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Team players

Cornelius Grossmann, global head of law at EY, on why law firms can't beat the Big Four when it comes to the collaborative pitch

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Who we are...

Funny bunnies



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This month's interviews were all transcribed by:

TRANSCRIPTIONSERVICES

Editor's letter



• Ur feature in the last edition of **Briefing** asked women who have made it to the top leadership roles in law firms how much remains to be done to create true equality between men and women at work. And the truth is that, while networks, mentoring, coaching programmes, unconscious bias courses and mobile working opportunities abound, legal business still has a long way to go.

The (male) subject of our big interview piece this month is of like mind – highlighting not only the importance of flexible working patterns, but also an atmosphere conducive to open conversations about people's lives outside of work.

It's harder to change people's assumptions about how they should behave than it is to launch a new initiative. However, it's

Twice as many fathers as mothers say they're frightened to request a flexible working arrangement. something that's sorely needed – for men, as well as women. Last month, for example, the Women and Equalities Commission launched a new inquiry into the experience of being a father at work – asking whether dads have the right support to care for their children, including partaking of the shared parental leave package.

The sad background to the session, says the committee, is that twice as many fathers as mothers say they're frightened to request a flexible working arrangement in case it hurts their careers, and 44% have "lied or bent the truth" about their family responsibilities.

Maria Miller MP, chair of the committee, said: "In many workplaces men can still find it difficult to get more flexible work and fear that asking might damage their career, with employers questioning their commitment.

"This mirrors the experience of many mothers. The government has brought in family friendly policies, such as shared parental leave, but there are significant questions about whether culture at work has changed enough to enable the policy to be effective."

The inquiry is to consider the experiences of other countries and identify common barriers to this hugely important example of the right to be yourself at work. But as a business that has worked hard to bust out of that image of an 'old boy network' – and one that loves to wax lyrical about work culture any day of the week – legal should also do some considering of its own.

RICHARD BRENT EDITOR

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HELP YOUR LAW FIRM TAKE FLIGHT

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Hotdesk stuff

"Every day is a fresh start, and now has that feel about it."

Nick Brook, head of facilities, Mills & Reeve



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ROUNDUP

Innovative openers



ny legal business employees out there with an extra spring in their step? Α Some at the US and UK offices of Morgan Lewis perhaps ought to be feeling even more spritely than usual. After an impressive-sounding "highly successful and extensive beta test," from 1 May 2017 lucky individuls at this firm will now be able to "spend one or two days working remotely," the firm says. But only some of them – as the press release specifies that this benefit is for "eligible associates." Firm chair Jami Wintz McKeon confirmed to Briefing that meant associates in at least their third year of practice, or "in the case of laterals, who have been at the firm for at least one year." The firm is offering support to set up home offices.

A confident McKeon said: "Our clients have

40%

Increased revenue for flexible resourcing hub Vario (Pinsent Masons) in full year 2015/2016

long recognised the value and effectiveness of remote working programmes, and we know these programmes work well. It is well established that they provide significant benefits for the individuals without any reduction in the quality or level of service. Our experience reinforces that wisdom."

Meanwhile, the flexible resourcing hub over at **Pinsent Masons** – Vario – is to open for business in Australia – its first operational base outside the UK, but not the last. Vario now has 300 freelance legal professionals on its books, and says the hub increased revenue by 40% in 2016.

Director Matt Kay said: "We're now embarking on an ambitious plan to scale internationally and bring the best of the flexible model to a number of international hubs."

David Rennick, head of Pinsent Masons Australia, added: "Flexibility will be a key part both of servicing clients in Australia, and giving our own business more flexibility to scale up and down in response to major projects. A key part of our strategy is to bring the best of the disruptive innovation from legal markets around the world to Australia."

And finally, an innovation first – **Ulster University** has launched its own Legal Innovation Centre, a collaboration between its schools of law and computing and intelligent systems.

And it is not without ambition. Professor Paddy Nixon said: "The centre will undertake muchneeded research on technological innovations to facilitate legal process improvement, and so promote greater economic efficiency and improved access to justice."

He also hints at the need to train people up into different skillsets for a world where AI systems are likely to be doing more of the document analysis work. "It will foster the emergence of legal technologists, ready for the challenges of legal service provision in the information age," he says.

Notably, the initiative also has the support of **Baker McKenzie** and **Allen & Overy** – both of which have bases in Belfast.

Jason Marty, executive director of Baker McKenzie Belfast, said: "Terrific education at all levels was a deciding factor for us in choosing to locate in Belfast. We expect our partnership with the centre to provide tangible impacts in how we build our teams, technologies, and business."

Ulster University has launched its own Legal Innovation Centre, a collaboration between its schools of law and computing and intelligent systems. And it is not without ambition.

READING LIST

Know your strengths

Andy Wansell, former COO at Boodle Hatfield, now managing director at OJK, professional services arm of James Grant Group, believes a new book on strengthsbased recruitment and development may make his future people-planning stronger



Publisher: Kogan Page Publication date: May 2016 Price: £29.99 OFFER: 20% off – visit www.koganpage.com and enter the code HRLPMB

S practicality that is its real strength. As a managing director, I'm always looking for ideas that are going to 'make the boat go faster'. But at any one time, there's only a finite number of ideas, and consequential change, that a business

ally Bibb advertises her book as

a practical guide, and it's the

can accommodate. So, why would you take the idea of 'strengths-based recruitment' (SBR) into vour organisation?

The book goes straight to the heart of the matter. Should we look to round out all our people, or should we look to match the needs of a role with the strengths of the individual candidate?

The book avoids being a cheerleader for 'happiness at work.' It ties the need for passion to competence. I found the starting premise powerful, and its simplicity creates an opportunity for a conversation between the HR partner and managers or leaders. It avoids complex jargon and models in favour of a very practical approach. I have struggled in the past with a competency-based framework myself, and I have also been guilty of too much 'shooting from the hip'. Both approaches lead to different, but equally unhelpful, dead ends.

The section on candidates prepping for a competency-based interview resonated with me. I have seen candidates visibly relaxing as we go into the meeting, and they can bring out the

rehearsed responses this approach can promote. Bibb offers us an alternative. but one that doesn't avoid the need to look for the technical knowledge that a role also requires.

For those looking to implement SBR, it's worth investing time in chapter two, which looks at why organisations go down this path. The reasons will reap benefits as the approach is sold into the business. For me the key test that Bibb identifies is: "Do we want to hire people who can do the job, or those who are likely to love their job and be energised by it?"

Changing the quality and nature of the review conversation by spending more time building on strengths and less time fixing weaknesses will be an uphill task. The book's case-based approach of setting out the benefits is powerful, but the challenge shouldn't be underestimated. This may represent the most significant hurdle for the adoption of SBR by management within your organisation. I found the interviews with senior leaders and their experience of SBR less compelling, but nonetheless they contained occasional gems.

Bibb has certainly given me food for thought, and offered a practical alternative to current flawed approaches to recruitment and talent development. SBR could change your organisation's outlook.

