

Briefing

Interview

Paul Caris

Eversheds' CIO on life after the iPad, and the end of firm-owned hardware

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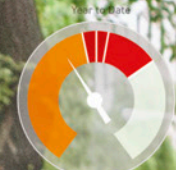
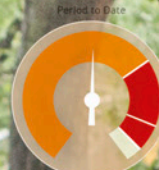
Open Matters

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Billed to Date	86,104.45
Unbilled Disb	752.70
Unbilled WIP	107,358.20
Fees to Date	72,700.20

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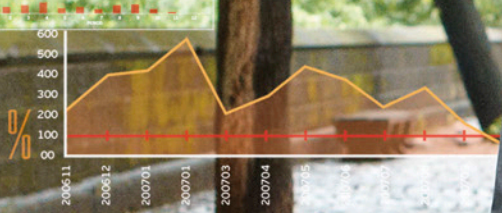
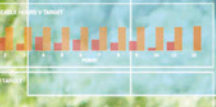
Wills	0
Titles	13
Trusts	0
POA	0
Insurance	0
Insecurities	1

Form with fields for client information and a list of items.



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Here comes tomorrow...



As a one-time IT journalist (you never really escape it), legal IT is close to my heart. This might be because I feel I've seen every tech in legal already. Dashboards? Done.

Social tools? Seen 'em. Cloud? Actually, if legal can get past its unique challenges with cloud, that could revolutionise the business.

Paul Caris, CIO at Eversheds and this month's keynote interview, p6, probably feels this ennui a lot. He's already kind of over the iPad. What he is into, though, should be interesting to everyone in legal, whether you're in finance or marketing, HR or risk: everything from a much more mobile workforce to visualising data; from dealing with five generations in the workplace to the end of firm-operated hardware.

Our feature on p14 is a gallop through tomorrow's tech, featuring IT leaders at **BLP, Clyde & Co, Dentons, DLA Piper, Osborne Clarke, Reed Smith, RPC, Taylor Wessing** and **Weightmans**, as well as insight into ILTA's upcoming Future Horizons report. Plus on p22 we quiz contracts lawyer Chris Hill about what IT should consider before signing anything.

We also have great insight from the supplier community, as always, including insights into where **Thomson Reuters Elite** is going from CTO Eric Sugden, on p28.

As always, feel free to email me with your thoughts on **Briefing**, good or bad, at rupertw@lsn.co.uk. Enjoy!

Rupert White, editor of Briefing

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Interview: Paul Caris, CIO, Eversheds



We talk to Eversheds' technology chief about giving the people what they want, everywhere mobility, and (not) predicting the future of legal IT

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Feature: Everything. Everywhere. Now.



Yesterday's buzzwords have become next year's budgeted costs. Joanna Goodman talks to the IT leaders outfitting their firms for that future

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Photography of Paul Caris: Jonathan Goldberg
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Elite's next steps



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This month's interview with **Paul Caris of Eversheds** was transcribed by:



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ECLIPSE

The Briefing Interview

The tomorrow man

Rupert White talks to Paul Caris, Eversheds' chief information officer, about the future of legal IT, giving people what they want, whenever and wherever they want it, those famous iPads, ubiquitous connectivity and why the laptop in front of you might be the last your firm ever buys.

Photography by Jonathan Goldberg

When I saw a picture of Paul Caris wearing a Google Glass device, out of all the legal IT leaders I can think of he looked the most at home in them. That's no slight on the others – many legal IT leaders are forward-thinkers – but Caris just seems the type most likely to rock up in Google Glass if you were putting a dinner party on.

Before becoming Eversheds' CIO, Caris worked at homebuilder Taylor Wimpey – before that, he was in retail (Great Universal Stores, owner of Argos, Homebase and Experian) and marketing and communications (UBM), among others. That's positively racy. Even his Twitter stream, @pcaris, reads like someone from another world, let alone another sector – pictures of hanging with the Gadget Show's Jason Bradbury aren't in most people's feeds.

This commercial background informs his effect on Eversheds' IT capabilities and strategy, and the image of the firm as an advanced one. Eversheds garnered a lot of attention in the legal press when it rolled out hundreds of iPads (it now has 500 of them in circulation, so one assumes the idea has worked), and it wins IT innovation awards without, says Caris, even knowing it's in the running for them.

The skills and lessons he's learned in more commercial sectors are important, but he says working in a variety of businesses meant he didn't come to legal with any of the pre-defined views or stereotypes you might have if you'd spent years working in legal.

And this mix of working in the commercial world and in a media business, and hanging out with TV stars, probably informs his vision of the future.

He espouses the need to understand what happens to a law firm when the reality of a

world of ubiquitous connectivity comes upon us (hint: it's really, really near) and he is already 'over' the iPad. In legal terms, that's beyond racy – it's virtually post-human.

But he's also pleasantly 'real', beginning our interview with a statement shot through with irony, partly because he rapidly contradicts himself.

"I try to tell people these days that, even though I'm a CIO and my job is to try to predict the future, I've stopped predicting the future.

"Most anybody who has tried to predict the future, and certainly in terms of the impact of technology, has been wrong – and the best example I can give of this is that nobody predicted the impact of tablet PCs on the world, let alone legal." Caris, of course, could sense there was a Big Thing happening when the iPad hit shelves, because he'd already been playing around with Kindle devices for document consumption on the move. That didn't work, but "the day that the iPad came out, I thought 'Oh this is it!' and I got myself in a queue". Even Apple, it could be said, didn't quite see the demand for iPads in the business space coming, and that's probably got a degree of truth to it.

But what the runaway success of iPad and mobile devices like it teach us, says Caris, is that the old rules of IT are dead. "The old rules of IT are that you have to make sure that everything is in support, and that it's all standard, to make sure that everybody has the same experience. And actually I predict, what I think is critical, is that my [IT] department has to become agile, but with the intention that after a new technology comes out – because we cannot predict it – we can embrace and use it." There's that contradiction – Caris can't last three minutes without predicting the future,

because he's obviously, in a sense, already living there.

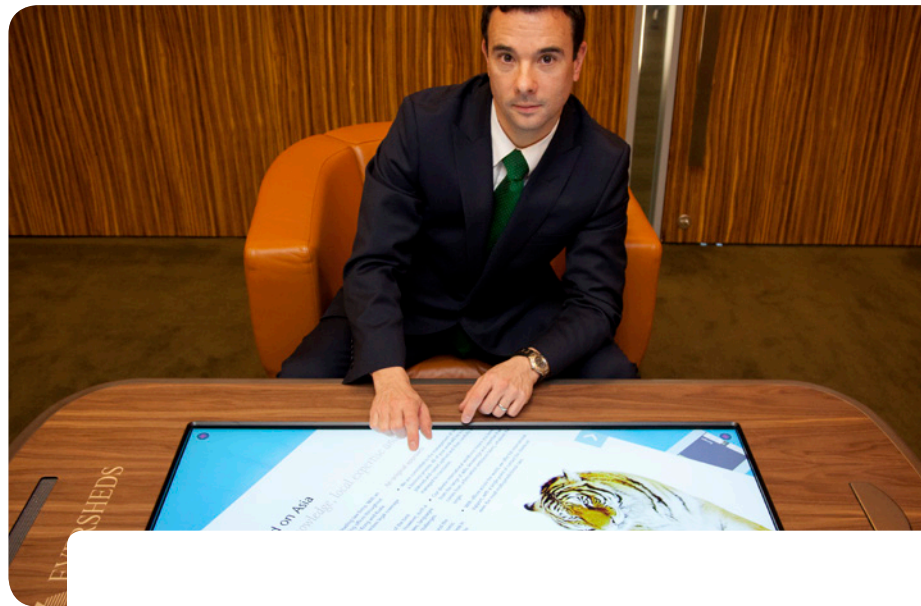
The IT department at Eversheds is no longer much interested in having the same experience for every single individual, he says. "We no longer tell our lawyers that they cannot do something. Our default answer to every 'Can I have?' question is 'Yes.' Then we work out how we can provide it, and if that's commercially and from a security perspective possible. That's meant I have to have a department that uses processes and procedures that allow them to take off the chains of standardisation, and you end up creating a different relationship with your [internal] customers."

This translates into, sometimes, asking people who are using consumer devices to use consumer methods of supporting them. "Why do we expect employees of a business to be spoon fed technology support by our IT department, when the knowledge of support is spread not only within the IT department but across the firm?"

Caris's point is a smart one: the new consumer-business devices, like iPads and smartphones, are designed to be intuitive and there are a lot of people, in your social circle and on the internet, who know how they work and can help you find the best way to use them. Why pay IT to do that?

"I'm trying to make the work IT environment something that [people] look forward to, to get excited about using the systems we have provided for them in the same way that my nine-year-old son looks forward to logging on to his Xbox."

That's a tall order, but perhaps one has to employ hyperbole to see past the 'now' in most areas of business – IT in particular. And Eversheds' people are happy with their IT, says Caris, with internal satisfaction ratings above 90% for "three or four years, because we have a good relationship with users – we don't find



"Clients send road warriors out, give them devices and a Skype account and off they go, working out of hotels or leased offices. They will expect lawyers to have access to things like Skype [too]."

Paul Caris, CIO, Eversheds

them difficult at all".

This is a good thing for many reasons, one of which is that legal businesses now allegedly have up to five generations working for them, several of which are used to being online all the time. Standardised IT doesn't work for such a diverse mix of people, he says. "I'm not about to enforce 'relentless connectivity' on a veteran lawyer who doesn't want it and still wants to

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dictate his or her emails to somebody and have them printed off, in the same way that I'm not going to dictate to a trainee that they cannot bring their own device in, be relentlessly connected to Facebook, to LinkedIn, text while they are in meetings."

