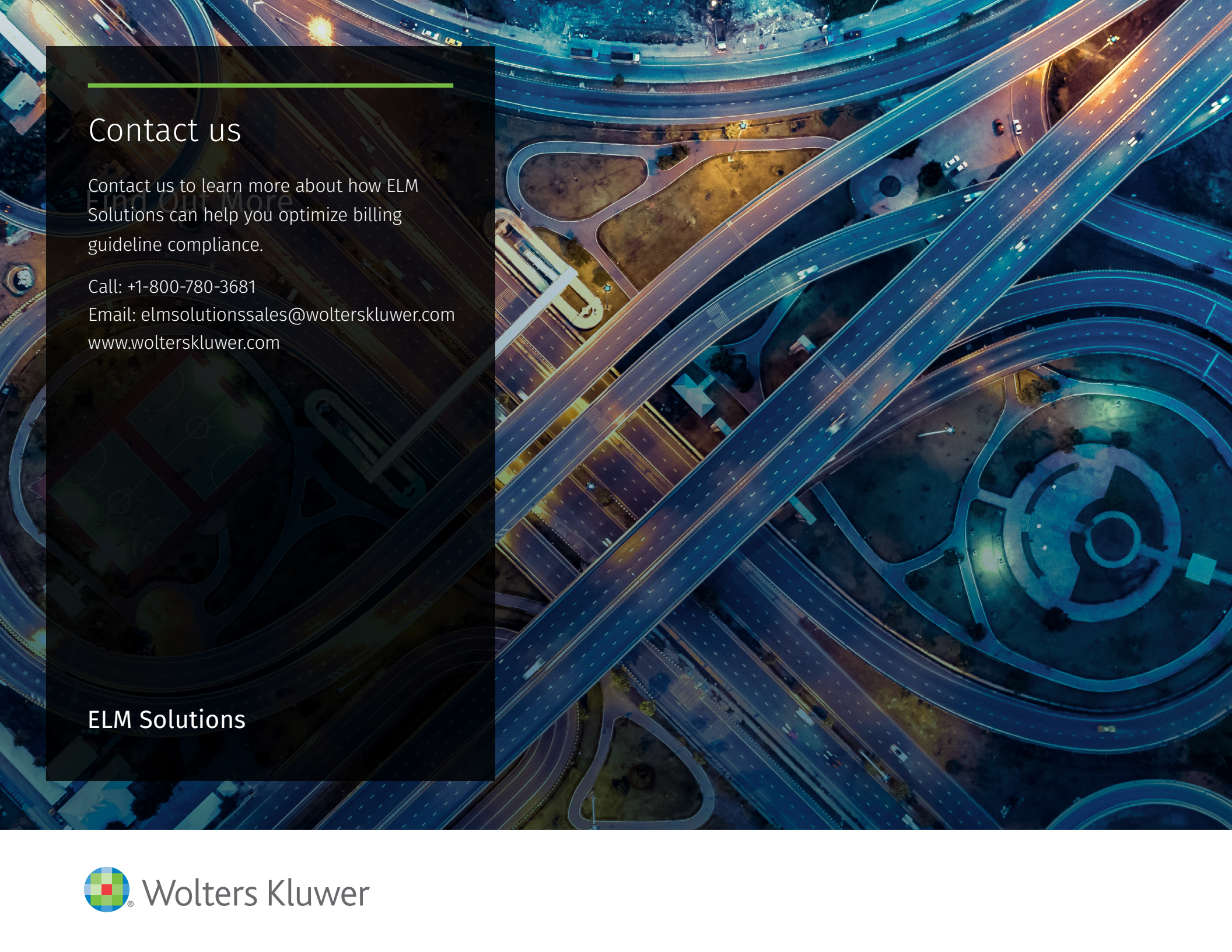
**Best Use of AI: LegalVIEW
BillAnalyzer**



**Merit Awards – Business
Technology: AI Portfolio**



Best Use of AI



Contact us

Contact us to learn more about how ELM Solutions can help you optimize billing guideline compliance.

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