It's a viable alternative, and one I'd recommend exploring.

The reasons will reap benefits as the approach is sold into the business. For me the key test that Bibb identifies is: "Do we want to hire people who can do the job, or those who are likely to love their job and be energised by it?"

WHAT'S ON YOUR WHITEBOARD?



David Halliwell, director of knowledge, risk and innovation delivery at Pinsent Masons, talks about implementing in-house AI, and other innovations to watch out for in future

Where do you see opportunity to implement Al at the firm, and how is it beneficial?

Some of the best opportunities are serendipitous rather than planned - it all started for us six years ago when we recruited our head of R&D, who had been working with these systems and developing his own. At this point not many suppliers, even, were developing in this area. He came to us with some ideas and we saw a lot of opportunity for the future delivery of legal services. We've built an expert system which uses a rules-based approach to legal process - we use that to power a lot of our legal workflows by bringing knowledge from around the firm to power data extraction. The advantage of building this ourselves is that we have been able to integrate it into our core infrastrucutre - our finance systems, client portals, and even document automation.

Q Do you think AI is being overhyped?

A There is real potential for AI to change the way legal services are delivered. What is overhyped is the progress individual firms claim to have made [when in fact] they've invested in a certain system or in staff. As a profession we're only skimming the surface of what AI could potentially do. There are lots of things described as AI or 'robot' law at the moment which aren't. There will be a wave of next-generation AI to hit the legal sector which we already see applied in other sectors around proper data analysis, or predictive analytics systems that can learn and analyse laws and develop propositions based on them. Law firms aren't really looking at this yet – when they do, the progress will live up to the hype.

What else do you think will disrupt tomorrow's firm? It's hard to underestimate the impact of two entrants to the market. First, accountancy and consultancy firms will be making their presence more felt pretty soon. We're seeing them on client panels as a legal entity rather than as a consultancy. As that continues, firms will have to cope with the scale of resources and process mindset brought to the table. The second is in-house legal functions providing a full service - there's a risk of firms being cut out of the picture.

Firms will have to adapt – they will need to collaborate with other people in a more effective way, whether that's with clients, technology suppliers, publishers or even competitors. The days of law firms being seen as islands of themselves is coming to an end.

Which innovations are really catching your eye? There are some fantastic developments coming in around immersive learning and gaming. Some worry that removing routine tasks such as due diligence takes away a learning opportunity for junior lawyers – well, let's replace learning-by-drudgery with learning-by-gaming. We're already using technology-led gaming techniques with clients, but this is just the start of it.

And how do you switch off from it all? A I do a lot of sport. My kids have been fencing for quite a while, but my wife and I have started too in the last couple of years. It's uncovered a highly competitive element in me – it's an interesting mental and physical challenge, which allows me to remove myself from the stress of work.

Feeling social

Everyone's on Twitter nowadays - well, 86% of UK law firms are anyway – but they need to ensure their web and social media presence also generate a bit of business



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SPEAK UP

Diversify your delivery

Serving clients that need to continually adapt is reason enough for firms to invest in diversity and inclusion initiatives, says Stephen Allen, global head of legal service delivery at Hogan Lovells

f there are any leadership teams who remain to be convinced that tackling a lack of diversity is important, I can do little better than quoting Albert Einstein: "We cannot solve a problem with the same kind of thinking we used to create it."

Debate rages around the exact wording and source of this quote, but I think the thinking is clear and germane to this issue.

Delivering legal services needs, and will continually need, to be rethought. We're facing the unremitting need for continual change to meet the needs of our clients - who themselves are seeing their own businesses perpetually evolve. Car companies are no longer building mere modes of transport, but highly sophisticated devices connected to the 'internet of things'. Financial institutions are using design thinking to build technology that ensures their relevance in an increasingly connected world, and private companies are leading the business of space exploration. We need to help our clients adapt. To do this, we too need to change.

As business services, the concept of 'client' is always an interesting one. Who is our client? We bandy about phrases like 'end client' or 'internal client'. Personally, and this is my own view, I don't like the concept of the 'internal client' as an approach to business services. A business exists to service its clients. Roles within the business are to collaborate, with mutual respect, to ensure that such service is the very best it can be.

Therefore it is, in my opinion, imperative that business services have the client of the firm foremost in their collective mind. This doesn't mean diminished support to what some may call our 'internal clients'. Quite the contrary. We must improve the support to ensure that partners and lawyers spend more time thinking about the client, because they can trust that the delivery will be excellent.

To do this, we in business services need to think like our clients. That means we need a demographic that mirrors that of our clients, brings a diversity of thought and a breadth of



experience, and that constantly challenges perceived wisdom and accepted norms. For legal service delivery to evolve in the way it needs to, business services will need to become increasingly diverse – embracing new ways of thinking and different expertise, and constantly striving to differentiate what we do.

Too much of our industry is held back by worrying about what 'other firms might think'. Keeping focus on client need, anticipating that need and differentiating what we do by leading in legal service delivery is essential today – and it will only become more so.

So, diversity is a business imperative. Without it we will simply repeat the mistakes of the past.

It's also the sign of an inclusive and collaborative firm, and a moral imperative to ensure that the opportunity to participate is open to as wide a pool of talent as possible. I'm very pleased to say that my current home is the most inclusive and collaborative I've worked in. And in terms of the evolution of all of us in this business, that bodes well.







Get it together Cornelius Grossmann, global head of legal at **EY**, on the scale of an ABS opportunity

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Stand by me The **Mills & Reeve** facilities team talk teaming up to implement hotdesking

THE BIG IDEA

Get it together

Cornelius Grossmann, global head of law at EY, tells Richard Brent that his business has growth challenges of its own, but it helps that it's geared for change

0

f all the risk factors to rise up the legal business management agenda since the UK's Legal Services Act piled on the competitive pressure, the re-entrance of

the accountancy and consultancy giants into the water poses a particular problem. When firms' clients started down that 'more for less' path following the financial crisis – insisting on a new level of efficiency and transparency – fees could still be fixed. When new high-tech-wielding entrants decided to employ data scientists to deliver more transparent, predictable legal process and products, firms could either collaborate or launch 'alternatives' of their own to automate, commoditise and disaggregate. But when Big Four strategies started to pull in lawyers to work for them the world over, what could law firms realistically do but watch and wait?

Pieces of advice

They may need to wait a little longer – but as recently as 2016 a Law Society report warned that, as overseas legal markets likely follow the UK's lead into greater liberalisation, firms should prepare for a "turbulent" few years spent ensuring they're not overlooked in emerging markets. It could be the accountants that get that call instead. EY – which back in 2014 was the third of the four to go for expansion by ABS licence in the UK – has since launched its own law training contracts. And it now practices – through member or allied firms – in over three times as many jurisdictions as it had covered in 2013. The launch of the latest practice, in Guadalajara, Mexico, in February, consolidates coverage at 75 today.

Readers may find it puzzling, then, that EY global law leader, Cornelius Grossmann, has said "competition" with the **Briefing** land of Big Law isn't part of the plan.

