

Value Practice:**Communicating Emphasis on Value within Sprint Nextel: Budget Reports, Settlements and Recoveries****Charles Wunsch****Interviewed while General Counsel and Corporate Secretary
Sprint Nextel Corporation, Inc.****May 2009****MONTHLY BUDGET REPORTS TO ALL LEGAL STAFF**

Each month, the General Counsel circulates to all legal staff a monthly budget report. While many law departments circulate budget reports to the legal management team and budget managers, Sprint Nextel's GC circulates the report to all legal staff—to inform and to help achieve 'buy-in' at all levels of the law department. This practice helps the entire legal staff to understand the need to be cost conscious, and to also understand that decisions they make result in dollars spent.

Some key attributes:

- **Report comes directly from General Counsel-** sets the right tone within the law department and communicates directly from the GC the importance of budgets and of living within them.
- **Report highlights how the department is doing and any problem areas-** communicates directly to all, the environment that the law department is operating within: budgets are important and all can see how the law department as a whole is doing.
- **Report shows 'total expenses' and 'outside counsel expenses' vs budget-** so that all within the law department can view status on these expense components. Outside counsel expenses include those expenses that fall within the law department's budget (outside counsel costs for legal, government affairs and corporate secretary).

In addition to sending the monthly budget reports, the General Counsel also holds quarterly 'all hands' meetings among the legal team and encourages them to share ideas on practices they can implement to satisfy the department's strategic goals, save costs and add value.

HIGHLIGHT RECOVERY AND SETTLEMENT SUCCESSES- HELPS SHOW VALUE

The law department is in the process of creating a new set of reports that will show successes and value-add in connection with settlements and recoveries. Tracking and reporting these accomplishments can help show that law departments are not just cost centers—lawyers also add value by saving and bringing money into the company.

- **Settlements-** to show the value added by the team's legal services, the General Counsel plans to track actual settlements versus: (1) demand amounts, first settlement offers, and (3) legal budgets.
- **Recoveries-** the law department will capture dollars recovered through the company's out-licensing of intellectual property and resolution of disputes with vendors that don't go to litigation.

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