

Legal services

Capability and Capacity Statement



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Introduction

Introduction

Grosvenor's core business includes consulting for legal services

Grosvenor Management Consulting is a leading provider of strategic and operational advice to both private and public sector organisations throughout Australia.

The company's expertise lies in the provision of advice and consulting support to business improvement initiatives that deliver client outcomes and ensure direct financial benefits.

Grosvenor has an extensive understanding of leading practice in sourcing and contract management, with recent assignments undertaken in the areas of:

- Legal services
- Share registry services
- Corporate real estate/property management
- HR services
- Travel management services
- Capital works project management
- Evaluation
- Business improvement

Grosvenor has been involved in numerous assignments with leading public and private sector organisations, including:

- Westpac Banking Corporation
- Australia Post
- St George Bank
- ANZ Group Ltd
- Suncorp Metway
- City of Melbourne
- Monash University
- Brambles Limited
- City of Sydney
- Australian Taxation Office
- Australian Federal Police
- Centrelink
- Department of Defence
- Fairfax Limited
- Department of Finance and Deregulation
- Fosters Group

Grosvenor is a consultant to leading organisations

Values & Capability

Improve, innovate and
find the best way

Our core values are:

- *Relentless on quality and deliver real value*
We always deliver quality in our people, service, products, business outcomes, client relationships and thinking at an unparalleled value to our clients
- *Develop and grow potential*
We will nurture, challenge and stretch each person to realise their full potential
- *Reciprocal respect*
We excel by working together to achieve goals and always respecting each other particularly when times get tough
- *Use thinking to improve, innovate and find the best way*
We build on experience both individually and collectively by using it together with innovative thinking to find the solution that best fits our clients
- *Whatever it takes*
We will each do whatever it takes to deliver the commitments and accountabilities we make individually and collectively

Grosvenor has the required capability and experience to provide clients with the indicated services. Our ability to deliver these services is supported by Grosvenor's core competencies which include:

- service reviews/service plans
- strategic sourcing, probity and managing the procurement process
- Gateway / health check reviews
- business process re-engineering
- performance management
- benchmarking
- financial analysis and business modelling including activity based costing/pricing
- risk management, governance and compliance
- program evaluation.

Grosvenor's capability in reviewing legal services is demonstrated over the following pages

Our experience
shows in the
following pages

Demonstrated experience

Demonstrated experience

Current law firm engagement models do not work

Grosvenor understands the complexities associated with management of legal services for large institutions. These complexities include:

- the types of legal work can vary enormously making comparisons between law firms difficult
- the often decentralised nature of law firm engagement / instruction makes governance difficult
- balancing internal resources with external resources to optimise service and cost to internal clients
- manual paper based law firm billing complicates the payment process and often leads to significant arrears for law firms
- engagement of law firms is based on relationships rather than performance.

Grosvenor understands best practice in managing legal firms can address these complexities, specifically:

- analysis of legal spend to determine resource mix weighted against relative risk of using external resources
- on going performance management of law firms based on a transparent process of measurable outcomes.
- clarifying how external law firms can value add to their services (at no cost to the client)
- deploying panels that are orientated around speciality of work type and volumes for improved quality outcomes

Examples of our tools / models, etc can be found at Attachment A-D

Best practice processes provide for the management legal services

Demonstrated experience

Your legal spend
will reduce by at
least 15%

In procuring legal services for many organisations, Grosvenor expects to find a situation with the following characteristics:

- Legal services spend to be above that identified by the accounts payable system. Analysis of spend over several years will likely show a spend in legal services growing at a greater rate than your organisation growth rate. In other words, it remains largely unmanaged.
 - From our research into examples where best practice has been implemented, and based on our experience, reduction in legal spend has been by at least 15% in the 1st year. See Appendix A.
 - We expect to find many non-panel law firms being used where there is no formal or governing agreement in place. Further, we expect most of these to be based on sensitive relationships between your organisation's executive and a senior partner of the law firm. Understanding these relationships is critical to successful implementation of a new legal panel. See Appendix B & C for an insight into best practice sourcing and the typical conflicts that need to be managed.
- Typically, in instances where legal invoices are issued in the name of the client, but paid directly by a third party creates a financial exposure to the client for the amount of the applicable GST to the ATO. Ensuring processes eliminate and govern this type of risk is critical and illustrates the need for governance over the entire legal spend.
 - Typically we would also expect to identify several law firm issues such as problems with account arrears, requests to "write-off" bills and equity of opportunity for a greater share of the organisation's business. These issues deserve to be addressed in any review of legal panels. See Appendix D for generic strategies for improving legal panel performance.