But that's because this is a "different business model" to a traditional law firm at work.

"Frankly, a large proportion of traditional law firms' work is litigation," he says. "We're only able to do a very limited amount of litigation work. It isn't a strategic focus. It'll never be a significant source of revenue because of the potential for legal and commercial conflicts, in addition to the regulatory restrictions. We don't want to build just another international law firm, and we recruit on that premise."

And if that sounds less reassuring to your firm than it might, the bad news is that Grossmann's alternative business model may well have client



appeal that law firms can't match.

"We offer legal services as a much more projectoriented, multidisciplinary practice. Lawyers can go to market together with colleagues from tax or advisory, sometimes even assurance – and the clients appreciate that they don't have to coordinate their advisers.

"Our lawyers are trained to work in teams – combining their area of expertise with that of others to deliver a product jointly. They aren't just pitching for the legal piece of work – and there just isn't the same need to be the smartest person in the room," he laughs.

Taking block

It's striking that the proposition hinges on two management issues that law firms have been on a

mission to improve for themselves over the last few years – tackling clients' broader business (as opposed to purely legal) challenges, and managing that in a less 'siloed' fashion, with practical projectmanagement discipline.

Grossmann is himself pragmatic though. "The truth is that we integrate to the extent we can – which is the extent the regulators allow. Structures vary by jurisdiction. Sometimes we need to keep separate legal entities. Obviously we can't share confidential files. But we can be fully compliant and still do a great deal to team effectively with the other disciplines we offer clients.

"The result is that EY has global client service partners and account leaders sourced from all service lines – and legal services is one strand embedded in that broader account work. "We need to convince high-quality talent to make the move to a new venture. The legal practice has to be at the same high quality level as all our other practices for the multidisciplinary formula to be a success."

Cornelius Grossmann, global head of law, EY



Everything we do centres on what the client is doing. We tailor the offering to that."

Geographically, there are still a few pockets in the emerging markets of Asia Pacific and Africa for EY legal services to play for. "We won't expand at the same great pace we have in recent years – with the exception of the US, we're in almost all relevant markets and there's no intention to offer US legal services, because of the regulatory restrictions," says Grossmann.

That said, one of the biggest existing opportunities for EY's cross-discipline, clientfocused working is its 'digital transformation' group, he says – and that already spans expertise in 50 countries to call on.

Unfortunately, there are no prizes for spotting the growth potential of digital business. "There's currently a very heavy focus on data privacy," says Grossmann. "But the business challenges go far beyond that – from e-commerce, the risk to internet retail sales, to growth in the internet of things, product liability and the opportunity to utilise blockchain technology, for example.

"We have a large blockchain group at EY. There's no doubt that it will change business. Noone knows exactly where it's going, but you don't need to be a visionary to see it's coming as a facilitator of several new services." He highlights the appearance of smart contracts on the horizon – pay-for-performance industry agreements, perhaps, which will be automatically enforced, and therefore require lawyers that can draft those contracts in software languages. Perhaps as a sign of these times, creation of blockchain prototypes was the focus of the 2016 EY 'Startup Challenge', where new businesses received access to both firm and client mentors for a six-week programme that culminated in a presentation of possible solutions.

"More competitive with traditional legal

services, the other big area for future growth is M&A – where we can combine with transactions, advisory and tax, to pitch clients a package of help for their entire transaction."

Diverse advantages

Both these parts of the business should benefit from a current phase of research into any new IT investment needed. On the one hand, there's the process of investigating the infrastructure of the blockchain itself – plus, the team is testing several data mining tools for a more efficient due diligence process. And law firms should certainly take note that document automation is on the agenda – "pretty standard, but a capability we want to increase to improve our efficiency," says Grossman.

It's safe to say that law firms and EY have at least one other thing in common – it's 'people' that are the priority and the pain point. And Grossmann's team successfully sourced 600 new lawyers for the business over a period of just 12 months in its recent growth spurt.

"Frankly, my biggest challenge remains talent," he says. "It's easy to find lawyers, but we have to find the right lawyers. In particular, if we spearhead a new practice – launch in a new jurisdiction or a new service offering – we need to convince high-quality talent to make the move to a new venture. The legal practice has to be at the same high quality level as all our other practices for the multidisciplinary formula to be a success.

"We're also a very big ship that needs to react to the market by getting the right people on board fast – and that's another challenge."

On International Women's Day 2017 Grossmann blogged that EY's investment in gender diversity progress and initiatives ought to fuel greater success in this regard. By supporting flexible working patterns as the business grows – as well as mentoring and a mission to actively promote women into leadership roles – he said the talent EY needs may well be tempted away from the large global law firms.

"The fact is we're all not good enough at improving diversity – but it's something EY can certainly put committed effort behind to make a difference for over 230,000 employees.

"My personal experience is that the better the gender balance, the better the performance of leadership teams. We have several programmes that show success, but the tone is very clear that we haven't done enough. We want to do more, and we're committed to do more."

Individual mentoring early in a career is important, he says. "We're doing a lot to foster more female talent into more leadership positions." One of his own mentees has, in fact, just returned from an international leadership and exchange programme that offers career coaching.

"Organisations also need to truly embrace

flexible work arrangements. At EY, for example, we encourage all staff to be equally vocal and committed to childcare, which makes it easier for everyone to balance their lives and advance in their careers at the same time. Reward shouldn't be commensurate with time spent managing family responsibilities; there should be no stigma for anyone who takes their full leave. This is how we will make progress and positive change.

"More generally, the legal profession has to realise lawyers are a part of a bigger, diverse team, and commit to playing as part of that team. It needs to be less about the power of individual brand and ego and more about the client need."

Even if it does nothing else, having the Big Four in the water with firms could lead them to think more carefully about the business of top team formation and to up their game on equality. And perhaps a dose of perspective is in order – that we're all splashing away in a pond with a certain circumference after all.



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TEAM PROFILE

Stand by me

An office move and fit-out to make business team working more inventive was also a team effort for Mills & Reeve on the facilities front

Words Richard Brent Photography Simon Brandon

ver time the traditional law firm has slowly opened doors to a greater willingness to experiment – including with people's personal space. And one quite clear direction has been fewer literal doors to open. A version of an open-plan layout increasingly replaces those walled-off cubicles of industry that dared somebody to knock and disturb.

But when Mills & Reeve relocated in London it saw fit to go even further than forcing people out into the open – culminating in an award-winning new approach to more efficient and empowered office working.

Head of facilities Nick Brook explains: "Each time we relocate and fit out somewhere new, we try to do something better than before. This time we knew we needed to up our game for clients – so better seminar and meeting room facilities, with new technology – but also for our own people. "Even where it's positive, it's always best to introduce large-scale cultural change on a relocation. There's a sense of having a clean break with the past."

Getting warmer

Perhaps it also helped, then, that Brook and others on the project team were introducing several significant changes at once. First and foremost, everyone who uses the office in any capacity is now constantly hotdesking – there are no fixed desks. Previously the firm's offices had only tried this model for business services teams. "Here the system is the same for everyone – secretaries, support and partners alike," says Brook.

