

Five Steps to Creating Effective Outside Billing Guidelines

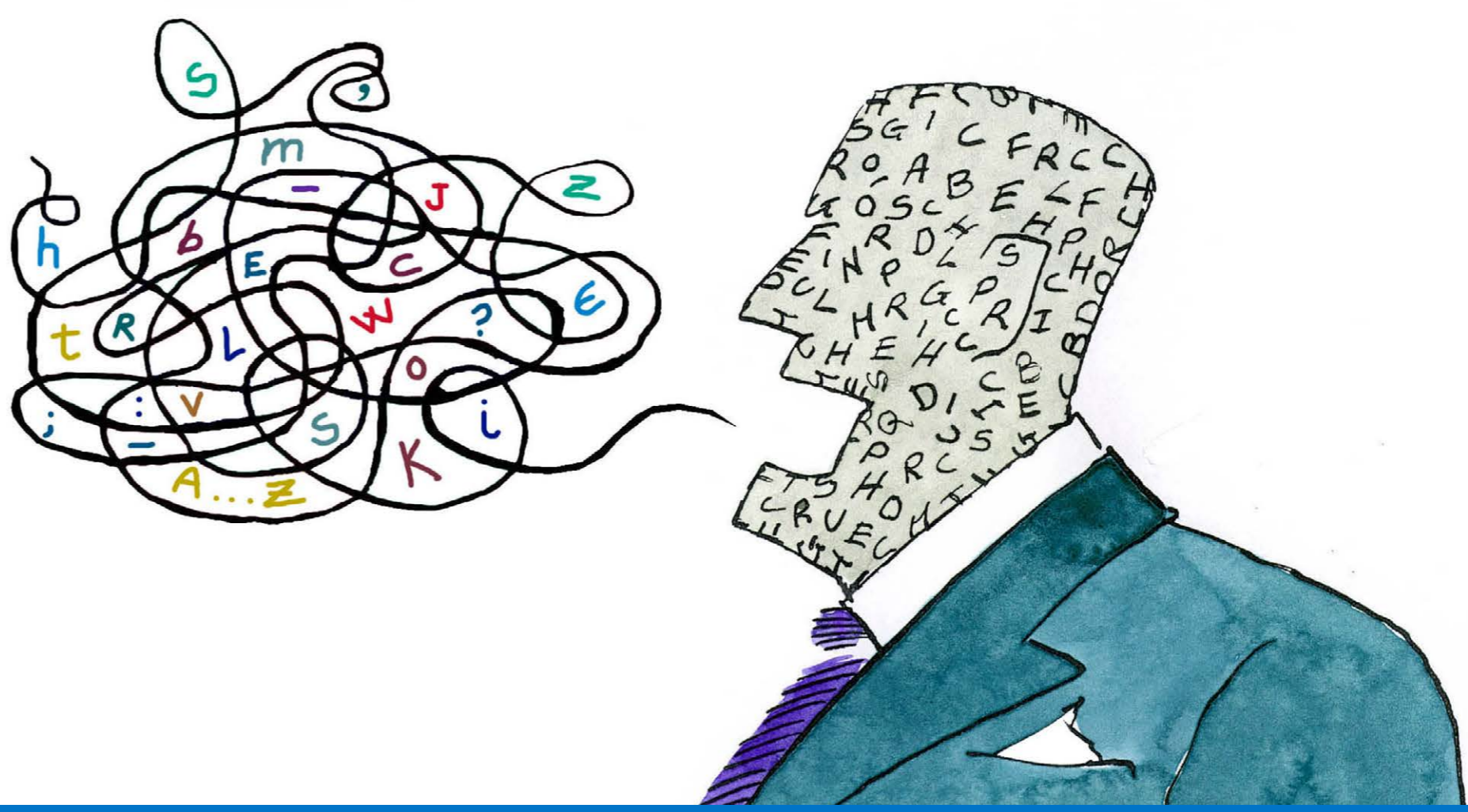
Establishing outside counsel guidelines can help corporate legal departments improve law firm billing practices. Here are five steps to setting billing expectations with your law firms that will improve compliance and drive significant potential cost savings for your organization.