While one might not, in fact, want trainees to be doing that in meetings, Caris's point is vital – the reality of the 'bring your own device' world is that people bring their own attitudes and working styles with those devices, and you have to be able to support the tech and the behaviours.

One key BYOD-era tech that's (probably) going to change the way law firms work and communicate is desktop-to-desktop video. Many firms are now piloting consumer-grade (ie not telepresence) video, and Caris says it's going to be a key collaboration tool for the future.

People at Eversheds can use any face-to-face tech they like – Skype, FaceTime, "or any of the pay-per-use products that are available, like Citrix GoToMeeting", says Caris, and the firm has also worked with clients to find the best ways of creating video communication with them as they find an uptick in business growth overseas.

"As businesses expand overseas and as we support our clients in their ambitions to do that, we find that they don't instantly create international headquarters. Our clients send road warriors out, give them four or five different devices and a Skype account, and off they go, working out of hotels or leased offices.

And they want access to legal advice there. They will want and expect the lawyers to have access to things like Skype."

But, he says as a caveat, video is one small but key element of collaboration. "The most important component of collaboration is convenience, so we have to provide our clients



"Our big data is contracts, emails with clients, what would appear to be irrelevant telephone conversations and documents we have produced. To apply some analytics and make some sense out of that is the Holy Grail."

and lawyers with an environment that makes cross-jurisdiction and worldwide collaboration convenient."

It's that convenience point that brings us back, in a way, to the iPad – a device relatively intuitive to use whose manufacturer doesn't even bother to show you how to use it; you

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“We’ve been looking at rapid collaboration technologies that, at a single press of a button with no training and no advance set up, just work. We need collaboration technology that works instantly on any device, can collectively find the right people and bring them into

huge touchscreens that can show information about clients and the firm and allow multi-site collaboration in a rather Star Trek style, and allow people in separate locations to collaborate on instantly linked whiteboards. “We’re not betting the business on these – it’s just one of many different ways in which we

will allow our fee earners and clients to collaborate in the future.”



“We’re not betting the business on [whiteboards] – it’s just one of many different ways in which we will allow our fee earners and clients to collaborate in the future.”

the collaborative environment, and that does not discriminate if you happen to be on a smartphone or if you happen to be at home.”

Tall order? Possibly, but it’s probably already here, somewhere. Caris is, for example, trying out some astounding-sounding ‘whiteboards’,

Collaboration is one thing, but joining up the data and departments in a law firm is a more immediate (and possibly harder) goal. Doing so, in much the way that occurs routinely in the other kinds of business Caris has worked in, delivers a wealth of management information about the whole business that can provide a huge competitive advantage – and it can set the strategy for a legal business alight.

Collecting and being able to access the firm’s data across the whole business is vital, says Caris, because “a law firm’s success rests on its ability to capture knowledge and transfer that into useful information that can be

acted upon”. But, he says, the real challenge lies behind the doors of a ‘big data’ conversation.

Big data is an IT industry phrase that, like cloud, has perhaps become so overused it might be meaningless at times. Law firms don’t have ‘big data’ in the established sense,

because they're simply nowhere near big enough businesses. But, says Caris, they have a similar challenge – it's just not a management information challenge; it's a knowledge management challenge.

“Our big data is all the contracts we have written, emails with clients, all of what would appear to be random and irrelevant telephone conversations and the documents we have produced over the years – that is our big data, and to apply some analytics to it and make some sense out of that is the Holy Grail.”

This, he says, connects directly to “understanding the costs of a law firm and how to predict the likely cost of a piece of legal work, but also how to quickly be able to put a multi-jurisdictional, multi-discipline team together across the globe in order to provide the requirements of a particular client”. This is the argument many knowledge leaders have been talking about for years: ‘big data’ IT solutions might help law firms, despite not necessarily being designed for them. They could help firms turn vast swathes of knowledge into actionable business information – not just precedents or process maps or client updates.

More importantly, you need to be able to understand this information. This, says Caris, comes down to visualisation, for much the same reason that infographics have made inroads in every place data is presented. “Big data is really just a spreadsheet, and nobody will get it unless you can visualise it. The only way a mortal can get the concept of big data is to find some way of visualising it enough to get their attention in the first place so that you can

then go into the analytics of it.”

All these technologies shape the strategy of a law firm (or they can), rather than just delivering the strategy. “Understanding profitability by practice group, office location, work type, matter type – all that data is critical



“Big data is really just a spreadsheet, and nobody will get it unless you can visualise it.”

to the strategic direction of the firm, and the firm works out its three- and five-year business plans based upon its projection of where the demand is going to be from clients and where and how efficient our particular departments and fee-earners are.

“We’ve been doing that for years and it’s bread and butter data that comes out of our time recording and ERP systems. Eversheds

behaves very much like any other corporate I have ever worked at, in its command and control structure and in the way it makes decisions based on data.”

Caris muses that this is not unlike many firms – but he might be being coy. This commercial thinking and use of data might well be one of the reasons that Eversheds has been so successful, and perhaps the leeway and freedom Caris has to be innovative is indicative of that thinking.

One of the year’s big buzzwords, and likely to be even bigger in 2014, is cloud. Cloud, real cloud, can’t exist for law firms – they have to know where the data is. But moving applications and data onto the internet and out of the ‘concrete’, so to speak, is happening, and it’s happening fast.

Cloud probably is the future for legal, says Caris. Eversheds uses a variety of cloud-style solutions, but the cloud question is, he says, often posed from the wrong end of the argument. The real cloud question that needs to be answered, he says, is one he’s had to deal with in the Eversheds executive board already: how do you compete with new legal businesses that are using it?

“You shouldn’t be asking your CIO what the firm is doing about cloud – the CIO should be asking the firm’s executives what they are doing about the fact that new entrants to legal services are able to use the cloud to get access to enterprise-level IT services that we have already invested in [because they’re getting that kind of IT much cheaper than we got it for].”

That doesn’t mean you should ditch everything for the cloud – big firms have to sweat their expensive IT investments. But when it’s time to move on, it may well be time to move into the cloud.

“The business case [for cloud] would stack up when you are about to retire your on-premise infrastructure. So a decision about

cloud is not about security, because it can be perfectly secure. It’s about where you are in the investment lifecycle. The question is what are law firms doing about new entrants. We have spent hundreds of thousands, if not millions, on email systems, for example, but a new entrant can come to the market and switch on at an enterprise level and pay for on a monthly basis. That makes their business as agile, if not more agile, than ours.”

And here’s a big thought to end our interview on. When the Guardian newspaper went through its last redesign, it bought new presses to print the paper on. But editor Alan Rusbridger at the time said that, because the paper’s future was digital, they were ‘the last presses the paper would ever buy’.

Caris says things will have to change in as dramatic a way in legal. “In the past, we got a competitive advantage by investing in our own infrastructure – but we no longer get a competitive advantage in investing in infrastructure. We get a competitive advantage in being brave, like putting iPads in, by designing amazing applications, by looking at our data and doing great things with it. We no longer get a competitive advantage by investing in infrastructure and hardware – those days are gone, and are being replaced by cloud.”

The servers, the desktop PCs and all sorts of other hardware sitting in Eversheds’ offices are, says Caris, most likely the last ‘tin’ the firm will ever buy. Why? Because the legal businesses they will be competing with in future can now buy the level of IT many firms have spent millions on at a pay-as-you-go service.

“The management and managers of law firms need to look at how they are going to compete when the technical competitive edge is gone, and when all [legal businesses, new and old,] are on a level playing field.”

So, the question isn’t whether cloud is the future of legal IT – it’s when. ●

Feature

Everything. Everywhere. Now.



When it comes to technology in legal business, last year's buzzwords – consumerisation, mobility, cloud and big data – have moved from conference keynotes to current priorities, as have business process improvement and project management. Joanna Goodman examines the latest developments in legal IT and highlights some of the barriers to progress

One of the biggest challenges for law firm IT leaders is balancing the accelerated pace of change with planning, budgets and resources, says Julie Berry, director of infrastructure and IT at RPC. Lawyers may want the latest products, but most firms plan and budget 12-24 months in advance – and recently have had less leeway around ad hoc spend. “This year, however, we’ve been taken by surprise by the speed of adoption of mobile devices and consumer-led software,” she says.

Consumerisation is a driver of change and IT spending. As well as the costs associated with the ‘bring your own device’ (BYOD) movement, tech-savvy lawyers are using free consumer apps for professional purposes, potentially compromising security and usage policies. Firms therefore need to find secure enterprise-grade alternatives, says Berry, “otherwise lawyers will find and use free apps such as Dropbox, which are not and do not claim to be secure. Most importantly, we need to manage people’s expectations around the pace of change”.

And as the economy picks up, many firms are renewing their IT infrastructure. Some have significantly delayed major upgrades during the downturn, and now’s the time to buy again. Mergers and globalisation are also driving IT investment – research has identified that a large percentage of firms expect to be part of a merger in the next year, and this has led to some degree of conformity when it comes to IT. Post-merger consolidation and integration is another reason for a refresh.

It’s a change for change, but neither the economy nor the legal market are out of the woods. What’s in store in this no/low-growth near future?

Chris White, who recently joined Clyde & Co as global CIO, is upgrading the firm’s systems

from XP and Windows 2003 to Office 2010 and Windows 8, replacing the practice management system (PMS), rolling out InterAction as a customer relationship management (CRM) system and establishing new regional data centres to support international expansion. White was previously with Ashurst, where he delivered on a similar strategy.

Lawyers now want mobile access to their firm’s systems and data. IT companies are therefore producing mobile versions of their products and making these user-friendly and accessible. Possibly more intriguing is that both vendors and some law firms are creating app versions of law firm systems, and some firms are also creating client-facing apps.