They just need to book up one of those desks before sitting down at it.

Mills & Reeve is a top 50, six-office national firm, but it typically makes sense for all sorts of

Above: Emma Ruiz, head receptionist (standing) and Nick Brook, head of facilities, Mills & Reeve

FIRM FACTS

MILLS & REEVE Offices: 6 Countries: 1 Revenue: £87.2m Headcount: 930 + Ratio, fee earners to business services staff: 2:4

clients to have catch-ups with people in London. And the firm's people now have new freedoms for managing those interactions.

Brook explains: "Someone coming to London could look at the other bookings and spontaneously choose to sit next to someone they're on a project with that day or week. However, it could also just be someone it would be useful to spend time with more generally."

A central screen, conveniently located next to the coffee machine, also shows who's occupying which desks – which means colleagues can wander over and find them. "There are genuinely those moments where you spot people you don't expect to see, and can suddenly discuss something unplanned," says Brook.

One particularly imaginative policy to avoid 'settling in' or bulk-booking is that you can also only book the exact same desk for five days in a row (and only up to two weeks in advance). That's the same whether you're a 'Londoner' or a visitor, he explains. What if people are working together on longer-term projects? "They can still all sit together, but they'll need to move to a new part of the office."

On the other hand, people don't have to book before the working day begins. They can turn up and find a free desk there and then. "Home and away colleagues see real benefit in that level of spontaneity," says Brook.

Alert to advantage

The firm assembled a focus group, including the head of the London office, spanning practice areas and support functions, to build consensus for all this – and future change. For example, there is less onsite storage, replaced with multi-functional devices (follow-me printing) and a bigger push toward digital working.

IT director Iain Cushion (not pictured) says: "There's an increase in scanning capacity, and dual screens at every desk to encourage employees to work on electronic versions of documents instead of printing. We ensured everyone was set up for this from day one – which meant lots of IT resource over the weekend of the move.

"In fact, it would have been great to spend even

"There are lots of studies that show that alternating between sitting and standing is beneficial to both health and concentration."

Nick Brook, head of facilities, Mills & Reeve

more time focusing on electronic working. Sometimes subtler working changes can get lost in the bigger picture during a move like this."

Another big discussion point was whether to 'bring your own mug' or use disposables, says Brook. Fortunately, the mugs won. And people also have to clear their desks each day, moving belongings to a locker if necessary. Receptionist Emma Ruiz enforces the arrangement, with the help of a "cupboard of shame" that attracts "all the common stuff – scarves, umbrellas, makeup."

But by the big carrot for buy-in to change was the arrival of the sit-stand desk. Almost the norm now in Scandinavian offices, says Brook, the firm's people can alter the height of their desk throughout the day.

"There are lots of studies that show alternating between sitting and standing is beneficial to both health and concentration. Humans aren't made to sit at a screen for eight hours a day. And, people didn't moan about not having a desk – they talked about the fact they could work standing up!

"People can manage to avoid a 'post-lunch slump', may find they can be more assertive when it matters, but also find an optimum rhythm. Eight transitions is found to be quite good," he laughs.

Ruiz adds: "It's a great way to stretch your legs – and also a stand-out when I'm showing around the many clients who want to have a look.

"A post-occupancy survey showed the cleardesk policy raised a few grumbles," admits Brook. But even that has a likely productivity advantage. "Every day is a fresh start, and now has that feel about it – there's never a desk piled high with papers, which has the potential to get you down."

Meanwhile, community morale has had a boost across the firm. "It's important that we're not pretentious about it. But it's true that people get a sense of satisfaction and pride from showing clients and others around." Who doesn't like to boast about their new furniture?

The firm's other offices also wonder when they'll get to stand on the job. And there's certainly more people spontaneously pitching up in London from other offices for a city break from the norm – which is as good for collaborative cross-working as it is for client service.

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COMMENT

A more direct approach

Tom Dean, corporate partnerships manager at Legal Support Network, says more direct sourcing can help law firm recruiters get more of their recruiting right, right now



A Il law firms face an ongoing challenge to find the best people. Sourcing candidates in the most efficient manner while also making sure they fit into the culture of the firm has long been a battle for many HR teams and hiring managers.

But while it's hugely important for growth, recruitment must also be seen in the context of being a major cost centre. Recruitment can take up an enormous amount of time. On top of this cost, add in the agency fee and consider the potential financial loss of not finding someone for a role for some time – or, worse still, hiring the wrong person and having to start all over again. Getting recruitment right first time is critical.

Technology has been transformational for dealing with this challenge. It enables firms to reach a much wider audience, and potentially avoids the need for a recruitment agency as well as shortening the hiring process. There are now many ways to source candidates and recruit – and of course, like so much else in life, that'll often be online.

Legal Support Network (LSN) and **Briefing** can help law firms reach the business services community to showcase their employer brand and source business services candidates directly. In my role, I speak to those in HR and recruitment in law firms about how they recruit and, unsurprisingly, I hear that all firms are facing similar challenges.

It's clear that nearly all firms want to refine how they recruit. Furthermore,

there's an interest in understanding how recruitment processes compare with others in the sector.

This has led to us creating a new series of recruitment roundtables on direct sourcing strategies for recruitment heads to help spread some best practice. We also recently ran our very first LSN recruitment survey (and to our knowledge, the first such survey in the sector). The results are analysed by our friends at **Briefing** in the pages that follow.

The purpose was to gauge the extent to which the largest law firms are direct sourcing and explore the mix of drivers behind this and the channels being used. As suspected, not all large firms had a direct sourcing strategy (only half did), and the majority were doing this to save money. The level of success varies – and (not surprisingly) firms are more successful in directly recruiting those in business services functions than fee earner roles.

From the roundtable activity I've chaired for LSN, and many other less formal discussions on the topic, the most poignant comment to come out was that regardless of how you recruit (directly or via agency), you need to have a strong employer brand to secure the very best candidates.

Please get in touch with me at **tomd@lsn.co.uk** if you'd like to discuss the survey in more detail, or find out more about what LSN can do to help you with your own direct sourcing journey.

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Technology enables firms to reach a much wider audience and potentially avoids the need for an agency, as well as shortening the hiring process.

Power up your pipeline

Mark Husband, managing director at Codex Edge, says narrowing your candidate pipeline from 'maybe' to 'definitely' doesn't have to be such an imprecise science



and HR directors from 19 of the UK's top 50 firms and one of the Big Four accountancy firms, gathered for a roundtable discussion on the results of Legal Support Network's recruitment survey. We very much enjoyed being part of a fascinating session.

n 14 March, resourcing heads

The overriding impression we gained is that legal recruitment can be a rather imprecise science. The wide net cast through advertising, and the amount of time spent on LinkedIn, coupled with uninvited interjections by recruiters and hiring managers, creates huge amounts of work for recruitment teams – without necessarily leading to a solution.

