



Beyond the silo: where next for the legal sector?

BY TIM LONG

Innovation at law firms is not all about getting the latest technology, says Tim Long. It's about making effective, enterprise-wide use of technology.

As law firms seek to boost profits and meet ever-increasing client demands, there is a growing trend for legal IT departments to develop and implement greater efficiency gains. From speaking with our clients and prospects, the message is clear: evolve now or become irrelevant.

But what are the potential solutions that law firms (and local authority legal teams) have started to consider in 2016?

Innovation is not the answer if it's kept in a silo

Before we begin, let's take a minute to remind ourselves that it is the clients

who should be the primary focus of innovation. Law firms are in the people business, as it is the clients who pay the bills. And yet too much is made of technology that does not improve a practice's relationship with its clients. In their quest to differentiate themselves from their competitors, some firms have started to use any recently developed innovation they can find to persuade potential customers to choose their services.

Our biggest problem with this kind of innovation is that we end up constantly and inexorably searching for more technology advancements irrespective



of their impact on client service. That just leaves us with a series of expensive solutions that all too often have not been utilised across the organization as a whole. They tend only to be really used within specific siloes or territories within the practice.

This isn't a criticism of law firms. Solutions that work well in mergers and acquisitions, for example, might simply never make their way to other departments if they are based on a different floor, in a different office, or even in a different country.

This is primarily because innovation is perceived as expensive, and for this reason there is often a reluctance to roll it out across the entire organization (or at least to as many departments as possible). However, the real benefits

of many technology solutions are only fully realised where they are used as “enterprise-wide” solutions. In the legal sector, this is not happening anywhere near fast enough.

To ensure technology is used effectively across the enterprise, law firms need to invoke more effective collaboration between their teams and offices. The problem is that if collaboration hasn’t already happened in other areas of practice management, it is even more difficult to make it happen with innovative technology.

It’s not as if innovation needs to be hi-tech or groundbreaking. Often, too much practice time is spent searching for and assessing the latest technological breakthroughs. I don’t deny that if we suddenly find a way to utilise the virtual reality headset Oculus Rift to enhance electronic document bundling, then we are going to do it. However, the reality is that using newer technology in an innovative enterprise-wide way, and spreading the benefits more broadly and deeply, is a far more effective way of being truly innovative.

Put simply, innovation doesn’t have to be a trailblazing hi-tech monster. It can be a delicate and simple process that benefits everyone in the practice and clients as well. It is no surprise that many of our clients are utilising existing products with enhanced functionality to deliver greater innovation.

The office is no longer important

When conducting the research for our recent report, *The Legal Landscape 2016*, we found there was a growing trend to move to agile ways of working

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that enable lawyers to work at client sites; work from remote locations at times to suit clients; and to optimise fee-earners’ downtime when travelling or out of the office.

Our research suggests many clients are not inclined to see their lawyer that often. Remote accessibility is becoming far more important than a physical presence. This does bring its own questions, such as how IT can support the firm’s move to flexible working and how the risks associated with having employees in multiple locations can be minimised.

In the last five years, having constant access to your emails has become the *de facto* standard rather than the exception. However, this is not really enough any more. We have noticed a trend in firms beginning to choose IT solutions that enable legal professionals to have access both to their case management system and to other key applications when out of the office.

Clients are already receptive to new ideas, providing they can see the benefits, and working remotely is just one way of delivering the service they want.

Increased digitisation and the growth of online services

Firms will expect to see further improvements in processes and accessibility to case management files as even more systems become electronic and digital in 2016. Once again, clients will drive this efficiency as they demand access to services outside of regular working hours – maybe for a case update, document review, or working remotely themselves. This is the norm outside the legal sector. Even banks now have weekend opening times, online banking and mobile apps.

This is a solution not only for private practice, but also for local government legal teams, as the £700m investment unveiled by the UK government in the November 2015 “autumn statement” starts to modernise the courts and justice system.

One example of this digitisation is the launch of Digital Courtrooms in the West London Family Court. Over 100 cases have now been heard, removing the need for paper-based court bundles and saving significant amounts of money. The initiative, in which Zylpha is playing ▶





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a key part, has been very successful and more courts are now close to signing up.

In private practice, we have seen a marked rise in legal practices adopting solutions that enable them to interact with their clients online – such as being able to complete client instruction forms (or conveyancing property forms) digitally with the use of Adobe eSign services. While there are financial savings to be had, using this approach makes it easier to compress the length of a matter and ultimately reduce WIP (work in progress).

Overall, the clients of law firms are now using the Internet and digital services more fully and on a daily basis. Many expect the same level of interactivity from their legal advisors.

Legal IT delivers ROI

In the past, the IT department has been seen as the purchaser of services to help

fix a problem. The benefits of purchasing a case management system included reducing the amount of manual typing being carried out and providing an easier way to time record.

However, we have seen a trend whereby new ICT solutions are expected to bring benefits to the business as a whole. They must deliver a more streamlined and speedier process without reducing the quality of the service offering. Put simply, the technology has to evolve with the demands of the client. Our *Legal Landscape* report also highlights that legal IT teams are looking to drive return on investment by leveraging integrations between new and existing systems.

In short, the IT department is no longer just a purchasing department. It is now also a key driver of change and innovation.

2016 could herald a new departure in IT's status quo. As firms begin to grasp the opportunities afforded to them by getting IT right and digitising processes, a new window may be opening to deliver greater efficiency, opportunity and profitability. This will push firms down the path of commoditised legal services, and closer to what clients are looking for.

Tim Long is a qualified solicitor and the founder of Zylpha. The company started as a specialist consultancy in case management, developing its first product in 2010 for the electronic document bundling market. It now has over 100 clients throughout the UK in the legal profession and the legal services departments of local authorities. Copies of "Legal Landscape 2016" can be downloaded from the Zylpha website at <http://www.zylpha.com/legal-landscape-2016> ■