The combination of mobile and consumerisation has been instrumental in changing the role of the CIO. “The CIO role used to be prescriptive,” says White. “We would procure technology and create policies that told people what they could and couldn’t do with it. Now we enable lawyers to access the firm’s information resources securely from whatever device they are using at whatever location.”

But mobility brings challenges, and the more mobile and distributed a firm is, the more challenges there are. The most obvious lies in supporting multiple platforms and devices. More firms are shifting from BYOD to CYOD, or choose your own device, whereby the firm decides which devices to support and users choose from this selection.

Nathan Hayes, IT director at Osborne Clarke, has invested heavily in CYOD, supporting a wide variety of devices. “We use multiple mobile device management (MDM) technologies to allow people to choose the interface that works best for them. This introduces complexity and raises security issues, but it helps our lawyers to engage with technology.”

Popular apps in legal include mobile dictation and time recording, and mobile access to the firm's document management system. All devices are not equal, however – the Apple ecosystem in particular is consumer-oriented and not designed, for example, for mass management or to get on with Office. Hayes is discovering the limitations of some



“A successful law firm is one where people trust each other enough to cross-sell and refer work across offices and practice groups.”

Marcel Henri, CIO, Dentons

mobile platforms: “There have been issues, for example, with Word rendering on the iPad. Consequently, because Windows is the native environment for our work product, we are looking at Windows 8.1, the Surface and Windows phone.”

The iPhone and iPad are very popular, but Microsoft maintains a hugely strong position in legal – lawyers still work mostly in Outlook and Word, and nearly every firm uses

SharePoint which, together with Microsoft's cloud offering, facilitates integration with third party applications. Enterprise communications applications, notably Lync and increasingly Yammer, are gaining traction and there is more interest in the Surface and Windows phone. Potential benefits include direct integration with the firm's system and network.

Security is paramount, especially against a backdrop of massively increasing mobility, and many firms have introduced MobileIron or similar MDM applications.

When it comes to mobile security, Tim Hyman, IT director EMEA at Reed Smith, highlights the need to balance convenience with security. He says that BlackBerry still has a future in legal because of its inherently secure platform, which offers features such as encrypted voice and video communication, and the ability to send encrypted documents over BBM. However, due to BlackBerry's recent volatility, Reed Smith has two networks in play – the BlackBerry network and the Good Technology network. “If BlackBerry failed, people would simply have to download an app and use it,” he explains. But like others, he says he believes BlackBerry will survive and continue.

Mobility merges into collaboration and comms, and law firm mergers and expansion are driving the need for integration between systems and applications – and collaboration between international offices and practice groups. At Dentons, Marcel Henri, chief information officer, Europe, is concentrating on consolidation following the firm's three-way merger in November. “A successful law firm is one where people trust each other enough to cross-sell and refer work across offices and practice groups,” he says. “IT can bring people together through unified communications and desktop video conferencing.”

Dentons has gone for CYOD, whereby users

can select from a catalogue of devices, and has rolled out Lync and Yammer on SharePoint. MobileIron was recently rolled out across the firm and Henri is considering Esselar's cloud-based mobile device management platform. Like Hayes, he is interested in the Microsoft Surface 2 for its easy interface with enterprise applications.

The cloud bridges the gap between people, practices and locations and, because cloud is inherently scalable, cloud apps support business agility, including expansion and mergers. Cloud and BYOD matured in 2013 and have developed from buzzwords to strategic choices.

Most firms use some form of cloud-based email solution such as Mimecast, and other cloud and software as a service (SaaS) offerings where they fit the firm's strategic vision and objectives. That's why legal IT suppliers are increasingly creating multi-platform offerings, and cloud versions of existing systems. Dentons, for example, has opted for cloud-based disaster recovery and business continuity solutions.

There are still, however, barriers to wholesale cloud adoption. Firms need to comply with SRA guidance around cloud computing as well as regulatory requirements in different jurisdictions, particularly when opening new offices. Data security is a related concern. Law firms are highly regulated and are also increasingly subject to client security audits, which are setting the standards for the rest of the profession.

Hyman says data retention and classification is at the heart of the security challenge. "Law firms are not very good at deleting or classifying data," he says, "so we feel we have to secure everything. If we were better at classifying data, we could provide better security for the data that needs to be secured."

Fast Future PREDICTIONS

Rohit Talwar, CEO of Fast Future Research, is working with ILTA on its Legal Technology Future Horizons Project – a study about the future role of technology in the legal sector, to be published January 2014. Here, he offers Briefing some predictions for 2014...

- Global and international firms will experience top-down pressure to develop technologies to drive global capabilities
- Apps will focus on commercialising legal services. Law firms will use technology to identify clients' needs and create relevant products and services
- Consumerisation will become unmanageable due to the pace of technological development and the increasing volume of products on the market, and firms will need to work out a strategy for choosing which devices they allow and support. BlackBerry will be reborn!
- Services will continue to shift to the cloud in order to control costs, and increase flexibility. Apps will become more standardised due to lawyers wanting similar resources
- The smartest firms will use the latest technology to research markets, clients and issues and develop expert systems to provide their lawyers with actionable information
- There will be more innovative start-ups producing technology targeting smaller players with smart technology solutions and challenging the status quo. Key themes will be how to commercialise and operationalise innovation

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Security is the new disruptive technology, he says, because it adds extra steps to routine processes. “We need more efficient security – to decide what needs to be protected and do a better job of protecting it.”

Henri adds that some law firm structures, such as the *verein* model, raise confidentiality and data access issues as well as putting constraints on shared business inception, conflict checking and knowledge systems.



Selling IT into the business

Today’s CIO focuses sharply on communication. The IT function is becoming increasingly client-facing and is often included in business pitches.

Some firms provide stand-alone legal IT consultancy to corporate legal departments. As Berry explains, GCs and corporate legal departments often don’t have the time and budget to engage specific legal IT consultants and regularly look to their external legal counsel for support and advice.

Stuart Walters, CIO at Taylor Wessing, focuses his department on internal and external priorities, selling IT into the business and developing new IT services for clients. His IT team has undergone specific business development training to engage partners and practice groups with IT.

“It’s about finding out about the type of work our lawyers do and identifying where IT can help,” he explains. On the client side, Taylor Wessing’s spin-off consultancy New Street Solutions has developed tools and systems for the firm and its clients.

White at Clyde & Co’s strategic vision includes repositioning IT to become central to the business. He has introduced proactive, customer-facing activities to ensure lawyers have the right technology and understand how

“Things get done in a law firm only when it is someone’s job to do them.”

Stuart Whittle, IS and operations director, Weightmans

to use it. Initiatives include internal account management, organising IT showcases across the firm’s offices, approaching IT projects from a business perspective and changing the governance structure of the IT function.

Stuart Whittle, information systems and operations director at Weightmans, is introducing a firm-wide communications programme to support the introduction of new case management and practice management systems. An IT showcase in Liverpool is videoed and the videos are accessible via the firm’s intranet to raise lawyers’ awareness of the tools and resources. Weightmans is also pioneering the use of social media to support what Whittle describes as ‘profile-raising initiatives’.

“Things get done in a law firm only when it is someone’s job to do them,” he observes.



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“Social media had been on our radar for a while, and we recently created a role with responsibility for digital and social media. This includes managing content on our website and on social media platforms, catering for different sectors and clients.”

Berry developed Edge, RPC’s wiki-powered social intranet as a means of encouraging people to communicate and share knowledge. “We realised that we have too much data to enable lawyers to find what they needed in four clicks,” she explains. Lawyers contribute content to Edge, which is then delivered in the most appropriate format – a Word document, a blog, a web page or even a mind map. The lawyers are responsible for the content, while the IT function decides the wrapper, ie the method of presenting information to clients and other stakeholders. Edge can also be viewed on iPads and iPhones.

Client communication is an important focus for data security, such as highlighting that public file sharing sites are not secure and instead offering an alternative. Berry sees communication about the firm’s IT as part of client care – it highlights the need for lawyers and clients to understand the tools at their fingertips.

Business analysis and big data

Futurist Rohit Talwar’s keynote speech at the International Legal Technology Associations’ November Insight conference in London referred to emerging technologies and how they relate to legal, and some of these are worth watching in 2014.

Big data analytics are increasingly used to

understand outcomes in relation to insurance and patent litigation, and therefore support decision making around resolving current and future cases. Larger firms and firms handling volume work are using similar techniques to calculate alternative pricing arrangements. ‘Artificial intelligence’ is being applied to conflict checking, opening up the possibility

“We realised that we have too much data to enable lawyers to find what they needed in four clicks.”

Julie Berry, director of infrastructure and IT, RPC

of AI being used to prompt routine decision making in workflow technology.

As firms become more corporate they are more aware of the value of analysing management information and presenting the results in an accessible way. As Daniel Pollick, CIO at DLA Piper, observes: “Firms are good at analysing clients and matters but they are not so good at acting on that information. The challenge for a legal CIO is to find ways of persuading the firm’s leadership to be interested in the insights produced by data analytics, as these could challenge long-held assumptions about the way firms work – and identify how they could be better managed.” IT can lead strategy on the back of these insights.

Pollick adds that big law firms tend to do a lot of repetitive work, so it should be possible to categorise effort spent on particular types of matter and come to some view about their complexity and scale. The barrier is that lawyers do not necessarily want to become more productive, particularly as, notwithstanding AFAs, law firms generally measure effort in terms of time.

Lawyers do, however, understand financial performance as a key indicator. Pollick has introduced individual management information dashboards for fee earners to see in graphical form their own financial performance and that of their business unit. Known as GFI, it's a bespoke development based on a data warehouse of data extracted from the firm's Elite PMS.

