

The Ultimate Dictionary of Legal Operations Terms

Whether you are new to legal operations, new to legal in general, or just want an opportunity to brush up on your terminology, SimpleLegal's Ultimate Dictionary of Legal Operations Terms (and the BONUS acronym breakdown!) has you covered.

Accrual - Adjustments to a company's profit and loss statement (P&L) to match expenses to revenues in a given month, quarter, or year.

Allocation - An authorization to incur expense or obligation up to a specified amount, for a specific purpose, and within a specific period.

Benchmarking - A management technique that looks to identify best practices in other organizations within the industry before adopting it in one's own.

Budget - An estimate of costs, revenues, and resources over a specified period, reflecting a reading of future financial conditions and goals.

Business Process Optimization - The act of taking outdated or old business processes and optimizing them for improvement and efficiency.

Change Management - The process of planning and implementing change within organizations in a thoughtful and educational manner, minimizing employee resistance and cost while maximizing the effectiveness of the change effort.

CLOCs 12 Core Competencies - A mix of the multi-disciplinary functions that a legal operations professional must have to execute an effective legal operations management program: strategic planning, financial management, vendor management, cross-functional alignment, technology process and support, service delivery and alternative support models, organizational design, support and management, communications, data analytics, litigation support and IP management, knowledge management,

and information governance and records management.

Contract Management - The process of managing contracts from vendors, partners, customers, or employees. This includes contract creation, execution, and analysis to maximize operational and financial performance at an organization, while reducing financial risk.

Cost Codes - A method of grouping individual costs based on their nature or function by using a series of alphabetical or numerical symbols. Cost codes facilitate the classification and recording of costs for greater cost control.

e-Billing - A foundational legal operations tool that provides a streamlined and automated way to manage invoices submitted in any electronic format. e-Billing collects and stores invoice data, providing visibility into legal spend, while offering other features such as invoice routing and advanced reporting for better financial management.

e-Signature - Also known as digital signature, this provides on-demand signature service enabling organizations to execute business documents and contracts online without the passing back and forth of printed papers.

Expense - Money spent or cost incurred during a law firm's effort on matter.

Financial Management - The ability for legal operations to align the legal department's efforts against an organization's financial structure and setup.

Flat Fee - A pricing structure that charges a single fixed fee for a service, regardless of usage.

Integrations - The ability to connect a legal system of record with a 3rd party application (AP, IP Management, etc.) for efficient and reliable data exchange. The goal is to create a single source of truth by automating the manual collection of data from various sources.

Invoice - A list of legal services provided by a law firm, including a statement showing the sum due for these services.

Knowledge Management - The process of creating, sharing, using, and managing the information and assets of an organization to facilitate the flow of knowledge to and between the right people at the right time.

Legal Billing Guidelines - A document shared with outside counsel laying out an organization's preferences and expectations for how and when a law firm should bill, as well as what should and shouldn't be included to eliminate billing errors, reduce costs, and strengthen the relationship with outside counsel.

Legal Operations Platform - A solution that centralizes all legal matters, vendors and spend, and connects the relevant data and applications of a legal department to ultimately transform how a corporate legal team operates and is managed.

Legal Project Management - The process of controlling and managing legal cases or matters with a clear understanding of scope, schedule, risk, and cost to ensure projects are completed in line with business outcomes.

Legal Services - The work performed by a lawyer for a client. Examples might include protecting the business against lawsuits from external and internal sources, handling sales contracts, copyright claims, and incorporation.

Legal Tech - Technology and software that enables legal teams to move faster and more efficiently, while reducing costs. Our CEO, Nathan Wenzel, has spoken on the idea that there's no such thing as legal tech. Instead, there is tech that's been adopted to the legal field.

Matter Management - Encompasses procedures within the legal department regarding how matters (projects) and related data (matter types, location, parties, documents, events, etc.) are gathered, tracked, and used for decision-making throughout the matter lifecycle.

Outside Counsel - Outside law firm contracted to work on a behalf of a client (legal department), also referred to as vendor.

