

Corporate Law Department Matter Management System Build vs. Buy Analysis

	BUILD INTERNALLY	BUY FROM SERENGETI
COSTS		
Software development	Company bears the cost of design, development, testing, and documentation of the software. Requires experienced, dedicated teams of developers, project managers, and quality managers, as well as significant time from the law department to define, test, and provide comments.	Costs shared across multiple companies. Developer time to create Tracker platform was approximately 9 man-years (not including project managers, quality managers, collection of user input, etc.).
Ongoing software development costs	Company bears the cost of future enhancements, bug fixes, and documentation of the software.	Costs shared across multiple companies.
Upfront infrastructure costs	Company bears the cost of servers, data center, operating system licenses, backup and recovery systems, firewalls, Internet connectivity, load balancing, and redundant backup systems.	Costs shared across multiple companies. Serengeti maintains three-tier system, with multiple load-balanced web servers, application servers, and file servers for maximum performance and scalability.
Ongoing infrastructure costs	Company bears the cost of server administration and maintenance, hardware replacement/upgrades, performance monitoring, firewall maintenance, licenses/maintenance/bug fixes for server, database, monitoring, and other system software.	Costs shared across multiple companies.

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Implementation and training	Requires dedicated team to create help and support materials, train internal staff, connect and train law firms, and provide future training and support. Training costs may be adversely impacted by complexity of system design.	Experienced implementation and training specialists, as well as online help materials (400 help screens, 150 pages of guides for specific users), always available. Because of intuitive system design, training takes about one hour per user.
Allocation of system costs	Must be paid up front, with additional future costs of maintenance and upgrades of the hardware and software; cannot be estimated with certainty.	Shared across all customers, and spread out during system use; fixed price guarantees cost certainty.
Opportunity costs	Lost opportunity costs for IT department (time to design, develop, debug, implement, support, and maintain system). Lost opportunity costs for law department (time to design, test, define enhancements).	No lost opportunity costs for Company.
Time to realization of system benefits	System benefits only available after the system is completed, debugged, implemented, and connected with law firms.	Financial savings and productivity benefits available immediately.
QUALITY AND FUNCTIONALITY OF SYSTEM		
Application functionality	Functionality of system will depend upon the quality of the development team, the quality and frequency of input from the law department, the ability of project management to translate law department needs for software developers, the extent of repeated end user testing, and the stability of financial and staffing support.	Current system leverages extensive use by many law departments to provide essential functions including: internal matters, external matters, status reports, budgets, electronic invoicing, invoice auditing and routing, documents, attorney evaluations, matter resolution data, contact rolodex, and extensive management reporting.

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Connection to Outside Counsel	Most important, but most difficult, design issue is the connection to outside counsel; system must have appropriate security to protect the attorney-client privilege, while providing controlled user access to essential information. A system that does not connect to outside counsel leads to massive data re-entry, a lack of current information, and extra work by law department users.	Tracker was architected to manage the connections between law departments and their law firms. Consequently, it captures data at the source (in-house or outside counsel), eliminates data re-entry, and ensures that matter data is current and accurate. Law departments control access matter-by-matter, protecting the attorney-client privilege and controlling access to confidential information.
Development of future enhancements	Future development and product enhancements limited by: (a) ongoing availability of financial backing for this project; (b) Company's ability to maintain a dedicated team of developers and project managers familiar with both the system and the needs of the law department; (c) the quality of Company's system documentation (which must be used by future developers); and (d) the ongoing participation of the law department to redefine and test enhancements.	Development and extension of the Tracker system is the highest priority for Serengeti, with a dedicated development team that is continually enhancing the platform, and project management that remains in constant touch with the evolving needs of law department and law firm users. Releases with enhancements are issued every ninety days.
Customization	Opportunity to develop a system tailored to the specific needs of the Company law department. However, because system features are the primary driver of software development costs and time, features may be compromised to meet deadlines and hold down costs.	Features already based upon the experiences of numerous law department users. System allows customization through configuration by law department. In addition, Serengeti provides releases every ninety days with new features desired by users.
Scalability and performance	Dependent upon system and software design.	Infinite scalability; load balancing for high volume of users.
Web performance	Dependent upon system and software design.	Zero-footprint, browser-based system – no software to install on desktops. Designed for optimal performance by web users. Ensures multi-office capability.

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RISKS		
Alignment with Business Needs	Identifying and specifying business requirements will be time consuming for, and outside the core competency of, the law department. Failure to devote adequate resources, or failure to clearly communicate system requirements, will create risks that the system does not meet business needs.	Serengeti has gathered comments on the current system and future enhancements from a large number of law department and law firm users. From this feedback, and Serengeti's extensive experience in the legal field, Serengeti has identified best practices and practical solutions.
Development risks	Dependent upon: (a) prior experience of Company's development team on similar projects; (b) the ongoing priority of this project; and (c) the continuous oversight and feedback of the law department. Company bears the risk that suboptimal design may cause increased future costs for maintenance, scalability, etc. Both completion schedule and results are at risk.	No development risks for platform already completed. Future development will be done by dedicated developers and project management, whose work is devoted exclusively to this platform, and whose priorities come from the input of numerous system users.
Future viability of platform	Dependent upon unknown future Company priorities, budgets, Company's continued willingness to maintain a team of developers, project managers, and implementation staff, and the ongoing involvement of the Company law department.	The future value of the Serengeti platform for law department and law firm users is Serengeti's highest priority. Viability is assured through collecting feedback from the many system users, and the dedication of experienced development and implementation teams to this goal.