

Best Practices for In-House Counsel

The Best Practices Working Group was borne out of the Advisory Council's desire to identify, collect and disseminate best practices employed by in-house lawyers and NAMWOLF law firms to build and grow companies' relationships with NAMWOLF firms. This working group has prepared the following white paper as an initial endeavor. This white paper represents the working group's efforts to share best practices to help in-house legal departments—particularly those departments and lawyers new to NAMWOLF—foster their relationships with NAMWOLF firms.

Based on our experience, there are several critical steps that help ensure success for legal departments and lawyers who are looking to develop and grow their relationships with NAMWOLF firms. These steps follow:

1. SUPPORT FROM IN-HOUSE LEGAL LEADERSHIP:

Securing your leadership's commitment to diversity and inclusion, including their commitment to NAMWOLF, is an important first step. Chances are that your leadership has long embraced a commitment to diversity and inclusion. Their commitment to NAMWOLF then becomes simply another strong and important aspect of your company's and your legal department's diversity efforts.

For companies new to NAMWOLF who are discussing the organization with their company and legal department leadership, consider inviting Joel Stern, NAMWOLF President and CEO, to your company to discuss NAMWOLF and how best to build your company's commitment to and investment with NAMWOLF law firms. You should also consider inviting a NAMWOLF law firm partner and the in-house counsel with whom they worked to discuss the partnership. Also, know that NAMWOLF member firms undergo an extensive admission process in which each and every law firm applicant is interviewed and assessed. Through this admission process, the NAMWOLF Admissions Committee, which is comprised almost exclusively of in-house counsel, makes recommendations on admission to the NAMWOLF Board. The NAMWOLF Board then reviews the recommendations and makes decisions on approval. This process ensures that the NAMWOLF member law firms are quality, top-notch firms that have already been fully vetted by your in-house peers. To the right, you will see the specific criteria for admission.

In addition to securing legal leadership "buy in," consider engaging your company's supplier procurement team to understand the company's overall supplier diversity spend goals. Your legal department could play a critical role in helping your company meet its supplier diversity spend goals. In fact, consider forming a department-wide supplier diversity committee to the extent this will help your department to improve its retention and tracking of diverse suppliers. Finally, once you secure your leadership's commitment to NAMWOLF, determine whether leadership is willing to empower team/department leaders within the legal department to hire and direct the hiring of NAMWOLF firms. If so, ensure that these leaders understand their role in this process.

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2. APPOINTING A RELATIONSHIP MANAGER:

Consider identifying a dedicated relationship manager within your legal department to serve as a liaison with NAMWOLF. This relationship manager should consider attending NAMWOLF's Annual Meeting (usually in September) and the Annual Business Meeting (usually in February). This relationship manager should also consider joining NAMWOLF's Advisory Council, which serves as a consultative and advisory body to provide input to the Board of Directors and the membership at large on matters relating to the mission, objectives and goals of NAMWOLF. By identifying a dedicated relationship manager to play this role, your company will better be able to foster its relationship with NAMWOLF and the member firms. Importantly, the relationship manager should be responsible for understanding how your company makes decisions to retain and terminate law firms, and should work to ensure that lawyers in the department who make such decisions are considering NAMWOLF firms. Finally, consider adding other in-house lawyers to broaden your company's network with NAMWOLF, to give these lawyers professional development opportunities and for succession planning purposes.

Criteria for Admission:

- Properly certified as a minority or women owned, operated, managed and controlled law firm (51 percent or more). Specifically, the law firm must be certified by the National Minority Supplier Development Council (NMSDC), the Women's Business Enterprise National Council (WBENC), or the National Gay and Lesbian Chamber of Commerce (NGLCC);
- Client references from national and regional corporations, including corporate references within the Fortune 500;
- Excellence in quality of law practiced, as evidenced by corporate references, presence on outside counsel approved lists and panels for national or regional companies and other awards and memberships;
- Martindale-Hubble AV Peer Review Rating (or its equivalent);
- Three or more full-time attorneys in the firm;
- Headquartered in US or Puerto Rico; and
- Sufficient practice liability insurance (at least \$2 million).