Codex Edge offers precise candidate pools from the start of our service. Once you've approved the selection, we establish which candidates would be interested in speaking to you now, or at any time in the future.

The hiring manager's urge to engage in processes with 'maybe' candidates can only be reduced by access to a reliable pipeline of 'definitely' ones. One attendee said the rough annual cost in lost partner time spent on interview processes "that led nowhere" exceeded £1m. Stakeholder engagement, we were told, is driven by trust in process – and lawyers are persuaded by facts. A pre-approved and visible pipeline of candidates meets this need.

There was a time when advertising solutions worked – large recruitment businesses were built on such solutions. Social media platforms like LinkedIn seemed to be a panacea, and indeed, we know it can be effective. However, our research shows that only 75% of solicitors have profiles – and at least a quarter of these don't cite their practice areas, preventing appropriate filtration and further limiting the accessible talent pool.

There's a real need to drive efficiencies and savings through a focus on targeting the best possible candidates at the start of every process. We also know from years of search experience that contacting candidates who are already seen as appropriate by the firm leads to a far greater degree of engagement than an unguided, speculative approach. Getting appropriate candidates into your pipeline early limits the risk that they will already have been contacted by recruiters following a published advert by the time you want to speak to them.

Possessing qualified leads for each role empowers your recruitment team. They can control the timing and nature of the message, both to the market and to the individual. On a larger scale, we can set up an entire pipeline of talent and PQE pools for you – creating swift and predictable hiring solutions year round. We offer the advantages of a search and selection process, with no recruitment fees.

Codex Edge is a highly specialised sourcing solution that was specifically developed to allow fee earner recruitment to become predictable, economical and controllable, and it is only available to private practice firms. VISIT

Contacting candidates who are already seen as appropriate by the firm leads to a far greater degree of engagement than an unguided, speculative approach.



Briefing's editor Richard Brent analyses the difference that direct sourcing makes, and hears from top 100 heads of recruitment about how the business of talent is changing

0

ne of a law firm's constant challenges is the identification and engagement of the talent it needs to keep pace with the competition. As the competitive landscape

changes – with not only a wide range of new entrants, but also new career patterns – that challenge only intensifies. Firms may not only need new resourcing models to be as efficient as possible, but also new ways of sourcing the talent.

Take, for example, the rise of 'direct sourcing' – the apparent trend of seeking an increasing number of potential candidates using the firm's internal talent – and networks –rather than external recruitment agencies ('headhunters'). As the willingness of people to promote themselves as 'personal brands' on various forms of social media has also shot up in the years since Facebook and Twitter, there's a chance for business to amass much greater intelligence about a potential pool of people that it might hope to attract.

A **Briefing**/Legal Support Network (LSN) survey of law firm heads of recruitment found that half said their firm had a strategy in place for the direct sourcing of candidates (graph 1). A further third (35%) said their firms were in the process of developing one. Just 15% knew of no such strategy in the pipeline – although it has to be said that some may be permitting direct sourcing to happen without a strategy (and possibly, some may question the wisdom of that). Anecdotally, however, we know that some of those without a direct sourcing strategy in 2016 had it on their to-do list for 2017.

Part role plays?

One fairly reassuring sign of a strategic approach is someone who clearly has a job to 'lead' on it. Here, however, there is a picture of practice that might perhaps also be described as 'piecemeal'. Only 15% of those polled said their firms have an individual in the talent team dedicated solely to direct sourcing (graph 2). And most said their firms (67%) have someone on it as part of a wider role. But this begs the question, among others, of how senior those leading direct sourcing are (and whether that matters), and what the ideal balance of activity is. Does it, in fact, require a dedicated specialist – or is it just one tool, among many, for anybody to use if it happens to suit the role they're working on?

Alex Flatman, head of recruitment at Osborne Clarke, says: "We lose something if we have people solely focused on direct sourcing – the best approach is a balanced one.

"We need as wide a pool as possible to attract the best talent – and our direct sourcing methods are incredibly effective at achieving this, but we don't lose sight of the value that a good agent and their network can bring.

"We don't do traditional retained search any more, but it's important to retain relationships with select, trusted agencies, and to be realistic about the levels that can be achieved effectively in-house."

Tracey Austin, head of recruitment at Norton Rose Fulbright, adds: "The allocation of direct sourcing time to a role doesn't need to be too rigid – but we've certainly seen value in moving to more of a combination of external suppliers and upskilling internally."

Moreover, the skill or seniority of the role in question may well be relevant. For example, although 18% of respondents said their firms could probably fill over 80% of business services roles themselves, there was noone who felt their firm could manage that for fee-earning teams (although 14% said 60-80% was feasible.)

But Rob Fowler, head of legal resourcing at RPC, says: "Direct sourcing can be tailored to any legal business role – you just need the right person or





2 Does your firm employ someone whose sole job is to source candidates directly?





persons on your team, with the experience and the passion to make it happen."

For Austin at Norton Rose Fulbright, however: "It's particularly useful – and also easier to demonstrate the cost saving – in cases where you're sourcing larger teams of people for the business."

Danielle Owen, head of recruitment at Shoosmiths, adds: "I wouldn't say it suits some areas more than others, but we've certainly noticed better results in areas where our networks are strongest, for example our HR hiring. Also, some candidates still prefer to engage a third-party to negotiate on their behalf. We have attracted direct appointments at all levels, from paralegal to partner, and across business support teams."

Pooling resources

But a key benefit of the approach ought to be not just access to a wider pool of candidates to pick from, but also more insight into that pool. In particular, can resourcing teams build a longerterm view of their talent needs, staying on top of any changes in those demands and building more touchpoints with candidates throughout their careers (so-called 'talent pooling')?

A third (32%) of respondents are clear their firms don't yet have a talent pool, but a not insignificant 30% say they do – while 38% say they have one "to a limited extent" (graph 3). The obvious question here is whether this pool is any more than a list of people and their career histories that the business 'likes' – or genuine engagement with people the firm is actively interested in having in its future.

How might that work? Owen at Shoosmiths

says: "We use a variety of networking groups on sites such as LinkedIn and ensure we maintain regular contact. Our applicant tracking system offers a method to track this, but each area's owned by the relevant recruiter to ensure candidates are speaking to a person and not an automated machine."

A very popular channel is the 'internal referral' – where current employees recommend talent they know outside work, usually for some form of financial incentive – something which may pave the way for a 'warmer' experience on all sides. Our survey finds 94% of firms operate such a scheme.

On the other hand, to what extent are firms' people let loose on LinkedIn, Twitter (which 24% say their firms use) or indeed Facebook (just 9%) – their personal networks of 'friends' and former colleagues – for facilitating these introductions? It's worth noting that the larger UK and international firms, in particular, still shy away from social media. A quarter (26%) of recruiters at firms direct source at events – while job boards are still very popular (71%) for publicising vacancies, and even more so professional online 'communities' (77%) such as the ever-expanding realm of LinkedIn (and our friends at LSN).

