

# Knowledge Management

## Conveyors of Organized Information

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# How KM Can Set Your Firm Apart

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**K**nowledge management has been an increasingly important department in U.S. law firms for over 10 years. However, many KM programs continue to focus on the traditional KM initiatives, such as internal portals, enterprise search, expertise location, precedent tracking, etc. Although these are very important initiatives that must continue to grow within a law firm, the KM world is evolving and expanding into the world of client connectivity and mobility. Clients now request a multitude of KM tools and resources to aid them in their day-to-day work. This client demand is giving KM an opportunity to truly innovate the delivery of legal services.

### HOW DID KM EXPAND INTO THIS NON-TRADITIONAL ROLE?

The collapse of the economy in 2008 and the release of the Association of Corporate Counsel (ACC) value challenge led to two major changes in the legal industry:

- A shift in power from the law firm to the client, which changed expectations
- A re-evaluation by law firms of how they were delivering legal services within the changing landscape

These changes provided new opportunities for the KM industry. Thanks to this, law firms are now evaluating what it

will take to differentiate themselves in this new world of online legal service delivery, and KM departments are a large part of these initiatives.

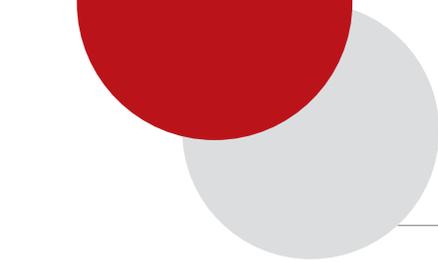
### THROUGH THE CLIENT'S EYES

From a client's perspective, online legal services delivery must achieve three goals: transparency, efficiency and partnership in conducting day-to-day business. Furthermore, the client needs both litigation and business solutions.

Another client expectation is access to information 24/7. In-house attorneys must respond to fluctuating budgets, and they demand access to matter status as well as work product. Gone are the days where cost notifications are sent 30, 60, 90 or more days after the work has been completed. Today, clients require consistent communication throughout the legal process; they don't like bad news, but are even more angered when such news is a surprise.

Clients feel the same pressure firms feel — to work faster, more effectively and more efficiently. And since many clients do not have the resources to purchase large-scale software packages, they are turning to their firms for access to already owned or developed tools. They are demanding that their law firms use every tool possible to lower costs, and that they utilize these tools within their own environment.

Finally, clients now look to partner with their attorneys and law firms for better day-to-day business consulting. The standard reactionary system of lawyering — dealing with the



latest litigation or deal as it arises — is becoming antiquated. Clients now prefer to partner with a firm that is proactive in both litigation and business practices. As with the efficiency tools stated above, clients realize law firms have access to large-scale resources that can be used to aid in their process management.

## **BAKER DONELSON SETS ITSELF APART**

Baker Donelson has taken KM's initiative to develop a structured online services program one step further. This initiative, together with an online client services committee, is charged with constantly evaluating the online delivery of legal services and developing tools that will set the firm apart.

The online services program developed out of a very close relationship with a health care client. When discussing an alternative fee arrangement for this client, the firm realized an information management platform with KM principles was the only way to render the arrangement profitable. Over the next year, KM developed a platform to provide our client with complete transparency on all cases, reports and work product. This system also made efficiency tools and databases available for the client to utilize on a daily basis. Additionally, this platform has served and continues to serve as a workflow to maintain processes for the client's business. In the end, this platform allowed Baker Donelson to differentiate itself and reap the reward of handling all litigation matters for this health care client.

With the success of this platform, the firm decided to invest further in the initiative and program. In 2010, the firm designated a new online client services committee, managed by a shareholder, to work with the knowledge management and information technology departments on various projects. The firm currently supports 10 major platforms, with the flexibility to customize by the type of client. We are also in the developmental stages for an additional five platforms for client use that will be available by year-end.

What are the areas of online services that a firm can use as a differentiating factor? Currently in the industry, the big three are client extranets; education or decision tools; and client information management platforms. Only a few firms have been successful in all three areas. Baker Donelson is one of those firms.

## **CLIENT EXTRANETS**

At a fundamental level, basic client extranets aid transparency with law departments. Extranets have very standard features that most law firms offer: document libraries, calendars, contact lists, discussion forums, blogs, wikis, etc.

What sets a firm apart is when it can answer the transparency need and expose attorney tasks, status and financials in real time. For example, Baker Donelson developed

a legal project management system that details the tasks and live budget for any client or matter utilizing the tool. This system can be exposed via secure extranets, giving clients access to up-to-date details on any matter, at any time.

## **EDUCATION AND DECISION TOOLS**

In addition to standard extranets, education and decision-making tools are systems that can aid in-house counsel with daily activities. These types of systems take information normally provided in books, firm-produced CLEs and other learning opportunities, and display it via an online website, RSS feed to the client's portal or online application for delivery to multiple mobile devices (iPhone, iPad, Playbook, BlackBerry, etc.).

These systems also take the form of decision trees, which assist in-house counsel in answering legal questions frequently posed to attorneys. This interface allows in-house counsel to answer select questions, generating the relevant answers or linking them to attorneys within the firm for further research and discussion.

Many question the purpose of providing these types of systems online instead of in person, preferring personal interaction. However, those naysayers fail to recognize that many clients now want both an in-person relationship, as well as continuous, online access. Law firms should look for a happy balance to meet client needs and wants. In doing this, the firm can create a lasting, permanent relationship with the client in a new way. In addition, these systems create a win-win situation for both firms and clients. Clients gain access to information immediately, and firms build one platform that can then expose their expertise multiple times.

## **INFORMATION MANAGEMENT PLATFORMS**

The most complex way to use KM to innovate the delivery of legal services is to provide information management platforms (online tools that the client can use to manage its own information). These platforms need to be well-thought-out and built within a flexible environment to allow for different client needs within the same industry.

These platforms can be used to manage mass litigation cases or corporate deals. However, highly regulated companies are the ones creating the greatest demand for this sort of system, in the form of government compliance platforms. Clients are provided with an online tool to manage event-tracking, document compliance and workflow, training compliance and much more. The difficult part is locating the opportunity and developing the right tool in a demand market.

Finally, these types of online platforms also provide the client with access to law firm tools and workflows that increase client efficiency in conducting business on a daily basis. For

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example, Baker Donelson exposes their document assembly product to clients. This in turn allows the client to develop different level agreements or sets of documents that previously took multiple days to draft in entirety. This type of tool also allows workflow process options and a dashboard of the stored information that can be used for other purposes.

## THE VALUE OF KM

KM has come a long way from the days of solely maintaining precedent banks for the internal purposes of the firm. Today, KM can be a game changer for firms with clients who demand efficiency and transparency. By partnering with the client and delivering information when needed, inside and outside the firm, in a device-agnostic manner, KM has truly become an asset to the client. **ILTA**

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