3. FINDING THE RIGHT NAMWOLF FIRMS FOR YOUR COMPANY:

Identifying and selecting the right law firm for a new lawsuit or a new business deal is critically important. Your legal department likely has a process in place for identifying and retaining outside counsel. Moving forward, consider the following as you retain counsel on new matters:

a. IDENTIFYING NAMWOLF LAW FIRMS: First, consider reaching out directly to NAMWOLF staff, who are ready to assist. Upon request, NAMWOLF staff will solicit the law firm's experience, including, if appropriate, bids from NAMWOLF firms for your particular matter. This is not a one-size-fits-all process. Some companies will submit a series of questions they want answered by NAMWOLF firms in a particular region or with particular expertise. Other companies will submit a detailed RFP requesting a substantive written response and budget. All such requests are confidentially circulated to firms (and can be anonymous if the company so chooses), and the NAMWOLF staff helps filter responses and forwards those that most closely match the request. As you might expect, the greater

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detail you provide about your particular needs, the better results you will elicit. Second, you can go directly to www.namwolf.org and click on "Law Firm Members." Law firms are searchable by firm name, practice area, MBE or WBE status and geographic location. Third, there are a number of in-house lawyers who are more than willing to answer questions about NAMWOLF firms, provide recommendations and/or solicit recommendations from other in-house counsel who have used particular NAMWOLF firms. In particular, please consider reaching out to the leadership of the Advisory Council.

b. SOLICITING POTENTIAL WORK INTERNALLY:

Consider attending meetings held by particular practice areas within your legal department to introduce them to NAMWOLF. Also, consider contacting the practice areas in your department that retain outside counsel to determine any immediate or upcoming needs for outside counsel and attempt to introduce your colleagues to particular NAMWOLF firms with relevant expertise and experience. If you meet a NAMWOLF firm or lawyer who practices in a field that you do not, work to establish a meeting between the relevant in-house counsel and the firm.

c. INTRODUCING YOUR COMPANY TO A NEW

NAMWOLF FIRM: As you consider NAMWOLF firms moving forward, try a new NAMWOLF firm on a discrete project or smaller piece of litigation. This will allow you to get to know the law firm, establish a relationship and build a foundation for future work. Also, consider using a NAMWOLF firm as local counsel on a lawsuit, with instructions to the lead law firm to partner with the NAMWOLF firm throughout the litigation whenever possible. Additionally, consider making a commitment to include at least one NAMWOLF law firm in any RFP or "pitch" opportunity. Finally, consider partnering a NAMWOLF firm with a majority-owned firm on a matter.

d. SHARE SUCCESSES ALONG THE WAY: When you have a positive experience with a NAMWOLF firm, share the news with your in-house colleagues and legal leadership. As you build confidence in the relationship and share successes, your peers are more apt to follow suit. Relatedly, to the extent your company policies allow, provide an endorsement based on your experience on the attorney's or firm's LinkedIn profile or allow the firm to include the endorsement on the firm's website.

Does your company have preferred provider lists?

If so, work to get NAMWOLF firms added to these lists at your company. If getting a NAMWOLF firm added to your company's preferred provider list is a longer-term proposition, consider as an initial matter exempting NAMWOLF firms from the list.

4. ENHANCING YOUR RELATIONSHIP WITH NAMWOLF FIRMS

THROUGH NETWORKING AND EDUCATIONAL OPPORTUNITIES:

NAMWOLF law firms are looking for the opportunity to get to know you, build a relationship with and perform great work for your company.

a. CLE, WEBINARS AND ARTICLES: If your company wants the chance to meet a law firm and its attorneys before retaining the firm on a matter, consider reaching out to the firm to present a CLE at your company. NAMWOLF firms are ready, willing and able to come to your offices to present

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a CLE. NAMWOLF President and CEO Joel Stern will also visit your offices and present a CLE on Diversity in the Legal Profession. If you decide to host such a CLE, consider inviting local NAMWOLF law firms to your offices for a networking session following the CLE. Additionally, consider sharing NAMWOLF webinar opportunities and articles with your in-house colleagues. Also, NAMWOLF firms may be willing to draft a short article or case alert for your in-house team based on new issues relevant to your team.

b. FOSTER PITCH OPPORTUNITIES: NAMWOLF firms welcome the opportunity to speak with you directly about your company's legal needs and how they may be able to compete for the company's business. So, if possible, make yourself available to these firms and provide them with mentorship and coaching to help them "pitch" for work at your company.

c. CONSIDER PROMOTING DATA / METRICS REGARDING NAMWOLF FIRMS.