Berwin Leighton Paisner's director of IT (and ILTA co-chair), Janet Day, highlights the importance of making sense of management information for lawyers and other stakeholders. "With 12 international offices we focus on understanding clients in different geographies, sectors and practice areas and using management information to calculate and analyse profitability," she explains. For Day, it's not just about identifying and analysing information – it is about interpreting the results and using them to support in making decisions. BLP uses Qlikview business intelligence to help lawyers interpret the analytics and Prophix for budgeting and billing forecasts.

As a result of all this firm-wide data movement, some suppliers are offering what could be described as enterprise resource planning (ERP) for legal, with the idea of creating a fully integrated system.

Thomson Reuters Elite's 3E looks to bring together different systems, including Thomson Reuters' knowledge resources, which are optimised for mobile, as well as third-party

integration. LexisNexis, Peppermint and Avanade, for example, offer Microsoft-based practice management solutions based on a single underlying data set. However, as Pollick observes, ERP in its strictest sense has not proved transformative in law firms. Core systems like finance and document management are becoming back office engine rooms, where there is little change and innovation. The exciting stuff is layered on top, such as data analytics and client collaboration.

The barrier for the largest firms is that they tend to deliver standardised IT services without getting sufficiently into specialist practice areas to make a real difference. So, in terms of data analysis producing genuine insights, large firms have an advantage in that they have more data – but arguably the niche firms have the advantage of higher quality data in a narrow market segment.

There's no doubt that 2014 will bring a plethora of new mobile and flexible devices and increasingly sophisticated and intelligent systems to deal with the enormous volumes of information that firms have become accustomed to dealing with.

The CIO/ITD role remains a balancing act. It is about introducing exciting new technology that engages lawyers and clients. It is about combining mobility and anytime, anywhere, device-agnostic access with data security and compliance. It is about encouraging individuals and teams to share knowledge while maintaining confidentiality.

Legal IT leaders will continue to look for efficiencies through data analytics, process automation and project management and find innovative ways of differentiating their firm from competitors.

But it will all be about communicating with stakeholders and balancing their expectations with financial and strategic planning – putting legal IT at the heart of legal business. ●



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Feature Extra

The Briefing IT buyer's tip sheet

How do you make sure your firm does better business with IT suppliers?

Declan Tan talks to Chris Hill, a lawyer at Kemp Little specialising in law firms' IT contracts, about getting the best side of your next IT deal



How can you do better business with IT suppliers? Apart from not letting them trap you on a yacht in the Solent, there are a few things you should think about when dealing with vendors.

Beware the hollow service level agreement

– “The most common mistake we see,” says Hill – ie service levels with attractive headline figures that have so many exclusions that they don’t mean anything in reality, or are simply

measuring the wrong thing.

Be equally wary of having too many service levels. “People think ‘the more the better,’ but that’s not true. They can cost more time to administer than they gain improved performance.” That connects with making sure SLAs are tailored to encourage behaviour that will meet your firm’s needs. “Talk to the stakeholders about what they’re worried about, and what would make them happy.” Service credits are what gives teeth to an SLA, so make

sure they attach to the things you care about.

Confidentiality – Be hands-on, says Hill. “Explore how they ensure the confidentiality of your data – that could even demand a full site inspection.” Consider insisting on a security audit and specify levels of encryption and the safeguards for data storage – “incorporate that into the contract itself” – because a breach made public could mean huge reputation problems.

Data protection – Similar to confidentiality but with an added geographical element, so investigate thoroughly, Hill says. “If you’re moving data into the cloud, make sure the supplier is bound to keep it within the European Economic Area.” Get specific obligations in the contract that data won’t be transferred outside the EEA without consent, but if it is, make sure they enter into the standard model clauses (issued by the Information Commissioner’s Office), because “statutory responsibility falls on you to comply with the legislation – so push it down to the supplier via the contract.”

The Exit – “A very common oversight, and even more difficult to deal with than hollow SLAs,” says Hill, “because people just aren’t thinking about it as they enter a new contract.” If you don’t get the exit provisions right, you can end up paying the piper – and wiping out any initial discount – at the end of the contract.

Plus, make sure you get your data back in a usable format, and that the supplier will assist in the transition process. “Work out what you’ll need to move away from the arrangement and write it down – exit plans rarely get agreed after the contract has been signed.”

Don’t insist the exit transition is completed free of charge. Even where the contract is terminated for supplier breach is logical, he

says, it can be counterproductive. “Be prepared to pay reasonable charges, whatever the circumstances, if you want it to run smoothly. You don’t want the supplier focusing efforts elsewhere because you’re going out the door.”

Pricing and scope – Invest time in getting the service description right at the outset – and, as ever, talk to your stakeholders about what they need. “Know what you’re getting for your money, then you can justify it.”

Discuss with the supplier exactly what is and is not included in the price, Hill says. “Most importantly, write it down in a schedule, in as clear and unambiguous a manner as possible.” This will result in far less fruitless argument about what was or was not agreed.

Realism – “You really do get what you pay for.” Expecting suppliers to throw large amounts of extras in for free will change how they view the contract, says Hill. “Their margins will be squeezed and you’re unlikely to get the same quality of service. And if it’s a critical service, the knock-on effect may far exceed the money saved with the supplier.”

Liability, indemnity, insurance – Ensure your supplier has enough insurance to cover their liabilities – you don’t want to be left either bankrupting a crucial service provider or not being able to claim for the resulting losses. “Make it your contractual right to see evidence of the policy on request.”

IT buyers should definitely consider and list the most likely losses to the business if the service/product fails – otherwise they might fall under excluded ‘indirect losses’.

“And issues where the breach could cause losses to you which are wholly in the supplier’s control, ensure they’re covered by indemnities, and carve these indemnities out from the general liability cap.” ●



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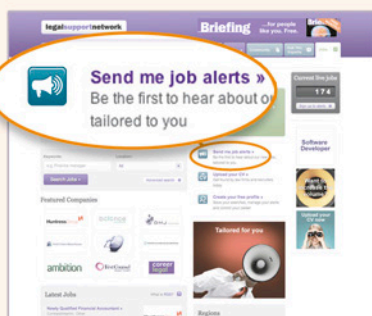
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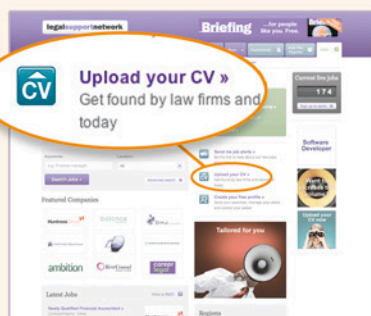
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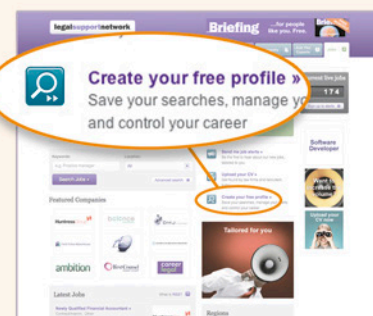
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*Briefing Issue
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Briefing Industry Interview

Elite's next steps

Briefing talks to Eric Sugden, chief technology officer for Thomson Reuters Elite, about where the legal IT giant goes next, why mobile is central to the future, and why firms will, one day, live in the cloud

Eric Sugden is the man charged with overseeing Thomson Reuters Elite's technology roadmap. He has to balance the need for future development – 3E in the cloud? 'Second-screen working' with tablets? – with creating an integrated map of the current Elite world for today's clients.

Sugden's direction, and Elite's, is towards a more joined-up vision of law firms that's not just about being able to 'see' across different divisions – that can be done now to lesser or greater extents – but about actioning work across boundaries.

"We're trying to build something that's much more than just a dashboard – something that's action-orientated, where people can see workflows and tasks and action information across departments and systems. We also want people to be able to do this on their second screens, their mobile devices, as much as their desktops. That's really the new challenge: being able to make it available on a multitude of devices."

Thomson Reuters Elite has absorbed a lot of vendors in recent years, which means supporting and developing previously disparate (though integrated) legal IT solutions. This has added to conversations with clients about where Elite is with large-scale integration with those and further third-party solutions to create a 'one-firm' solution, says Sugden.

"There's a lot of demand out there to have integrated systems crossing HR or document management or whatever it might be, to be integrated into an enterprise business management solution." Elite is already on its way there, he says – its Workspace development is a 'beyond the dashboard' interface that allows work to be actioned across all a firm's systems.

Sugden says that the Workspace set-up is about giving power to law firms to bind their systems together "so they're not dependent on us – they can hire a partner or we can partner with vendors and help clients to get more out

of the systems they have. We're still at the early stages of integrating our own systems, but we're building the underlying technology that allows that to happen".

Firms really aren't that joined up yet, says Sugden. "We hear all the time about partners having to go to three or four different systems to do tasks they need to do every day, such as approving time or some other workflow – even a cheque – and the systems aren't integrated, and that's what they need. A billing time keeper really doesn't want to deal with a bunch of different systems."

The real value of a more joined-up firm might not be seen at the user's end as much as at the management end – it's in the world of management information that the power might really be created, allowing more in-depth reporting and financial understanding of the firm, better insight into the cost of work or more usable key performance indicators, for example.

Firms are getting better at not only delivering those goals already but also understanding how important they could be, says Sugden. “They have to be able to have that data to be able to manage their business, and that’s where a lot of the data warehousing and business intelligence tools come into play.”

This is being driven by necessity perhaps more than love of the data – “the whole legal landscape has changed greatly in the past five years and they are now realising that they’ve got to run the firms [in more commercial terms], and they need data to help them do that.”