Grosvenor understands that transition to best practice needs to be managed against a "proactive" framework that encourages, not forces, law firm commitment. To this end Grosvenor understands that this must be an open, honest and transparent process. Indeed, this is considered critical to establishing a foundation of organisational trust beyond that of individual and ungoverned relationships that currently exist.

**Our methodologies
establish
organisational trust**

Company capacity & personnel

Capacity

Skills, experience and competency to match assignments

Grosvenor is a privately owned Australian firm which meets the Commonwealth's definition of a small to medium enterprise (SME). Formed in 1996, the company is now owned by four partner-employees (directors) of the firm with a majority holding held by the Managing Director.

Grosvenor is an expanding firm which operates out of offices in Melbourne, Sydney and Canberra. We understand that consulting is an industry where the quality and capability of staff is a key determinant of continued success. We therefore operate on a flexible model which maximises the use of our own employees to deliver the services.

The consulting positions in the firm commence at the level of Associate Consultant and progress through; Consultant, Senior Consultant, Managing Consultant to Director. The current employee base inclusive of leave and training provisions provides a capacity of approximately 300 consulting days per month.

Grosvenor is not operated on the basis of geographical responsibilities where specific regions or states are serviced out of a particular office. Rather the skills and competencies of all staff are considered when developing a project team irrespective of the primary location of the project delivery.

Grosvenor can fulfil short term demands

Key personnel

Skills, experience and competency to match assignments

To maximise our success in assignments, Grosvenor selects consulting teams to closely match the skills, experience and competencies of the individuals with the objectives of the assignment.

Grosvenor is an organisation in which the majority of staff has supported a number of major procurement initiatives. In these roles we have often been asked at short notice, to provide additional consulting and support staff resources and expertise. Our ability to fulfill sudden short term demand has been a contributing factor in our continued success.

Grosvenor staff all sign a confidentiality agreement as part of our employment contract. We are also regularly required to sign confidentiality agreements with both public and private sector clients as a condition of our engagement on a project. We have also undertaken assignments with Defence where we have been required to obtain security clearances up to the level of SECRET.

Given our geographic locations, our assignment and project teams sometimes are required to work together. We facilitate this through a number of things:

- shared server access at all sites for all assignment work
- scanning and electronic files are maintained for each client assignment, reducing the need for hard copy files
- all consultants are able to access the company servers through a secure VPN at any location, to facilitate flexible and home working
- the company has a knowledge repository (called the Wiki-G) where company policies, staff communications, project details are stored
- all our reporting, time recording and forecasting is already completed electronically.

All of our consultants are equipped with the latest laptop and mobile phone technology that allow us to work to our optimum at any client site. Grosvenor is able to demonstrate its capabilities to operate and communicate via secure, electronic means.

In order to promote efficiency and sustainability Grosvenor has taken the initiative to run a paperless system which utilises electronic filing systems and electronic mail.

Work from your site or ours

Company details

Grosvenor is a stable
and financially viable
enterprise

Company Name	Grosvenor Management Consulting Pty Ltd
Australian Company Number (ACN)	105 237 590
Australian Business Number (ABN)	47 105 237 590
Company email address	grosvenor@grosvenor.com.au
Website	www.grosvenor.com.au
<hr/>	
Canberra	
Business & Postal Address	Level 7 / 15 London Circuit, Canberra ACT 2601
Phone Number	(02) 6274 9200
Fax Number	(02) 6274 9299
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Melbourne	
Business & Postal Address	Level 2 / 534 Church Street, Richmond Victoria 3121
Phone Number	(03) 9425 1900
Fax Number	(03) 9429 7488
<hr/>	
Sydney	
Business & Postal Address	Level 12 / 220 George Street, Sydney NSW 2000
Phone Number	(02) 9241 6944
Fax Number	(02) 9241 6368

