

This month:

- **Significant acquisition confirming the demands from the fast developing market place - The trend for integrating with external expertise escalates**
- **“Boss” or a “Leader” – here is one topic where if necessary the nice principles have to be laid aside**

The legal market is obviously listening to the significant benefits of outsourcing key activities to save costs, enhance performance, increase revenue and aid security and compliance.

Hosted IT, the personal pa services from Moneypenny – quality, peaks and troughs, out of hours and the whole thing – saving costs and enhancing client experience.

Document Direct www.documentdirect.co.uk (MLS Advantage member) because of its own success and growth has made the acquisition of Voicepath – a significant competitor. Services provided are outsourced digital dictation transcription and document production. The result is:

- A bigger and stronger infrastructure making more highly qualified transcription resources available to clients.
- A 24 hour, 7 day a week service, enabling fee earners to receive their work back much more quickly, and at times of the day to suit their needs.
- Paying only for work done which cuts law firm costs and can support any appropriate increasing, reducing or managing of headcount to improve or maintain profitability.
- Greater ability to free up office space for fee earners and other higher value activities.
- Recognition from Law Society of England & Wales, MLS, Law Net, Law Share
- ISO9001 (Quality Control), ISO27001 (Information Security Management) and ISO22301 (Disaster Recovery and Business Continuity) compliance and security accreditations.

“Boss” or a “Leader” – here is one topic where if necessary the nice principles have to be laid aside

Social media over the last few months has entertained me outlining the constituents of both styles but there is evidence that there are still some key areas within law firm where the appealing to the better nature of “luddites” has to stop.

Most firms now have a business strategy, or as a minimum, that partners (owner/directors) have a declared interest in what they want going forward.

So let us assume that this is the case – we understand where the business is now and where we want it to be in three years, we have a budget for 12 months (maybe even a rolling forecast), we have delegated accountabilities to department heads, we have set expectations on our fee earners in terms of time and billing. We understand the reports and KPIs we need to make things happen in terms of performance, recovery and /or exploitation.

We know we have to enhance efficiency and communications at the same time as being secure, resilient and comply with rules and regulations.

The world for a law firm has changed since the Legal Services Bill (2007), Act (2010) and the recession in 2008. A key element is the use of IT and even now we can witness lack of use, lack of education, resistance to using existing IT and obstacles to finding new products and applications that can enable the firm and its owners to achieve those objectives.

A department head these days is responsible for billing, gross profit (billing – direct costs), fee earner efficiency and time recording, his departments working capital, it's business development, compliance and of course client satisfaction and to be realistic this means everyone in the team using IT efficiently and willingly – but in many cases they are not.

I have written in previous months about so many department heads not being aware of their existing IT capability – they need to change this by ensuring they are fully up to speed with the latest releases as well as getting feedback from staff who see some potential ways of improving activities and of course those that are not bothering to use the system as specified.

I am still finding firms who despite all the pressures around performance and working capital who are avoiding making decisions on upgrading their software

- Cost is no longer a reason not to proceed as with the right system and financing arrangements a return on investment is almost immediate – we have covered that too
- I have to many other things that have to be done – avoidance of the effort needed and lack of proper prioritisation and of course delegation
- “The accounts team wouldn't like to have to change the way they work” – something else has to change
- “The secretaries and fee earners don't use the current system properly let alone want to make a change – really

I read an article (social media again) by a long standing and successful IT consultant Andrew Simmans (Andrew@simmans.com) and below I have summarised some of the softer and key points he made.

- *Communication and testing of understanding with all staff needs to be intense and two way to avoid misunderstandings*
- *Training sessions, even if well timed are not enough and most people need support back at their desks and computers – a few “super users” will not be wasted*
- *People need the time and space to understand*
- *There should be involvement at all levels in workflow and report development with a large amount of piloting*
- *There needs to be follow up by team testing use and understanding and as a result there should be some preparedness to change*
- *There needs to be an effective and reviewable project plan that allows for controlled slippage and recovery*
- *The system should be used for 6 months with a methodology for capturing ideas from users with subsequent controlled mini projects*

I tend to go a little further here and generally recommend that if your supplier has a workflow straight out of the box, which many do now, I usually suggest that the firm goes live with that solution (it is after all successful elsewhere) unless there are any glaring issues. During that six months have a methodology for capturing initiatives and ideas and then in a controlled way prioritise changes/enhancements based on a scoring of client demand/compliance needs/enhanced efficiency/more gross and therefore net profit. This can then be an on-going methodology (*I have a system if anyone would like to ask for it*) of prioritisation, planning and implementation. Departments and IT then know exactly where they are.

It also helps to have effective payment terms with the vendor. They can be surprisingly flexible.

Project Plan * Priorities * Authorisation * Controlled Methodology

Involvement and Buy In

I suggest this is where the leadership element can really contribute to involvement, buy in and success.

Once the management team has made a decision that the firm cannot be getting enough out of its IT to support its business objectives then people need to know that this is the view. The initial decision does not have to be that we are going to go to another supplier but that things have to change.

Every department head needs to have a conversation about what changes could be made to his IT application to help him/her achieve business objectives and if this sort of thing was available how acceptable would the head and individuals within the team be to making change.

Once this has been established an early conversation with the current vendor would not go amiss (assuming this has not already been adopted) about why these priorities are not available. These conversations also provide a specification that could go to other vendors. Due diligence can happen later but ideally you will get to a point where you could see three vendors in one day to do a demonstration against the criteria. Attendees need to be as many department heads as possible along with some key support staff and effectively a preferred supplier identified by the end of that day for subsequent due diligence. That involvement makes all the difference. There is nothing worse for a department head than their whole way of working being changed because of a decision by the Managing Partner, Finance Head or IT Head without the necessary involvement.

It may be a pain but done well it can be fairly speedy and not time consuming but above all the results are likely to be that much more effective.

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