

Telstra

Contract and Marketing Review case study



Telstra reduces reliance on law firms, increases internal capacity and achieved cost + efficiency gains through Exigent partnership

Executive Summary

Telstra is the leading telecoms provider in Australia, running more than 17.8m retail mobile services, 4.9m retail fixed voice services and 3.6m retail fixed broadband services. With a presence in more than 20 countries across the world, the firm is focused on providing mobile, digital and connectivity services to help businesses, people and governments stay connected. With thousands of customer and strategic contracts, as well as an abundance of marketing copy passing through the legal team, the internal capacity was becoming restricted by low value, high volume tasks. A partnership with Exigent helped alleviate this challenge through outsourcing a range of workstreams including contract reviews and negotiations, marketing copy review, knowledge management, as well as ad hoc projects. Exigent has become an extension of the Telstra legal team, driving cost savings, efficiency gains and increasing the capacity of the internal legal team so that they can focus on strategic objectives and provide value back to the business.

Challenge

With rapid growth and diverxsification in the Australian telco sector, competition is rife and, when combined with ever increasing regulatory burden, it's a challenging market in which Telstra operates. With a focus on increasing market share, while also retaining its high-quality connectivity services in such a crowded market, the pressure on the legal team was consistently increasing.

The telco was keen to retain knowledge and experience, but at the same time was under pressure to reduce legal costs and team size. In Telstra's hunt for efficiencies, they explored other providers that could offer different skill sets and cost bases that historic providers could not.

Solution

Exigent began working with Telstra on a consultancy basis to better understand the business and design a methodology that could help the telco bring more efficiencies to the legal team. The project was quickly expanded to incorporate reviewing of high volume, low value marketing and contract review. With high value individuals currently spending serious amounts of time on this type of work, this task immediately alleviated some pressure and allowed the legal team to add more value to the business.

To have intimate understanding of the legal team, Exigent placed various team members onsite at Telstra for short periods so that processes and best practices could be adopted with onsite guidance. The Exigent team worked alongside the internal legal team to identify workstreams and processes that could be streamlined, standardise common processes and create a way for Telstra to use technology to help create smooth knowledge transfer. Exigent now supports Telstra across a range of workstreams including contract reviews for customers and procurement agreements, above and below the line marketing reviews, contract management, knowledge management, data analytics projects, and project support for M&A transactions

Exigent is now considered an integral part of the Telstra legal team, and the trust which has been built has led to the Exigent team acting as a true part of the legal function. Exigent engage business stakeholders directly, optimising efficiency within the contracting life cycle. For example, business stakeholders such as sales teams engage Exigent directly for contract reviews, which Exigent then approve or amend. The Exigent team also draft on Telstra paper and are conducting contract negotiations for specific deals as well as helping other business units outside the legal team with contract management and projects such as contract digitisation, obligations extraction and management.

Results and future plans

Within the first 12 months of the engagement with Exigent, the external labour model that Telstra had traditionally employed shifted so that it became a successful combination of law firms working together alongside Exigent. The effect of fine tuning their business model led to reduced overall legal spend, with the distribution of the investment shared between law firms and alternative providers such as Exigent, which offers different expertise, processes and cost bases.

With Exigent undertaking a large portion of marketing and contract reviews, the internal legal team are freed up to focus their time on higher level more complex work, which adds more value back into the business, helping the telco reduce risk and achieve its strategic objectives.

The Telstra legal team now have enhanced capacity and scalability, processes are standardised with training manuals and playbooks (designed by Exigent in collaboration with Telstra) to keep knowledge within the business, and technology is being deployed across the teams to continue to drive more efficient outcomes.

Exigent is a global alternative legal services provider operating at the intersection of law, business, and technology.

For information about Exigent visit exigent-group.com

"What I appreciate with Exigent isn't just the high-quality and excellent timeliness of the work, it's the thought leadership. There's a really healthy relationship of Exigent bringing new ideas to us, about where legal technology is going, what the state of the market is and where Telstra might consider going. It's been a very clever use of the knowledge of our company that you've acquired through doing work for us, just to help us think about what the evolution of our practice might be, and we feel very lucky to have the benefit of those insights."

 Craig Emery, GC retail, marketing and media, Telstra