This is a strategic issue – it’s not just about reporting and financials. Firm-wide information lets you “see and catch trends early”, says Sugden. Yes, it’s also about lifting profitability (and the two aren’t exclusive) but data can inform what you do and don’t do by giving you a window to the future as well as the past.

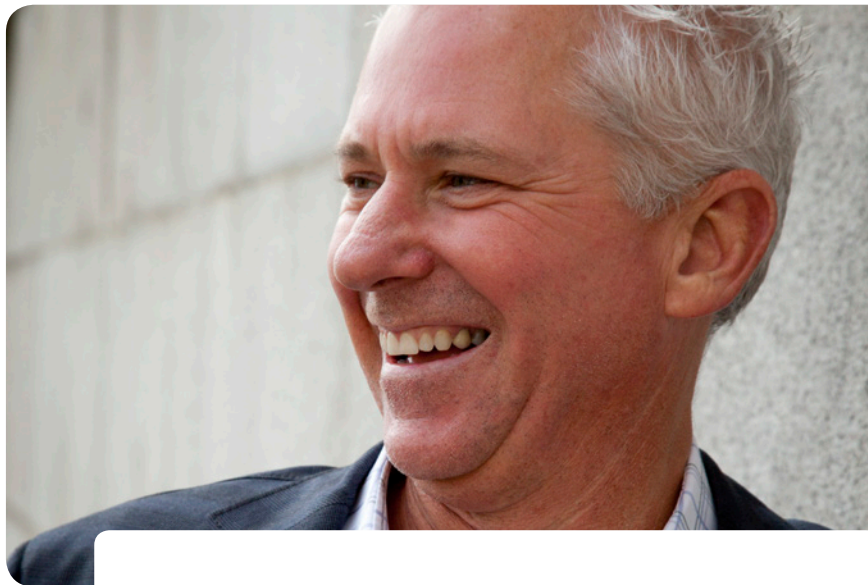
Mobile is the future, even at your desk

This future is probably populated by many more mobile fee earners – what we’ve been calling in **Briefing** the more distributed firm – and this is where Sugden and Elite have been pouring a lot of their energies.

“Mobile really drove productivity gains in other industries, and what’s emerging is that there are so many more business applications available on mobile devices now. The more work that I can get done on my mobile device, the more work I can get done, period.” Business has come to demand more from workers but they also need a work-life balance, says Sugden, and mobility might be the only way lawyers that work junior doctor hours will get a home

life at all, some weeks.

Mobility is also changing how people work inside the firm. Earlier in 2013 at the Elite user conference, senior Elite staffers Justin Farmer and Mike Walker showed how Workspace on a tablet could be a second or even third screen for those already in the office, providing a different way to interact with data, delivering



“I don’t think 2014 is going to be the year of the cloud. I think it will be a continued slow migration.”

Eric Sugden, CTO, Thomson Reuters Elite

more insight, not just insight out of the office.

But out of the office is where mobility is going to count, travelling to client sites and on the client site itself, for example.

One way Elite’s moving beyond just providing access to data on the move, says Sugden, is integrating content with solutions – pushing content from, say, financial information on public corporations into the information stream available to law firm people

to make them more aware of client needs and activities.

“A good example is our ‘taxi cab report’, where you might go to your CRM to find a client address – pretty routine stuff – but we also want to be able to deliver information about the client that will be useful to you during that taxi cab ride, for example the AR balance your client has with the firm, and that balance as a percentage of overall business you do with that client.

“We can take that further and show the other legal work that this client is doing with other firms, perhaps based on information we have through Westlaw such as court filings and docketing information.

“So, when you walk into that client’s office you have a lot of information about other firms they’re working with and what you could be doing for them. You can have a different conversation than you might otherwise have had.”

“There’s real power in mobile and also in the content that a firm like Thomson Reuters has in its arsenal, and being able to deliver that content at the right time at the right place on mobile is the perfect way to use it.”

Can law firms live in the cloud?

The natural extension to this mobile, distributed world is pushing more applications and data into ‘the cloud’, even if law firms outside the US can’t really do cloud in the same way as their American counterparts.

Even Sugden says that legal’s move into the cloud will be a “pretty gradual change”.

“I don’t think 2014 is going to be the year of the cloud. I think it will be a continued slow migration. A client recently told me there was no way he could put his firm’s financial information in the cloud, no matter how secure

they say it is. He was adamant about it. Other things scare firms, too, such as the Patriot Act, snooping or just a general lack of trust in the infrastructure. They feel like they can do it better behind their own firewalls, and that’s probably not going to change in the near term.

“On the other hand, I’ve had clients ask me straight out, ‘Why isn’t 3E in the cloud yet? I want it out of my data centre.’ And these are large law firms. What’s going to drive change is a large law firm or two – or three – actually making the move. Some of the more progressive firms will do this, and will increase the pressure on the other firms to do it.”

The savings and availability will then be so attractive that it will be hard to resist, says Sugden. “That’s why at Elite we’re taking a hybrid approach – we’re building applications that will be cloud-enabled, such as our new docketing system, and business development might be another area.” These are beginnings, he says, in the journey into the cloud for large firms.

Mid-market and smaller firms could be wholly or largely in the cloud before then he says – echoing Eversheds’ CIO Paul Caris in this month’s interview (p6) – because they have less IT baggage, and could upgrade to cloud solutions sooner. They may also be more willing to do it, and have more to gain immediately by chopping costs and outsourcing IT.

It’ll almost certainly happen in the US first, he says – for so many reasons – but once it’s happened, the UK could follow fast. Will it be you?

Find out more about
Thomson Reuters Elite
www.elite.com



A man with short brown hair and a light blue shirt under a dark suit jacket stands on a balcony. The balcony has several round tables and chairs in bright colors like orange, blue, and white. In the background, there is a modern building with large glass windows.

Briefing Industry Interview

Going dynamic

Briefing talks to Andy Sparkes, general manager for LexisNexis Enterprise Solutions, about a new future for law firm enterprise IT based on Microsoft

Many firms have a wealth of management information, but it's not always joined up or used well. Every step of the journey to better information helps everything, from winning work to pricing and then delivering it, from knowing your cost of delivery to dropping unprofitable activity – but it relies on deep, pertinent management information.

Andy Sparkes, general manager at LexisNexis Enterprise Solutions, says the availability of such information gives any firm a significant

competitive edge. The rewards are many – better transparency, vastly more efficient workflows, improved client-win rates, and enhanced profitability. “That gives opportunities to work differently and to drive productivity,” says Sparkes, “by using information in a smarter way.”

Better management information has the potential to transform the client experience, not just the firm's operations – presenting tangible, demonstrable value to clients in more detail.

Firms also need access to data about comparable completed work to structure correctly priced proposals.

“Delivering the work means knowing resource availability – getting the right people onto the project for the client’s needs.” And that, he says, is before you start thinking about setting up the back-end infrastructure, accounting for time and invoices. “That end-to-end efficiency is what much more holistic IT systems can really help to support.”

Technologies connecting that archipelago of internal legal functions can weigh heavy on business operations and their IT suppliers. For many firms, joining up departments means joining up a whole host of different systems, says Sparkes. “That’s the challenge we’re continually trying to address, particularly with Nimbus [LexisNexis Enterprise Solutions’ new Microsoft Dynamics-based legal business management solution].”

Slow adoption of firm-wide IT is, he says, perhaps less a technological problem and more a matter of buy-in. “Firms historically haven’t needed to worry about these things, so they haven’t been ‘front of mind,’” says Sparkes. “A big part of current progress is a mindset or a change management undertaking – it’s applying a methodology, an approach supported by the appropriate tools.”

What that change means for firms is pressure towards project-style working. That’s the way Sparkes sees legal going – but not quite quickly enough for some firms that are losing revenue because of inferior data capture and resource planning. “Knowing the cost structure, and therefore matter profitability, allows you to price with more certainty, communicate more openly with clients – and to begin to optimise your approach.”

LexisNexis has reflected these needs in designing Nimbus, says Sparkes, which is built on Dynamics AX, Microsoft’s industry-grade

enterprise resource planning (ERP) platform which powers thousands of (non-legal) companies. LexisNexis has taken the core platform and “added a legal-relevant layer”.

“As with other Microsoft platforms, tailoring and customisation are needed to make sure that the nuances of legal are adequately reflected. In a professional services environment, there are two things that matter most: managing relationships and data quality. Over the longer term, data quality and data control become key, and that’s where appropriate tailoring is crucial.”

Sparkes’s pitch for a Microsoft-based legal ERP is that it has scale behind it – thousands of businesses use Dynamics AX, and Microsoft is one of the world’s largest IT companies.

Nimbus comes with ‘baked-in’ integration to key legal technologies. There’s deep Office and SharePoint integration, built in BI reporting and, for example, the opportunity to deploy the comms and collaboration package Lync “for one-click desktop-to-desktop comms, an advance that could help firms respond to the flexibility needed in different operating models and ways of working”, he adds.

Sparkes has one more significant twist when it comes to Nimbus: it has an in-built HR module – so it can deliver resource planning, which is increasingly critical for people-based businesses. It’s probably the only legal IT solution that can deliver that integrated alongside all the other firm-wide IT elements.

The future of many legal businesses hinges on management and fee earners’ willingness to adapt, but it also hinges on flexibility and IT capability. Whether it’s a revolution or evolution is up to you, but change is afoot, either way.

Find out more about
LexisNexis Enterprise Solutions
www.lexisnexis-es.co.uk



A portrait of Mark Garnish, a middle-aged man with short, dark hair, wearing a dark pinstripe suit jacket over a light blue striped shirt. He is looking directly at the camera with a serious expression. The background is a blurred brick wall.