Procurement - The buying of goods or services, usually by a large organization. This team supports legal operations in the purchasing of new legal technology.

Vendor Management - Refers to the oversight and relationship building strategies employed to effectively manage any third party lawyers or paralegals that perform a specific service on a matter, which are also referred to as timekeepers.

Workflow Automation - A repeatable series of tasks involving people, process, and content where data and documents are passed from one person to another in a controlled and structured way.

Breakdown of Legal Operations Acronyms

ACC (Association of Corporate Counsel) - The world's largest organization serving the professional and business interests of attorneys who practice in the legal departments of corporations and nonprofits around the world. The **ACC has a legal operations sector** that supports corporate legal operations professionals by delivering benchmarking, resources and opportunities to collaborate.

AFA (Alternative Fee Arrangement) - An agreement made between a law firm and their client to provide compensation to the firm based on a structure other than hourly billing.

AGC (Associate or Assistant General Counsel) - Title of an individual within the legal department who typically reports to the DGC.

ALSP (Alternative Legal Services Provider) - Companies that specialize in providing specific legal services such as document review, contract management, or IP management.

AP (Accounts Payable) - Accounting entry shown as a liability on a company's balance sheet that represents the company's obligation to pay off a short-term debt to its creditors or suppliers.

BPO (Business Process Outsourcing) - The contracting of a specific business task, such as payroll, human resources, or accounting, to a third-party service provider, often as a cost-saving measure.

CLM (Contract Lifecycle Management) - Methodical approach to managing a contract from initiation through award, compliance, and renewal for significant time and cost savings.

CLOC (Corporate Legal Operations Consortium) - Networking group for legal operations

professionals to confront complex problems and come up with best practices and solutions that drive innovation within the community. Hold an annual institute for mindshare and networking opportunities.

DGC (Deputy General Counsel) - Title of an individual within the legal department who typically reports to the GC.

ELM (Enterprise Legal Management) - ELM solutions solve legal departments needs by providing a unified system that combines e-Billing, matter management, document management, reporting, and workflow and collaboration.

ERP (Enterprise Resource Planning) - Integrating finance, HR, manufacturing, supply chain, services, procurement, and other business processes into a single system to provide analytics, visibility, and efficiency across every aspect of an organization.

GC (General Counsel) - Also referred to as the Chief Counsel or Chief Legal Officer (CLO), this person is the head of the legal department. Along with overseeing and identifying legal issues and mitigating risk, general counsel must ensure alignment with each department within the organization to facilitate positive business outcomes.

GL (General Ledger) - Numbers assigned to different debit or credit entries to make accounting easier and more functional.

KPI (Key Performance Indicator) - Measurable and actionable value that demonstrates how effectively a company achieves key business objectives with the goal of keeping strategy on track.

LEDES (Legal Electronic Data Exchange Standard) - LEDES is a simple file format with specifications

that support hourly billing, flat fee billing, expenses, multiple currencies, and tax to ensure standardization during the exchange of billing and other information between corporations and law firms.

PO (Purchase Order) - Buyer-generated document that authorizes a purchase transaction.

RFP (Request for Proposal) - Document issued by a business or organization that describes a project's needs and requests bids from vendors for products, solutions, and services.

SOP (Standard Operating Procedure) - Written step-by-step instructions that provide employees with a standard procedure for completing a complex activity, ensuring consistency in performance, increased efficiency, and alignment with industry regulations.

SOW (Statement of Work) - Document within a contract, typically between a client and a service provider, that captures and defines all aspects of a project, from work requirements and deliverables to timeline and performance expectations.

SSO (Single Sign On) - Enables a user to use one set of login credentials to access multiple applications, providing a better user experience by reducing the number of required accounts and passwords while increasing overall security.

TK (Timekeeper) - Person within the legal department, such as an attorney, paralegal, associate, or admin, who calculates how much time is spent working on a matter or project in order to accurately bill the client.

UTBMS (Uniform Task-Based Management System) - Set of codes used to classify legal services performed, providing clients and law firms with meaningful information regarding the cost of legal services. The code definitions can be found at utbms.com.