RPC's Fowler says: "You need a multi-channel direct sourcing strategy – social media, networks and referral schemes all work particularly well."

Direct sourcing is so embedded at Norton Rose Fulbright that new joiners receive network 'onboarding' in their induction.

Austin at Norton Rose Fulbright says: "We help employees to update their profiles – providing examples so that they can then craft in their own words. We also work with them to find groups







they should connect with, tailored according to their specialism. And we discuss how they can use their networks to share roles we're recruiting for in their areas and amplify key marketing messages."

Plus, there are one-to-one sessions for those at partner level, where marketing provides a handson personalised service, "helping them to update their profile and connect to the relevant groups, before talking through how to maximise from a marketing perspective."

However you go about it, several practitioners point to the importance of monitoring and measuring all recruitment activity – direct or otherwise – to ensure it meets objectives.

Maria Coombe, recruitment manager at Blake Morgan, says: "We have an ambitious growth strategy, and so it's crucial we have the right people in the right places. For that reason, all recruitment is signed off by either our chief operating officer or managing partner.

"Following two successful mergers, it was more important than ever for our recruitment team to ensure that all our processes were aligned and effective across all areas of the firm."

Extra factors

Let's not kid ourselves that a big driver for bringing more work in-house isn't the considerable cost saving – and indeed, two-fifths said this was the 'most important' factor (graph 4). But a quarter pointed to both a shorter 'time to hire' and improved quality in the average candidate coming through – or, in other words, both better risk management and competitive advantage.

Flatman at Osborne Clarke says: "Ultimately,

the quality of the candidate is always paramount, as is filling every vacancy in a timely manner."

But clearly a transparent cost saving ought to convince others in the business. Flatman says she was fortunate to have the opportunity to speak at the partners' conference on the topic. She had a platform to explain the cost savings (more than £1.3m this financial year) "but also the amount of partner time saved in a more structured process and highlighting the candidates we wouldn't otherwise have seen."

Owen at Shoosmiths says: "A key challenge to highlight is the potential to be motivated to direct source for purely financial reasons, when we have to maintain focus on attracting the best candidate for a role.

"Of course, there are potential savings to be made in reducing agency spend, but considerable time and effort needs to be invested in sourcing and then managing the process directly. By direct sourcing, we own the candidate experience and can ensure any process moves swiftly.

"Being in the business we're best placed to deal with any concerns or answer questions about the firm and what it's really like to work here, which reduces the risk of 'drop out' later down the candidate journey."

Only a tenth (9%) of respondents picked out more control over the candidate experience (that is, in the absence of recruitment agencies) as the most important factor (38% said it was least important) – which isn't, of course, to say that it's not important. But as the profession braces itself for another bout of Brexit uncertainty, it's perhaps understandable if it's the bottom line that makes the business case at the end of the day. The Legal Support Network recruitment survey was sent to HR directors, heads of recruitment and recruitment managers at the top 50 UK and top 10 international law firms by revenue, in 2016. It was completed by people at 34 firms – a 57% completion rate.



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28 Easy reading Rachel Vecht, director of Educating Matters, says engaging with employees in their role as parents and carers is also a good way of building stronger working bonds

ESSAY

Easy reading

Rachel Vecht, director of Educating Matters, says offering opportunities for employees to learn from other parents or carers is a good way of showing that work-life balance is more than mere words



cause by helping to relaunch an in-house charity book library.

Pinsent Masons supports over 600 students through 12 schools every year. It also supports the goals of other high-profile literacy campaigns such as Read On, Get On, which works to a vision of all children reading well, at age 11, by 2025.

Kate Fergusson, head of responsible business at Pinsents, says: "Continuing commercial success relies on the education and employability of the young people in our local communities, and ultimately the stability of those communities. Being a responsible business wholly reinforces our strategy to attract, retain and enable talented people.

"And we recognise that businesses have a key role to play in tackling skills shortages among UK school leavers. Our school partnership programme was initiated in 2003, and it represents a long-term commitment to improving academic achievement, raising aspirations and creating better life chances for children living in some of the most deprived areas of the UK.

"Around 30% of our people

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ow literacy levels undermine the UK's economic competitive-

ness and can create huge barriers to social mobility. KPMG estimates that poor literacy skills cost the taxpayer £2.5bn every year, at a direct cost to business. And the National Literacy Trust says that in some disadvantaged areas of the country, over a third (35%) of the population lack the literacy skills that would be expected of an 11-year-old. For those affected, this compromises employability, health, confidence and happiness.

Giving back to school

In 2016 the National Literacy Forum launched the Vision for Literacy Business Pledge to encourage the UK business community to join a national literacy campaign and help close this gap. At the start of the year, 44 businesses from a wide range of sectors signed a pledge to help to raise overall literacy levels for one year. It involves committing to take action in three distinct areas – engaging employees in the workplace, supporting the local community and contributing to the national campaign. A number of law firms were among those businesses to signup, including Baker McKenzie, Berwin Leighton Paisner, Bird & Bird, Norton Rose Fulbright, Clifford Chance, Pinsent Masons, Mayer Brown, Slaughter and May and Travers Smith.

These firms have undertaken a wide range of activities – from workplace campaigns to highlight the importance of reading for enjoyment to volunteering in schools and libraries, providing work experience, and – on a national level – using various networks to raise awareness and build more support for tackling the literacy gap challenge.

For example, BLP helps in the the local community by recruiting more volunteers from the workforce for a long-term scheme helping children who need extra reading help at a school in Newham. Further afield, the firm has provided work experience, careers advice and skills development, and supported the East London Children's University. Employees also engaged in the are actively engaged in our volunteering programme each year, and volunteering also creates opportunities for skills development, team building and networking with colleagues and other businesses. It's something that we encourage all our people to do."

Home helps

Chris Edwards, corporate social responsibility and diversity manager at Travers Smith, says his firm signed the pledge to send a positive external message of its commitment to improving social mobility by boosting literacy levels. The firm helps to run a range of schemes. Participation is actively encouraged, and a number of partners and senior business managers take a lead on efforts.

However, another very important aspect of the pledge involves engaging employees as parents to raise the profile of literacy for the sake of their own children. In 2016 Travers Smith employees met during their lunch hours for seminars on a range of subjects - such as instilling in children a love of books and reading, understanding how reading is taught in schools, and practical tips for what parents can achieve at home. There was also a seminar on developing children's writing skills.

"Travers Smith has used such courses as an effective way to equip our people with information and skills needed to develop children's literacy and communication skills," says Edwards. "As a busy law firm, we understand that non-work time can be a very precious commodity. These resources and skills training help to enable



Top reading tips for parents

The absolute key is finding 'the right book'. Every time a child experiences reading something boring, too challenging or too easy, they'll be put off. On the other hand, children's attitudes to reading can be transformed by reading one book they really enjoy.

2 Reading doesn't always have to involve a book. It should be part of everyday life. It may be newspapers, magazines, comics, magic tricks, instructions to a game, road signs, a TV guide or the back of a cereal packet.