Briefing Industry Interview

Time to change

Briefing talks to Mark Garnish, Tikit's development director, about where Tikit goes after BT's takeover, including a huge investment programme into two key solutions to boost productivity and profitability

To work better in a more project- and process-led way, law firms need to make many changes. Two of them, at least, involve a step change in time capture and much easier ways to create and manage the document templates that form the basis of most firms' work and workflows. That's where Mark Garnish, development director at Tikit, comes in.

Following BT's purchase of Tikit earlier this year, the telecoms giant is investing heavily in a couple of legal's top technologies that could do exactly that, which in turn would deliver much more accurate time recording and better

document templates and workflows.

Process-focused advances in technology are now front of mind for finance and IT leaders in today's leading legal businesses. Tikit, says Garnish, has listened to firms talk about those challenges and is focusing on two key developments in 2014 to meet them: time capture and workflow/template creation. The goal? To create accurate, one-process time capture for fee earners, and give them the power to easily create complex document templates. This will, though they may not believe it at first, be better for lawyers – because they can spend less time

recording time.

Making a significantly better time capture method matters as much for billable-hour litigation as it does for fixed-fee work. “Even if the billable hour is dead,” says Garnish, “there is a much greater demand for accuracy in time recording. If you can capture the time as you do it, that will always be far more accurate than doing it at some point after the fact.”

One-process time capture should cure a finance function headache, says Garnish – without it, “certain types of lawyer will wait until the end of the day, week, or even month to try and then retrospectively work out what work they did”. That creates inaccuracy, write-downs, discounts and missed revenue.

But even for firms doing plenty of fixed-fee or other AFA-style work, knowing how much work really goes into legal advice has become a crucial differentiator to tomorrow’s legal business. Understanding the cost of a matter and working out how much should be charged in future gives firms an automatic advantage, and much of the data for this comes from better time capture.

Contemporaneous one-process time capture represents a shift toward a focus on time as management information, rather than just billing.

“The ‘velocity’ of time capture, how quickly you record it after doing it, as well as how quickly you bill post-capture, has an obvious impact on a lawyer’s profitability,” says Garnish. “Just because it’s fixed price doesn’t mean you don’t need to know how much it costs to do that piece of work – you have to have a price, otherwise you don’t know if you’re making money out of it or not.”

Whether firms are e-billing large financial institutions or having to raise budgets and bills in Jackson form, the clearer transparency supported by much better time capture is now essential, he says.

Garnish says Tikit’s vision for one-process time capture – coming with 2014’s significantly upgraded release of Carpe Diem – will allow any firm to make this kind of change and integrate with their practice/case management. This will also play a vital part in helping firms build a more project-style working method, with “the ability to do matter budgeting key to that”.

“Jackson has introduced those changes, but once law firms have got their teeth into proper project and matter management, and the budgeting that goes with it, then we’ll see it right across the market – and time recording systems support all of that.”

This all feeds into creating more value and transparency for clients and the firms’ management alike – the real value of better tracking of time and, therefore, the real cost of legal work.

Another vital element of a more project/process-led way of working in law firms will come from improving workflows, which is why Tikit has rethought its Template Management System for version 6. “Normally you need developers to build everything to deploy templates to your firm. With TMS version 6, that’s all gone. The future is for template administrators to design and deploy templates without the need for expensive development resource. That hasn’t been possible, but now it is.”

And this all comes from listening to what firms need, rather than trying to sell firms what’s been made, says Garnish. “We sat down with people at big firms and asked them what they wanted. The feedback as a result of that approach is incredibly important.”

Read more about
Tikit
www.tikit.com



A portrait of Jack Newton, CEO of Clio, smiling. He is a middle-aged man with a shaved head, wearing a grey polo shirt. The background is a solid red color.

Briefing Industry Interview

Into the cloud

Cloud technologies are fundamentally different to what most firms call 'cloud' today, says Jack Newton, CEO of Clio – and legal business can benefit from much larger cost savings, client value and usability if it understands why

Rising fee earner mobility and client desire for 'availability anywhere' flexibility has legal IT leaders increasingly looking to cloud-based solutions.

That's a change driven by now-pervasive mobile technologies, as well as the fundamental commercial challenges firms face in cost-pressured times. So, drawing a bead on profitability and reducing IT's footprint, firms have started to focus on changing the traditional IT models of on-premise solutions.

But the 'normal' alternative to that – hosted solutions – is not the long-term answer, says Jack Newton, CEO and co-founder of Clio.

"We're not going to be having this conversation in five years," he says. "Hosted solutions won't exist, because they have no competitive advantage over cloud-based solutions." The hosted approach isn't fundamentally different or greatly cheaper than keeping the app in-house, bar the hardware. The leap from the desktop era to the burgeoning cloud model must rapidly follow, because real cloud IT offers cost savings and usability improvements hosted solutions simply can't.

Lawyers are becoming more mobilised, a primary driver in the rapid adoption of cloud technology, says Newton. "They need to access

their data everywhere: portals, client sites, at their homes, or even on holiday – however unpopular that can be with the family.”

For many fee earners, the prospect of picking up a smartphone, tablet or laptop with an internet connection and getting unfettered access to client and firm data is an invaluable proposition, says Newton. “To collaborate in real time with your colleagues and your clients is a transformative and enabling technology, and one that lawyers are embracing.

“Cloud computing provides them with a better quality of life, letting them work where and how they want, and delivers a better experience to their clients. Most importantly, it’s a differentiator.”

Innovation is the largest part of differentiation, and Clio isn’t the first company to take its lead from legal IT guru Professor Richard Susskind’s ideas. “Susskind talks about the need for lawyers to find and embrace new technologies and deliver legal services in a way they couldn’t in the past – technologies that let them deliver innovative solutions to their clients.”

The case for cloud-based solutions is also strongly boosted by the cost at which it can be delivered (which should please finance directors). Cloud-based computing can be anywhere from a third to two-thirds less expensive than traditional software, says Newton.

One of the main reasons for the move to the cloud is that hosted and on-premise solutions offer an inferior user experience, says Newton. Applications native to the cloud are almost invariably easier to use, he says. “Every on-premise application was born when usability simply didn’t matter – everything was about features – and they continue to bear that legacy of being designed when user experience didn’t matter.”

Cloud’s transformative effect and higher

level of usability builds on users’ existing experience with consumer tech, a significant edge considering that slow user adoption is often down to unwieldy interfaces. “From the get-go, applications born in a browser, using the web metaphors users are familiar with, makes the usability of cloud-based applications far superior to on-premise ones. Somebody who’s used Gmail or Facebook can pick up most cloud-based applications within a matter of minutes, simply because they’re used to the user interface and the metaphors within it.”

That sharpened cloud-based user experience also encourages improved levels of engagement, and feeds into enhancing that all-important tenet: the client relationship. True ‘native’ cloud solutions can open up a completely new set of possibilities on the client end, by enabling new modes of client interaction, says Newton. “You can have secure, real-time collaboration with your client through a secure client portal, for one.”

And secure it must be. The issue of data residency is a key concern for “companies of all stripes, law firms especially”, says Newton. For Canada-based Clio, opening a data centre in Ireland “primarily to address the question of data residency in the UK and EU”, keeps firms compliant.

“We can make assurances that data will be hosted exclusively in a jurisdiction regulated by the EU data privacy directives,” Newton says. “That’s a question we at Clio are happy to answer.”

Does this mean the cloud is, finally, a welcoming place for legal business? If Newton’s right, it already is.

Learn more about
Clio cloud legal IT
www.goclio.com



Briefing Case Study

Total search

Janice Clarke, head of library and information services for Holman Fenwick Willan, talks to Briefing about taking search a step further to all a firm's information, via SharePoint, with Thomson Reuters Solcara

Search isn't just about precedents and knowledge – it can be about changing the bottom line at a firm and better risk management.

As Holman Fenwick Willan approaches a year using Solcara, head of library and information services Janice Clarke explains that the firm started using Thomson Reuters Solcara to save fee earner time, “and that’s certainly proved to be the case” – but now it is going much further, integrating the firm’s Microsoft SharePoint intranet to allow searches to include internal and external sources from one search start point. It will provide a powerful single search across all resources for fee earners, cutting time spent on research and increasing risk management capabilities.

“Previously partners and fee earners had a number of services and resources available, but

what one to choose?” Lawyers don’t have the same in-depth knowledge of the information services and resources available to them as library experts do, says Clarke, so her team has worked hard behind the scenes to preselect appropriate services for profiles and make sure the connectors are right. “We put a lot of thought into the profiles and tailoring.”

At the start, HFW took subscriptions to i-law, Westlaw, Lexis Library, Lloyd’s List, PLC and TradeWinds, as well as free external resources like Bailii, Google and a raft of government sites. Including niche resources Lloyd’s List and TradeWinds was a real win, says Clarke. “Because of our significant shipping industry work, we realised that including these would save enormous amounts of time, because they can now be searched together.”

Clarke is keen to impress that firms thinking of going down this road should spend time at the beginning planning the services – “the more time you spend in planning, the more value you get from the end product”.

Solcara has turned out to be “a lot more versatile than we anticipated. We hadn’t appreciated the extent of the tailoring capability, so although many firms have Solcara, in effect they all have their own products”.

Everyone in HFW now benefits from librarian advice for every single search, from the outset – effectively, the use of librarian knowledge and expertise has been built into working practice as default. A basic search takes little thought and time, but it can now quickly bring a targeted, fruitful and comprehensive result taken from all the appropriate services available.

This wider net also helps with risk management. “We’re not missing anything,” explains Clarke. “Previously fee earners may not have known all the options, and have tried just one service – a favourite or familiar one, but one that may not have been the most appropriate. Plus we get built-in consistency, because the same syntax is used for the whole search.”