1 Write your guidelines in clear, easy-to-understand language

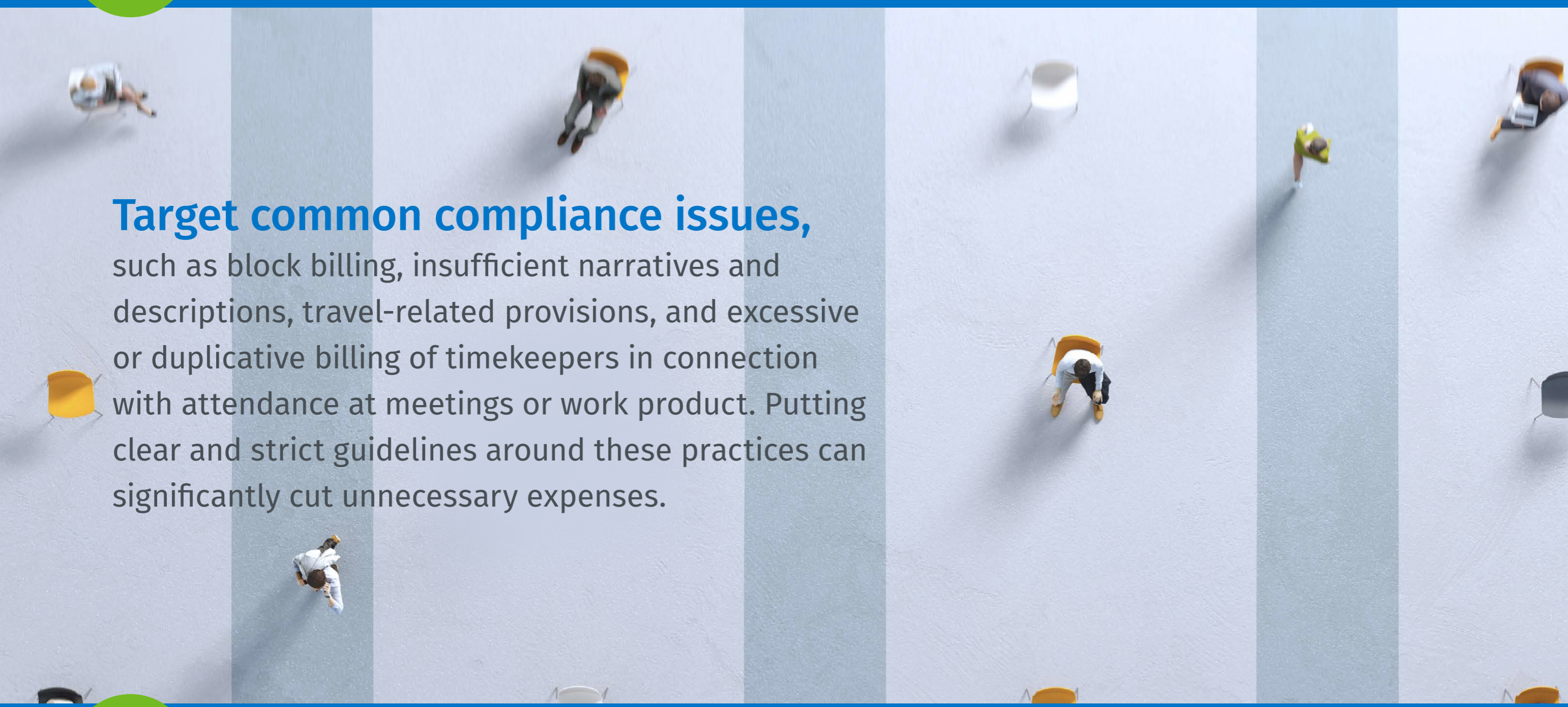
Move on from legalese.

Make guidelines simple, unambiguous, and easy to follow.



2 Focus on what's most important

Target common compliance issues, such as block billing, insufficient narratives and descriptions, travel-related provisions, and excessive or duplicative billing of timekeepers in connection with attendance at meetings or work product. Putting clear and strict guidelines around these practices can significantly cut unnecessary expenses.



3 Don't sweat the small stuff

Don't waste time fretting over insignificant details.

Instead, focus on building guidelines that clearly outline processes and identify your expectations, such as how many staff can be assigned to matters or what activities require approval. These types of parameters can significantly impact your bottom line.



4 Get your guidelines to the right people

For guidelines to be effective, they must be received and read by the right people.

Focus on billing managers and coordinators, account managers, and legal project managers. Get an e-signature that proves the guidelines were received.



5 Enforce your guidelines

Practice continuous monitoring and enforcement

to ensure law firms are adhering to your guidelines. Make guideline compliance a topic you cover with your firms on a routine basis, and use technologies like AI-assisted legal bill review and legal spend and matter management platforms to keep your outside counsel management program on track.