3 Parents are role models for children. Make sure they see you reading regularly – particularly relevant for fathers and sons. Have 'family reading time' at the weekend where everyone sits together and reads their own thing.

Read aloud to your children, even if they are confident, independent readers. It gives parents an opportunity to discuss what they're reading and ensure that their comprehension is solid.
Make time. Don't overload children with too many extracurricular activities. And longer periods of uninterrupted time, such as weekends or school holidays, are a more productive time to build the habit. One trick – say: 'Lights out unless you're reading!'

busy parents and carers to make the most of the time they spend reading and writing with their children and families."

The seminars run by Educating Matters can be webinars or workplace clinics, covering a wide range of parenting-related challenges. As well as literacy, firms have covered numeracy, homework, exam preparation, children's use of technology and screens, choosing schools, motivation, self-esteem, emotional intelligence and creating more harmony between siblings.

Having sessions like these at work also promotes an ongoing internal support network for parents, and may serve to normalise common challenges they face. Indeed, they may be one of the only opportunities for employees (irrespective of title or role) to meet as parents – and equals. It's rare they'd have another, similarly relaxed forum in which to share stories or advice while at work.

Parents are continually

challenged to balance work productivity with meeting their family responsibilities. And if an employer is seen as unsupportive of caring responsibilities, it's unsurprising if that affects team morale, and eventually drains talent, with potentially serious cost implications.

There are benefits to providing non-work-related support for both firm and employees. Recognising this, many firms have established their own networks, or actively promote external alternatives, such as Cityparents.

For employers, this is an opportunity to demonstrate concern and empathy, enhancing the firm's image as an employer of choice. It also signals that the firm takes work-life balance seriously, knowing that if employees feel less stressed and guilty about time spent away from home, they'll be more engaged and focused, and ultimately more productive, at work.





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32 A brighter day for cloud Jose Lazares, senior vice president, strategy and business management for risk and technology products at **Intapp**, says more clients are bringing firms into the cloud **36 Practise your profitability** Richard Hill, regional account manager EMEA at **DW Reporting**, says firms need to get more commercial with their pricing and process analysis to improve profitability



INDUSTRY ANALYSIS

A brighter day for cloud

Jose Lazares, senior vice president, strategy and business management for risk and technology products at Intapp, sees attitudes to cloud-based services lifting in legal



aw firms have been understandably cautious in their approach to cloudbased services - taking a wait-andsee approach as technologies are

tried, tested and proven. However, there are many signs that the winds

have changed. In 2016, 62% of the 440 firms responding to the ILTA technology survey reported that adoption of cloud-based solutions was now "increasingly likely" - up 11 percentage points from 2015.

In the shadows

What's behind this shift? There are many reasons. Certainly, lawyers' demands and the problem of 'shadow IT' - unauthorised routes to meeting them - are undercurrents that no firm's IT department can afford to ignore.

Today it's easier than ever for individuals to set up their own cloud services accounts. Whether it's a client who offers to make a file available via Dropbox, or a colleague who suggests creating a file on Google Docs to make it easier to collaborate on a project, temptations abound for employees

who should know better.

There are many strategies for clamping down on unauthorised technology use and mitigating the associated risks. At the same time, many IT leaders are trying to understand the motivations for individual users to 'go rogue'. The reasons often come down to convenience and ease of use.

A big part of the challenge for IT is to ensure that the services they offer are convenient and easy to use, and that all staff are aware of - and fully trained on - the systems available to them.

In addition, many IT departments are now incorporating cloud-based applications in certain areas, and/or offering lists of 'approved' cloud services that employees are authorised to use. By thoroughly reviewing cloud services vendors, and establishing policies around how employees use these applications, IT can help to manage security, confidentiality and other risks, and ultimately enforce compliance.

A CIO we spoke to recently said that he even welcomes requests from partners to evaluate new web-based applications and mobile apps on a regular basis. If employees' suggestions are



listened to, and they're involved in a formal evaluation process, they become more aware of the review criteria and considerations in selecting the right applications for the firm.

Clients calling for cloud

There are also clear signs that a growing number of corporate law departments and their law firms are more comfortable in trusting cloud services providers with their sensitive data – particularly as 'best-of-breed' solutions become available in more key areas.

For example, although some clients have clear outside counsel guidelines that limit the storage of their data in the cloud, in other instances it's the clients themselves that are requiring firms to use certain cloud-based services.

Many enterprises today require invoices to be submitted electronically via web-based services such as eBillingHub. In other cases, clients – themselves recognising the need for improved file sharing, collaboration and a clear audit trail of which files were accessed, and when – are requiring firms to use document management services such as Box.

The growing maturity, security and

If employees' suggestions are listened to, and they're involved in a formal evaluation process, they become more aware of the review criteria and considerations in selecting the right applications.

sophistication of cloud-based services also means that firms are more confident in formally offering cloud-based collaboration to their clients via services such as HighQ.

In other words, the cloud offers more than just efficiency or expediency. Some firms are already using cloud services strategically to offer a highly differentiated experience to their clients.

Safe passage?

Of course, security concerns have loomed large on the horizon for law firms, which are regularly targeted by hackers for access to sensitive client information. In the aforementioned ILTA survey, 44% of respondents reported that security con-



Many cloud service providers regularly undergo security audits and work to adhere to strict security standards. Firm IT departments are also becoming more savvy in evaluating cloud services from a security point of view.

cerns have been a barrier to cloud adoption at their firms.

In parallel, however, there is growing awareness of the advanced security controls that cloud infrastructure providers can provide. In another survey – the ILTA/InsideLegal technology purchasing survey, a quarter of respondents cited security as one the most compelling reasons to embrace cloud-based technologies.

Many cloud service providers regularly undergo security audits and work to adhere to strict security standards such as ISO 27001.

Firm IT departments are also becoming more savvy in evaluating cloud services from a security point of view.

In evaluating cloud applications, it's important for IT to understand the security controls put in place by the vendor. How secure are the APIs and interfaces? Does the vendor carry out rigorous threat modelling, code reviews and penetration testing? How are system vulnerabilities uncovered and patched?

Firms are also developing a stronger appreciation for how a shared security model between cloud services providers and IT should work to defend against data breaches and minimise risks.

Security measures such as multifactor authentication, encryption and identity management – essential tools in any IT arsenal – are all the more critical in a cloud environment.

Centralised access management, and ongoing training and education of employees, are also critical in a world where the biggest vulnerabilities flow from the behaviour of end users – whether their intentions are overtly malicious, overly trusting or merely careless.

Saving days

In a world where clients are putting a lot of pressure on firms to reduce costs, the cost savings that come from using cloud services are another significant part of their appeal.

Both firms and their clients can cut capital expenditures and operating costs over the long term when they reduce the numbers of onpremises servers they need to purchase and maintain. And firm and in-house IT departments are increasingly focused on adding business value beyond simply 'keeping the lights on.'

At the same time, firms are understandably concerned about whether this cost saving comes



at the expense of reliability and performance.