Experience tells us that NAMWOLF firms can provide top-notch legal work at a significant cost savings to your company. This is a great story to share when you are discussing the strength of NAMWOLF firms. So consider sharing successes within your company and beyond.

d. CREATE IN-HOUSE NETWORKING OPPORTUNITIES:

A number of your in-house peers have also developed learning opportunities that you may want to consider and personalize for your company. For example, Freddie Mac has a Supplier Vendor Academy that invites NAMWOLF law firms to its company monthly over a five-month period. This program, which is a joint effort by the legal, diversity and inclusion and supplier diversity departments, provides a robust education for law firms that want to build their working relationship with Freddie Mac. Specifically, the program includes: an overview of the company and legal department, executive leadership discussion, team building, branding and pitch presentation techniques and networking and social opportunities with in-house attorneys who regularly retain law firms. FDIC and Coca-Cola have similar initiatives. In another example, Wal-Mart regularly invites NAMWOLF firms to its headquarters for a day-long event to meet the company's legal department leadership and the attorney who assigns and manages its matters. The attorneys are given the opportunity to

Is your company already working with minority, women and LGBT owned law firms that are not currently NAMWOLF certified?

If so, encourage these firms to apply to NAMWOLF for consideration. Likewise, reach out to NAMWOLF to ensure that the law firm is given the appropriate support and mentorship from NAMWOLF to meet the qualifications.

hear from business and legal leaders who inform them of the company's history, culture and legal needs, as well as an opportunity to engage in networking sessions designed around relevant legal department practice areas. Home Depot similarly holds an event highlighting various NAMWOLF firms and gives them an opportunity to network, and invites in-house counsel from nearby companies to participate in the event.

Finally, Accenture recently underwent a law firm selection process focusing on minority and women



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owned law firms. This selection process narrowed a pool of twenty-five law firms down to six. Accenture invited these six firms to its headquarters for an extensive assessment. Among other things, Accenture assigned each firm a “coach” who guided them through the process of developing presentations to the company. This proved to be a “win-win” situation where the law firms had the opportunity to gain invaluable, firsthand information about Accenture and also gave Accenture the chance to work closely with these firms and witness them in action. We share these few examples as great ideas that you may consider adapting for your particular legal department.

5. TAKING YOUR RELATIONSHIPS WITH NAMWOLF TO THE NEXT LEVEL:

There are a number of ways that your company can further enhance its relationship with NAMWOLF and its commitment to NAMWOLF firms. Consider one or both of the following programs:

Inclusion Initiative: This program is a NAMWOLF-supported, company-sponsored initiative where companies make a commitment to spend \$1,000,000 or more annually with minority and women owned law firms. Each year, these companies report their annual diversity spend to NAMWOLF; this company-specific information is kept confidential. NAMWOLF collects this data and calculates the collective financial commitment made by these companies to diversity and inclusion. This collective financial commitment is then shared in a press release disseminated by NAMWOLF.

Partnership Program: This program invites companies to make an aspirational commitment of spending a percentage of its overall legal spend with minority and women owned firms. This commitment can be tied to the overall legal department’s spend or to certain departments within the company, e.g., litigation. The different “partnership” levels are as follows: companies that spend at least one percent of their annual legal spend are “Supporting Partners”; companies that spend at least three percent are “Leading Partners”; and those companies that reach the eventual goal of five percent are “Platinum Partners.” Achieving these numbers is not a requirement to participate; rather, NAMWOLF simply asks companies to commit to these numbers as an aspirational goal. Then, NAMWOLF issues an annual press release recognizing those companies who participate in the program.

As detailed throughout this document, there are many different ways you and your company can engage with NAMWOLF and NAMWOLF law firms. The Best Practices Working Group exists for the sole purpose of bringing these ideas to your attention and to help you and your company execute on your diversity and inclusion commitment with NAMWOLF. If you have other ideas about how best to engage NAMWOLF firms, we invite you to share these ideas. We also invite you to contact us with any questions or concerns; please contact the leadership of the Advisory Council.