There is also no longer a need to train the 450 fee earners scattered worldwide on the intricacies of each service, because searching is now a more intuitive behaviour. “That saves even more fee-earner time,” says Clarke – when fee earners could spare the time to get trained in the first place. Solcara makes library staff the expert users and the fee earners just “put their search terms in and press a button,” says Clarke. “Above all, the search enquiry is just one search.”

When Clarke took the business case to the firm’s decision makers, she says, it was tricky “because for something like this it’s so difficult

to show the value in advance. Now we’ve got it, everyone is convinced of its value”.

HFW is now starting to use Solcara to mine its internal knowledge held in SharePoint repositories, turning away from the built-in SharePoint search.

“[SharePoint search] is the technology we have for our intranet-based knowledge suite,” she says, but the firm experienced what might be described as ‘findability’ issues, she says. “We had real dissatisfaction – it wasn’t popular and the display wasn’t right.”

HFW now has a common search experience across internal and external knowledge repositories. The SharePoint connection has taken time, says Clarke, “but I can see the rewards will come very quickly now. It will have been worth waiting for”.

The upgraded interface is subtly but importantly different, she says. Comprehensive results can now be achieved with a single, simple search, but library staff and expert users still have the option of an advanced search letting them get “really very focused by knowledge topic”.

“It’s more Google-like. It looks clearer, more familiar and accessible, and it’s more popular. You just put your words in a box, tick the profiles you need and go.” Now, searches will include everything from the intranet knowledge site side by side with external resources.

“We’ve added the internal resources alongside the same external elements – our cases with external case resources and precedents. I know that’s going to be very useful and popular.”

Search better with
Thomson Reuters Solcara
www.solcara.com





Briefing Case Study

Machine language

Charles Russell is creating more support for fee earners – without creating secretarial positions. Lee Hanley, IT director, talks to Briefing about moving into speech recognition with BigHand

The future of fee-earning, says Lee Hanley, Charles Russell's IT director, is a more independent fee earner whose dictation is carried out by technology, rather than secretaries.

Today's secretaries are needed for higher-value activities, such as filling PA-style roles, but freeing them up means finding a cost-effective dictation alternative. Enter speech recognition. It's not a new concept, but its level of capability is fairly new – it's now able to deliver strategic value to a law firm.

Hanley and the firm's journey with speech recognition has reformed its secretary-

to-fee earner cost ratio while extending support further into the firm, and has helped turn secretaries into higher-value resources to the business.

This is a strategic direction that reflects a longer-term vision for the firm. "We want our future leaders to naturally process work independently and efficiently, such as checking and completing their own documentation. Lawyers who are two years qualified today will be the firm's leaders in five to 10 years' time, which means the firm must "constantly consider what the business will look like in 2020 and beyond".

There were also tactical reasons for deploying speech recognition: cost and availability of resources. Coming out of harsh times has meant a return to hiring, but Charles Russell's decision makers wanted to make sure this didn't mean more secretaries. But all hires needed some support, so if Hanley could find a solution that gave everyone useful support without extending cost, he would have solved several problems at once.

"Since we started using speech recognition our fee earner head count has gone up around 10-15% and there has been no increase in secretarial support. It will make a much bigger impact in time as we spread it out."

Speech recognition has moved on, partly by shifting the processing upstream of where the dictation takes place. "The technology is much improved with server-side speech recognition," says Hanley, who pushed the technology as something that would "solve the firm's secretary-to-fee earner ratio cost conundrum". Accuracy, for example, is well over 90% after very minimal work with BigHand's pre-learning utility. "It really is just fire and forget, and that works really well here."

The firm piloted BigHand speech recognition with people who "dictate many fairly short dictations, but often still rely on secretaries". Many came from the company commercial and property litigation areas.

Hanley and those using the system found that speech recognition works best in the firm for small pieces of dictation. Many in the pilot mentioned the benefits of using it for emails – "short and sweet, rather than drafting very long complex documents", says Hanley.

Dictation is now quicker and cheaper, and work priority has become something of a non-issue, he says. "Work gets done pretty much as quickly as it's dictated. Fee earners just don't have to worry about priority and queues, and process time is reduced by at least

60%, often more." Speed of return has been also dramatically improved, says Hanley, to "well under 10 minutes – and there are very significant efficiencies because there just is no 'work queue' now".

These process efficiencies are delivering competitiveness gains to Charles Russell because of the cost reduction and the fact that clients see a much faster work turnaround.

Speech recognition is a 'use it or lose it tool,' says Hanley, so the IT team uses built-in reporting to review the number of speech recognition dictations per month, per user. "Six months in, 15% of all dictations now use speech recognition and we're working to get that higher. Trainees will use BigHand speech recognition from day one, for example."

Hanley's advice for firms undertaking similar change is to do the business analysis up front. "It's not right to deploy to everyone at one go. Find the right type of user and the right kind of partner champions. Don't just go for a whole department – get a bedrock of 15 happy users across the firm, then spread out gradually in phases."

It may never dominate as a technology at the firm, and at Charles Russell it won't be replacing people in the near future – but five years from now Hanley predicts that the firm may well have "started to look at moving dictation work around the firm to help with work load, and the number of users will surely be up – to around 25% of headcount".

"It's a project that doesn't stop – you need to keep it going, but putting the effort in is worth it."

Speaking your language:
BigHand
www.bighand.com





Industry Analysis

Global connections

As UK law firms go global in search of business growth, there are big challenges on the horizon for their IT leaders. Tony Parish, MD of unified communications and converged network specialist G3 Comms outlines why

Many UK business sectors have recognised that international markets, particularly in emerging nations, now offer potential for growth. But whether firms are setting up new international offices, supporting mobile workers or collaborating with multinational partners, effective global business comms have become the critical commercial enabler.

How will IT departments in legal businesses cope with the demands of a global marketplace? They'll need to ensure that fee earners and their business services colleagues are seamlessly and securely connected to each other and to clients, wherever they are and without excessive costs and unnecessary infrastructure complexity. How do you future-proof your firm's network to provide the business flexibility, capability and scalability

required to stay ahead? When the stakes are high, that's a big ask.

The technologies and connectivity solutions to optimise collaboration and productivity are out there, and they're being developed constantly, but short-term fixes are not an option. Piecemeal product and service upgrades that patch together people and places result in infrastructure sprawl, increased complexity and can also end up being more expensive than they look on paper.

Cloud and connectivity challenges

Cloud-based solutions, both public and private clouds, offer firms far-reaching opportunities, and infrastructure challenges.

The virtualisation of comms services and

the shift towards the financial model of pay-per-seat, pay-per-service are strong attractions for firms looking to expand international capabilities, simplify infrastructure and control cost, while giving access to the latest productivity and collaboration tools, such as fixed to mobile convergence or video conferencing.

The right cloud solution, provisioned with applications such as Microsoft Lync, for example, can provide a familiar and consistent user-experience on any device, anywhere in the world, without the need for any local infrastructure. It's probably as close to future-proofing as you can get.

But there's still a lot of confusion around cloud. There are so many different levels of virtualisation, and the level of sophistication is improving all the time. This means, we think, that firms need to seek specialist, impartial advice from global network specialists on the options available to make the best decisions. Wherever your critical applications are delivered from, high-quality connectivity and network performance are key to worldwide service delivery, particularly for sensitive applications like voice. Choosing the right global network provider is critical.

The problem is that multinational networks from traditional aggregators often fail to make grade, leaving you with under-provisioned services and complex multi-carrier solutions.

But there are now affordable, next-generation, global network solutions that deliver outstanding performance. G3's SIP-enabled core network, for example, connects with best-of-breed carriers to provide international services, delivered locally from strategically located hubs to cut latency and ensure high performance communications anywhere.

Whatever route you take, going global with the best solution and the best connectivity

option doesn't always guarantee trouble-free global comms performance.

Multinational deployments are complex, resource-intensive and expensive. They are notoriously difficult to manage. Large-scale implementations require centrally coordinated, large-scale, specialist support with strong leadership and consistent cross-border pricing. That's why global alliances, like G3's, offer thousands of qualified technicians working all over the world, providing high-level expertise, standardised services and cost efficient management.

And it's not just about successful deployment – ongoing network management, monitoring and maintenance are equally important to ensuring your business-critical services continue to run at optimum performance 24/7 all over the world. Real-time global visibility is a must-have, as are the tools to identify trends and spot network issues before they become business problems. There are a number of monitoring platforms available that provide varying degrees of network management support and control, including G3's cloud-based 4D system.

As well as the worldwide capabilities to manage global deployments, firms need the reassurance of working with a provider with the depth of legal sector experience required to align solutions with business needs. It's probably the most important thing to look for when you're selecting a global comms partner – and one of the reasons why G3 has been provider of choice for many of the UK's multinational law firms.

Learn more about
G3 Communications
www.g3comms.com



Industry Analysis

Time to let go: Goodbye, XP

Jitendra Valera, chief marketing officer for Advanced Legal, outlines why firms using Windows XP will face a stark choice in April 2014

There has been much written in the last 18 months around the need to implement comprehensive compliance policies and the focus around the processes needed to meet compliance obligations and managing, mitigating and reporting risk. But what if the very infrastructure that your firm is built on is a risk? With something so fundamental to your daily routine, and so closely tied to your client data, how do you plan to address that?

For many people, Microsoft XP was the first desktop operating system to gain mass

market presence. A decade on from its launch and, following three further Windows releases (Vista, Windows 7 and 8), the system still dominates over 30% of the global market for PCs. This market penetration and longevity, and the opinion by many that XP was stable in comparison to later OSs such as the much-maligned Vista, has meant that it remains deployed in businesses because “it just works”.