Financial referees
available on request

Attachments

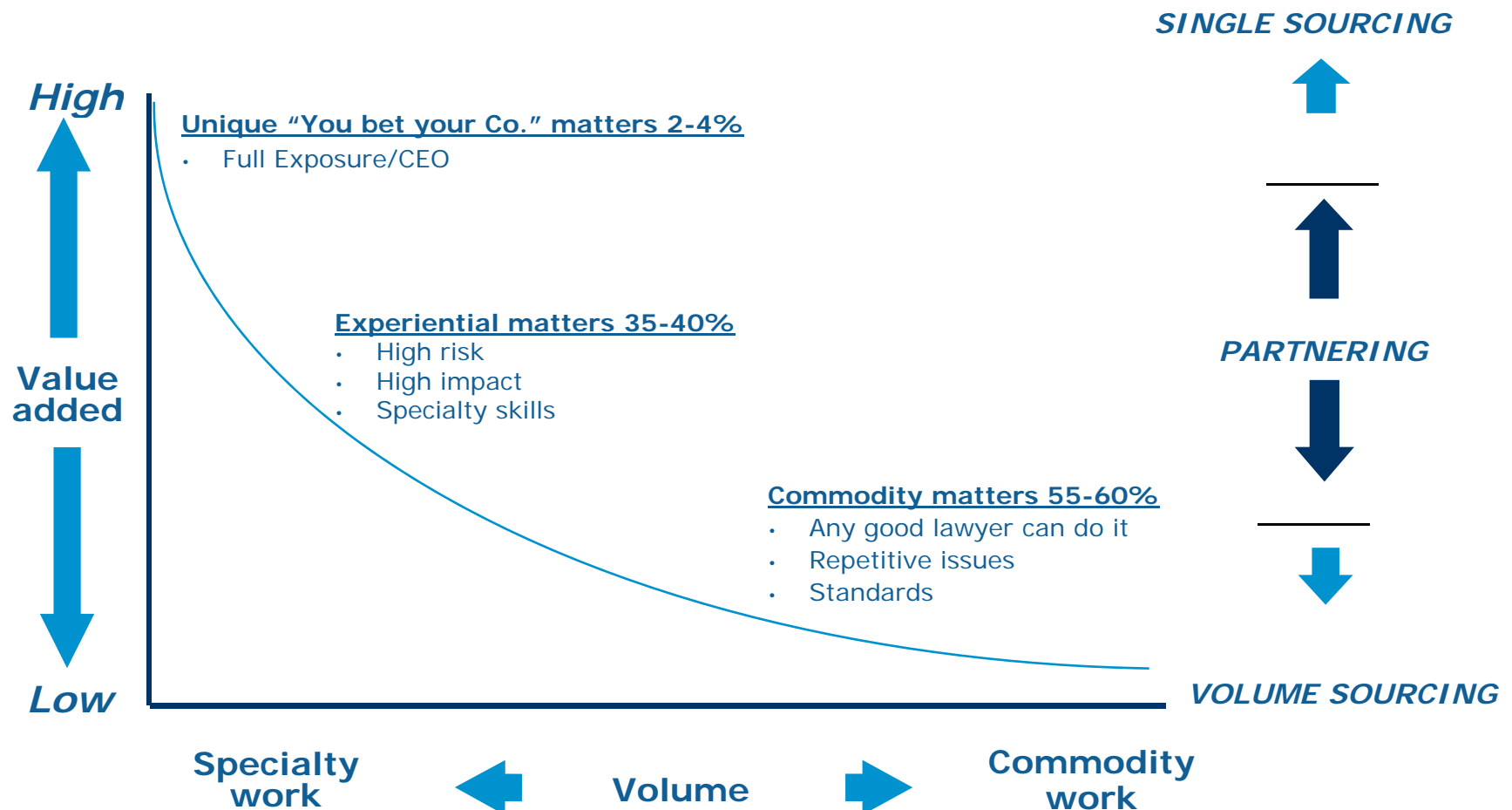
TD Bank's ROI: Demonstrated results

- 80% reduction in firms
- 25% - 30% savings first year
- Winning over internal clients
- Ten firms with 50% of all matters
- 3 year projected savings of over \$75M
- Complete offset of regulatory driven technology solution costs
- Better risk and spend management
- Legal and management credibility with executives and peers


Source: Bob Aziz General Counsel TD Bank

Sourcing strategy will vary dependent of the segment

- Top of curve:** Single sourcing to experts with in-house oversight
- Middle of curve:** Appropriate mix of internal and external sources
- Bottom of curve:** Volume sourcing





Cross currents in stakeholder drivers

- Stakeholders: Want to maximize the value of legal spend
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- Business unit heads: relationships based on “know me; know my business”

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- Legal Department: Must devise a system that makes everyone happy
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- Law firms: Want more business – amenable to consolidation provided they “make the cut”

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- Business people who use legal advice: Preserve status quo investment in existing relationships and want a “low maintenance” lawyer
- 

Savings based on 5 cascading strategies

1. **Convergence within segments** – Drive efficiencies with a 10% reduction of projected hours.
2. **Budgeting, File Management & Optimal Delegation** – Pay for the work, not for the person.
3. **Pricing** – Price certainty; managed increases; tiered volume discounts.
4. **Disbursements** – Exclude some; place limits on others.
5. **Benchmarking:**
 - de-bundle services and apply fixed fees
 - use targeted blended hourly rates based on UTBMS