For cloud infrastructure providers, such as Amazon Web Services, maintaining maximum uptime – and minimising the impact of service outages when they do occur – are another key focus. The top infrastructure as a service (IaaS) providers compete on the basis of 99%+ availability, as well as 99%+ durability – the ability to restore data after a fault has been corrected.

The popularity of high-availability cloud-based email management services such as Mimecast, is also helping to propel firms to the cloud. The 2016 ILTA survey found over half of firms reported using cloud-based high-availability (HA) email services or a combination of cloud-based and onsite HA solutions for email.

Reliability and performance are key advantages of using cloud applications such as Intapp Open and Intapp Time. Indeed, cloud-based applications enable vendors to innovate faster and implement software updates and patches as soon as they become available. Costly upgrades that take months or years can be a thing of the past.

Cloud-based applications enable vendors to innovate faster and implement software updates and patches as soon as they become available.



Change in the atmosphere

Whether your firm is considering a dramatic shift from an on-premises-only IT infrastructure to a 'cloud-first' strategy, or pursuing a pragmatic move to the cloud application by application, it's clear that the atmosphere has changed significantly.

Adopting cloud services provides organisations with the ability to be more agile, flexible and efficient. It can also enable them to allocate IT resources to other initiatives – focusing internal staff on more strategic security roles, or positioning IT as a catalyst for firm-wide improvements in process efficiency – delivering greater business value, faster.

Most importantly, the cloud can help to free those IT resources to contribute more directly to innovation in terms of client services.

But as a provider committed to offering firms a choice – cloud or on-premises – Intapp looks forward to helping firms navigate the journey ahead, whichever way the wind blows.





Practise your profitability

Richard Hill, regional account manager EMEA at DW Reporting, offers some practical pointers for turning up profit with technology

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rofitability is the primary measure of any successful business. With greater scrutiny of revenue, costs and other metrics, today's firm looks at

profitability in more ways than ever before – client, partner and firm-wide profitability, to name but a few of the possible dimensions.

But at the root of all profitability measures is matter profitability and how much money a firm makes (or doesn't) on a case-by-case basis. For a firm to be profitable and successful it needs to manage profitability at this lowest level – the matter. In other, simpler, words: look after the pennies and the pounds will look after themselves.

The value of experience?

So how does a fee earner ensure their matters are

profitable? Traditionally, lawyers have used their experience to price matters, but there are several flaws to this approach.

First, assumptions made historically may no longer be true. Over time, fee earner rates change, delivery times (should) get more efficient and other elements or requirements in the delivery of a matter may now be different.

Second, without a detailed review of how a matter was delivered – what was done well or badly, unexpected costs that arose, and so on – a fee earner may inadvertently come to an incorrect price point and institutionalise poor working practices, leading to cost inefficiencies and ultimately a lower profit margin.

While an experience-based approach was acceptable a few years back, today's world is

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different – and clients' expectations have changed. In a climate of lower revenues, tightening margins and increasingly demanding clients, firms need to be more focused on profitability. They should have complete visibility into profitability at matter level, so that both strategic and tactical adjustments can be made on a timely and regular basis.

Deals with data

A number of law firms now understand that the 'golden', age-old measure (and often the base for bonus remuneration) of chargeable hours 'utilisation' is no longer the be-all-and-end-all. Although important, it's a contributing factor alongside revenue, realisation – and profitability.

As a result, there have been significant developments in the structure of law firm matter pricing, including the appearance of dedicated pricing managers at large international law firms to assist in the pricing and profitability of large, complex matters.

But the real shift is that business intelligence, AI and contextual analytics technologies are at long last able to assist fee earners and management teams with correctly pricing matters of all sizes and complexities.

There are now solutions that provide firms with the capability to effectively interrogate, profile and model their historical matters and create robust templates of how best to deliver legal services at the right price point and profit margin in future. And they can continuously track matters against forecast budgets, proactively identifying potential areas of overspend or other unexpected activity.

These new capabilities also give firms the ability to manage multiple budget versions on a permatter basis and fine-tune these as more information is established, managing customer expectations throughout.

From a business perspective, what does this mean? Improved firm profitability, for sure – but also greater sensitivity to costs and more awareness of how profitability is impacted with each and every matter. Firms are now using pricing solutions to evaluate whether they should bid for new clients or work before spending significant time and effort on panels and pitches.

Not for everyone

Another factor is the correct utilisation and leverage of a firm's fee earners. With the help of pricing tools, smart firms are moving away from a 'bums on seats' approach to work. And they're more focused on finding matters that add value to the business.

By incorporating matter pricing practices and technologies into the day-to-day running of the business, firms can get the fee-earning team to become more commercial in its approach. Indeed, firms are now using pricing solutions to evaluate whether they should bid for new clients or work before spending significant time and effort on panels and pitches.

Last, and by no means least, better pricing solutions and proactively tracking matter budgets leads to better client management. Fee earners can have more effective business conversations with clients about the delivery of services – the associated costs and various options against budget limitations. Moreover, tracking matter budgets in real time gives fee earners the ability to have more constructive conversations with clients regarding potential overruns before that work is delivered – as opposed to a situation where work is delivered over budget and the difference written off.

In an increasingly competitive and complex market, maintaining profitability should be a mainstay requirement for both fee earners and management. It depends on accurate pricing and cost-effective delivery – and the smart firms are now turning to technology to give them the competitive advantage.

Six of the best worst

Passwords

Password management provider Splashdata puts out a list of the year's 25 most common security passwords – so, the worst ones possible for beating cyberattack. What came top in 2016? Plenty of usual suspects, but also cute new entrants hottie, flower, sunshine,

and loveme - with football and princess proving more popular than in 2015. And is zaq1zaq1 perhaps the most unusual of the 25 most used? Sadly knocked off the list: 123456789, baseball, 111111, 1gaz2wsx, monkey, letmein, gwertyuiop ... and starwars.

For the full list, visit: www.teamsid.com/worst-passwords-2016

123456

12345

Number sequences are widely used - as yes, numbers are easier for our brains to remember than a random sequence of letters. But something like this isn't so much an invitation to intruders as a wide-open door.

password

Is this the most clichéd of password fails? Laziness can cost you - or your business – a lot more than the precious time you smugly think you're saving by having a memorable password to punch in.

Um, have we seen something like this before? This might do a slightly better job of keeping you safe if it was simply reversed. It's a little surprising that a classic number countdown like this doesn't cut it for the hall of fame. Not that we're recommending it.

12345678

A good password must contain eight characters, so good start. But should be a combo of numbers and letters. Doh. To pop the cherry on top, have at least one uppercase letter - and don't put it first or last.

As much as a password may represent who you are as a person, it's best to steer clear of team names or basic words that describe your interests ... especially when you share that interest with millions.



football

Creative? If you think you're being clever, perhaps think again. Tricks with patterns on the keyboard are not your friend, my friend. In fact, patterns and repetition in general are a big no no!



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Forecast: Partly Cloudy...



with a chance of aWesome

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