But time has been called on XP’s reign – in April 2014, Microsoft removes “extended support” for the product (and for Office 2003), effectively pulling the plug on all support for

the product. Microsoft have spent the last few years slowly increasing the noise it's made around the need to migrate away from the ageing OS, but migration has been slow.

For firms with an advanced IT refresh policy this is not an issue, but for any practice still holding a large contingent of XP on desktops, continuing to use it past the 8 April deadline will present a very real risk to their compliance plan – security, stability and cost.

The most obvious risk is security. With updates and security patches no longer being issued for XP after April, devices will be left unprotected against any new virus or hack that emerges, whether through email, website, software or active interference. An unprotected device should be in direct conflict with any compliance plan and obviously poses a great risk for client data.

The lack of updates and patches have led many to believe that from April attacks on XP devices will increase, as it is seen as a soft target. Anti-virus software may offer some protection for a limited period, but this safeguard will have reduced effectiveness and support from software security companies will inevitably fall away.

As time goes by, more and more applications running on XP devices will become unstable, as will the OS itself. Many software vendors already stipulate that they no longer support the XP platform. In addition, it's unlikely that any application update will be tested against unsupported systems contributing further to stability issues. Those stability issues will inevitably lead to client service disruption.

It's not just the continued support of applications that will cause problems. Common office devices such as printers and scanners require drivers to ensure compatibility with the OS. Newer devices will not have the necessary drivers available to work with 10-year-old systems. So, even if firms want to extend the

life of XP, use of peripheral devices will likely prompt change.

Any firm with significant numbers of machines running XP will start to experience an increase in running costs. Support and maintenance charges will continue to rise as it becomes increasingly difficult to find the skills and resources required to maintain the software. The impact of downtime due to software-related issues cannot be underestimated either – the support required to resolve issues may be expensive, as well as being disruptive to staff, and may impact on a firm's ability to provide a full service to clients.

If you are a current XP user, change will inevitably have to occur – but the greatest risk with delaying migration is that an event may force the issue before you are ready and require unplanned work at short notice. Last-minute replacement of computers and IT infrastructure is bound to be more costly, in every sense, than a planned switch-over. Insufficient time to plan and prepare can also cause significant disruption for staff and departments and find the firm unprepared for the changes ahead.

Client data is king; it's what most firms are built on and the lifeblood for many practices. Protection of this data should be a high priority, and an unsupported operating system that is used to access client data is a clear risk to any firm. All the indicators point to an increase of vulnerabilities in XP after April 2014. Any breach and subsequent exposure of client data will bring the attentions of the ICO and a potential fine of up to £500,000. Is it really worth the gamble?

Find out more about
Advanced Legal
www.advanced-legal.co.uk



Industry Analysis

Making IT affordable



Spreading the cost of IT across several years can make the difference between staying in the innovation game and becoming a Christmas turkey, says Chris Labrey, country manager for Econocom

With legal in a low- or even no-growth state, the only way firms can grow is by stealing market share from other firms while protecting their customer base. Firms need to differentiate from their peers if they don't want to end up a victim of the times.

The current 'mots du jour' are to improve the value proposition to the client and increase their loyalty, while attracting other clients from other firms. But what does this

value proposition mean? The simplest value proposition – to reduce fees – is of course unattractive to partners, especially with existing pressure on pricing models such as capped fees and project pricing. Other routes to increased client value include more innovation, more transparency, richer client relationships and smoother processes. However it happens, clients want more for less.

But some aspects of improving value are

not expensive. For example, all firms should be focusing on better client relationship management. If everyone in a firm considers themselves as client service-focused, the client experience improves.

Enabling process improvement

Attention should also be paid to process management. Improving business processes can improve the delivery model and save money, even in the short term. Technology can help make this delivery model a lot slicker. It can automate large slices of workflow and gives firms agility, enabled by vast repositories of management information.

However, it seems that some firms are not grasping this technology life raft with the same enthusiasm as the wider world of industry has done. The typical spend within UK law firms on IT is 4.5% for large firms, but nearer 2% for smaller law firms (data: Legal IT Insider Top 200, Sept 2013). Other industries, such as banking and financial, invest more in IT – 6.6%. Even education manages 4.7% (Gartner IT Key Metrics Data, December 2012).

It's not surprising that legal doesn't spend – many IT projects can require considerable upfront investment from partners. At this festive time of year, investing in a large IT project is a bit like getting turkeys to vote for Christmas. But failure to invest in the IT necessary to grease an improved delivery model and deliver the value proposition runs the risk of leading firms to the same fate as the turkeys.

So, if Christmas is inevitable, how might the 'turkeys' survive it? One approach could be to change the date of Christmas – indeed, spread Christmas into the future so thinly that it becomes a non-lethal event.

Technology finance can be the key to

prevent this festive mortality. Financing IT projects over the period of time when they deliver the savings they were designed for is logical. The cash spike is replaced by a smooth and budgeted cost. This model also enables smaller firms to invest in systems they previously perceived as too expensive. And, even better, the accelerated tax benefits mean more money aside for presents under the Christmas tree...

Almost everything can be financed, and many firms are taking advantage of it. According to PWC's 2013 Annual Law Firms Survey, the top 11-25 firms source 24% of their finance externally.

Econocom, for example, carries the cost of large software projects, including all associated implementation services, and spreads the cost of the project over the productive life with rentals only starting at the go-live date.

Other projects it finances include tablet computing roll-outs, video conferencing projects, desktop PC/laptop refreshes and new server infrastructure needed to support the improved customer value proposition. All these projects are ones that law firms are considering as essential in 2014 and onwards – however they fund them.

Firms need to change the way they approach technology and embrace it. Effective, flexible financing can make the pill a lot easier to swallow, enabling everyone to be around next year to focus on the pressing issues affecting the industry – such as spending the next few years convincing the partners to become a limited company. But let's start somewhere easier, eh?

Want to know more?

Econocom

www.econocom.com/uk



Industry Analysis

Analysis now

Business intelligence isn't all about the cost of creating legal work – it's also about the cost of running the business, including everything the firm buys, says **Scott Springer** from HBR Consulting

Law firm operating expenses – all costs not directly attributed to compensation and benefits – represent approximately 20% of total revenue. Those operating expenses can encompass everything from legal research and IT down to copiers and stationery. The bulk (60-80%) of operating expenses are considered 'sourceable', and therefore present opportunities for legal businesses to find considerable cost reductions – if you know where the costs come from, you can change them.

One of the ways law firms are managing these expenses is through focused business intelligence (BI) efforts. The concept of BI – the systematic organisation and improvement of data to identify opportunities – has been around for decades. Until now, law firms have been at a decided disadvantage, limited by narrow analytical capabilities and marketplace solutions that weren't the "right fit".

The relative size of the industry itself left law firms without effective, affordable BI solutions. Even at firms large enough to maintain dedicated procurement and sourcing departments, the legal sector has lacked tailored enabling technologies and analytical tools and was left to rely on third-party and

ad hoc information.

Moreover, while the legal industry continues to focus its sights on revenues and profitability, the cost side of the equation is often neglected. Visit any conference or industry event and you are bound to hear about a significant number of new tools and solutions to better manage client profitability. But without a keen focus on business intelligence, firms will continue to be at a competitive disadvantage when it comes to responding to the increasing number of client tenders/RFPs.

Bringing together multiple data sources is what BI does best. Effective BI implementations start with understanding what data currently exists and where you may be able to benefit from cleansing and enrichment of that data.

Most firms, at a minimum, have accounts payable data, employee expense detail, HR demographics on attorney and staff populations, and contracts with third-party suppliers. But it's often the lesser-known data sources that get lost without BI – and they can prove immensely valuable. Forward-thinking firms, however, are now able to receive email notifications alerting them in advance of when a contract is coming due.

Quick visibility into the key contract terms, enhanced understanding of how much you spend with that supplier and where spend is being allocated are all questions that firms can now answer in an expedited fashion by having data available in a central location.

Imagine being able to quickly see that a particular office was spending more on a per headcount or attorney basis than others across the firm. Firm users could drill down and determine that this office was buying an off-contract product from a non-preferred supplier. The enabling technology makes identifying the problem and finding a solution a much simpler process than was previously possible. That kind of solution is, in fact, available – the SpendConnect solution is an example.

Most law firms have decentralised management, a fragmented supplier base, limited audit and compliance measures, and a dearth of central contract repositories – all of which complicate even the most straightforward purchases. It's important that sourcing staff or outside BI experts understand the realities of law firms, and work within them to better capture and harmonise data.

Practical and affordable BI was previously out of reach for law firms, but with the software and support services now available,

What to measure with business intelligence?

Law firms that have invested in successful BI solutions have realised an ROI in excess of 200%. But what should you be measuring? Here are some of the most important metrics firms can use...

- **Speed to savings:** Dramatically cuts the time needed to prepare for supplier negotiations, develop tenders and track benefits by having necessary data and analytics consistently updated and at your fingertips
- **Demand management:** Frequently looking for opportunities to move to lower cost of products and services, or consolidate similar products and leverage your buying power
- **Contract management and key terms tracking:** The ability to track rebates, measure tiered pricing, manage contract minimums and annual price increases, and be prepared ahead of expiration/renewals
- **Line item audits and pricing compliance:** Tracking compliance against negotiated pricing and contract lists, as well as identification of off-contract and rogue spend
- **Savings and budget tracking:** Measure against negotiated pricing, expectations and set budgets
- **Office benchmarking:** Recognise and promote best practices, identify rogue spending behaviours, and utilise preferred supplier relationships
- **Market intelligence:** Utilising internal or third-party resources to determine where a firm stands compared to the industry and recent trends

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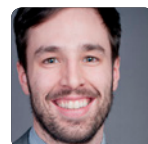
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