

## Inside Out > column



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## Working with outside counsel

**H**ere is a portion of the conversation. Watch a video on this topic at [chicagolawyer magazine.com](http://chicagolawyer magazine.com).

**What qualities do you look for when you seek to hire outside counsel?**

**Susler:** Before looking at specific outside counsel, I first have to consider the context of the matter. I consider various factors, including the nature of the matter, the economic value, its importance to my company and whether location is important. Once the context is clear, I will start considering outside counsel and there are myriad qualities which I seek. Most important is subject-matter expertise. Other important factors are quality work product, client service, reliability, prior working relationship and reputation.

I also look for lawyers who are passionate, creative and proactive. It is quite evident to me when I meet a lawyer who loves what they do. We have discussed in previous columns about having a “fire in the belly” in the context of law school graduates and young lawyers searching for a job. The same idea applies to hiring outside counsel. Working with a lawyer with these qualities not only makes it much more enjoyable for me, I am more comfortable having the knowledge that my company will be getting the best representation possible.

**How hands-on do you want an inside counsel to be on a legal matter after you’re hired for a job?**

**Martini:** First and foremost, I want my client to be happy and satisfied with my team’s work product and the client service experience. As part of that, I recognize that there is a certain level of engagement on the part of my client that will make them feel most comfortable, especially at the beginning of the relationship. I also know that our dynamic will evolve over time as we get to know each other

and our respective working styles better. The business context will also dictate a certain level of involvement by in-house counsel, as well as the type of matter at issue and what is at stake for my client contact, both individually as well as in their own internal client relationships. My philosophy is to let the client drive this process and to keep open communication to ensure that there is an alignment of objectives and expectations on both sides.

**How do billing rates factor into retaining outside counsel and how can you judge whether the rate will translate into value?**

**Susler:** Generally, rates are not the first thing I look at. I am more interested in hiring the best lawyer and firm for the project. I will assess the criteria I previously mentioned in the context of the anticipated value to be provided by the lawyer and law firm as compared to others under consideration. The billing rate is only one factor in determining the value proposition of any outside counsel retention. The \$800-per-hour lawyer may be a better value than the \$200-per-hour lawyer. Value, and the decision whether to hire a particular lawyer or firm, are decisions that cannot be made solely on the basis of an hourly billing rate. Furthermore, most lawyers and firms today are willing to consider a range of billing options that will enhance the value proposition of a potential retention. Exercising good judgment to determine the value is part of what I am paid to do as the in-house lawyer.

**How do you balance law firm pressure to raise billing rates against the client’s desire to keep those rates low?**

**Martini:** It has always been a delicate balance, even more so since the onset of the recession. It is critical to stay focused on what really concerns and interests clients, which is the value proposition of the legal services you

are offering. When engaging outside counsel, companies are looking for firms who demonstrate that they understand how that specific client defines value. Rates are just part of that equation. There are other metrics which are also very important to the discussion, including the level of experience of the service team, as well as how effectively resources are leveraged within that team and whether fee structures align with the client’s expectations. These are just a few examples of ways to drive value that cannot be measured by hourly rates alone. Ultimately, the goal is to develop a model that is tailored to the specific context of the client and its situation and which addresses the needs and goals of everyone involved.

**How important has time efficiency become in the relationship between inside and outside counsel?**

**Martini:** Now more than ever, there is an expectation that outside counsel will get the job done as quickly and cost effectively as possible. There is also a demand that matters be handled in an efficient, streamlined fashion, both from the account management and communications protocol perspectives. There is a general expectation to accomplish more in less time and with fewer resources. Maximizing your team’s efficiency is a critical part of that equation.

**Susler:** It is very important. This is driven by three primary factors: 1) billing rates-reduced budgets; 2) limited time and resources; and 3) the 24/7 nature of the job fostered by modern technology. Efficiency is one of the essential elements of determining value, translating into the perception that the lawyer and firm take my concerns and interests seriously and are advancing my matter on its merits. ■

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