

Streamlining Work

By Nick Jarrett-Kerr

Process management, case management and matter management are not new concepts for Law Firms, but increasing commoditisation has revived interest as firms prepare for increasing competition and de-regulation. In this article, Nick Jarrett-Kerr suggests some steps which can be taken to streamline work effectively.

Pull Quotes

“Most clients would like to see standard forms, templates and matter management systems introduced in all areas of legal work”

“What is vital is to work out systematically what is inefficient about current methods of working files – including matter strategies, processes, file management, workflow and resolving problems”

“Re-designing work processes can take place against a vision of what the Project Team feels can be achieved by way of streamlined service”

I visit many firms that have introduced case or matter management systems. And yet, most managing partners report them as not working as efficiently or effortlessly as they might be.

They report that the straightforward bits have been done – agreeing a budget for acquiring a system, purchasing it, implementing it within the firm’s IT structure, allocating responsibility for template/precedent drafting, training and managing the roll-out of the project across departments.

One common moan however, is that lawyers – particularly the more experienced lawyers – are still not using such systems very effi-

ciently or at all.

Whether or not a case or management system is in use, I believe that a great deal can and should be done in law firms to improve the way lawyers work and to reduce inefficiency, delay, wastage and cost. All the evidence is that clients of every variety feel that such initiatives are long overdue. Furthermore, the legal sector is facing increased competition, both in the UK (particularly when the Legal Services Bill comes into force) and in many other jurisdictions. This competition will allow outside investors with deep investment resources to create and develop commoditised solutions and services which will put make inefficient law firms uncompetitive.

To counter these threats, there is in my view a pressing need for firms to work hard on systemising and improving their structural capital. This can be achieved in part by paying close attention to the way things are done around the office and streamlining working practices wherever possible.

In order to streamline work effectively, I believe there are some principles of conscious and systematic improvement which need adequately to be applied at file and lawyer



level.

These principles (adapted from those set out in 'A Manager's Guide to Leadership by Pedler, Burgoyne and Boydell) are as follows

- Step One: define what is to be improved; select the work-type process to be worked on, identify its clients and what they require of it
- Step Two: measure and examine the performance of the chosen work-type – how well and efficiently files and matters are run compared with what clients would like
- Step Three: analyse the data and causes of problems in actual file management compared with the ideal
- Step Four: improve the process and remove the causes of the problems
- Step Five: control and manage the new processes, making sure that old customs and working habits do not creep back in.

Any firm which is struggling to complete its roll-out of case and matter management, or which simply desires to work more efficiently, would do well to review its work processes by planning and implementing (or, in some cases re-implementing) these steps stage by stage. For this purpose, a project team with appropriate departmental representation should be assembled, preferably steered by one of the firm's leaders.

Step One – Define the opportunity for improvement. Too often, it is assumed

The logo consists of the letters 'NJK' in a bold, sans-serif font. The 'N' and 'K' are dark blue, while the 'J' is a lighter, medium blue. The letters are closely spaced and have a slight shadow effect.

that only repetitive commodity work (like residential property work or personal injury litigation) is in need of process improvement. In fact, most clients would like to see standard forms, templates and matter management systems introduced in all areas of legal work. As an example, the British Venture Capital Association has for some time been seeking feedback on proposals to introduce model documents to VC deals. There is a strong argument that 90% of deals are a well-trodden path and come down to the same points.

Step Two – Examine your current performance. The key here is the collection of specific data from at least three areas, from clients, from internal file and systems data, and from the firm's people.

Client Data We know that clients want speed and efficiency and do not like to pay for the cost of unnecessary work, such as documents dictated from first principles instead of using a template or standard form. But it goes deeper than those generic lessons. What are the clients actually saying about our service? What are the main sources and types of negative comment or even complaint? How do they rate us in comparison with our competitors?

Internal Data File analysis is an often overlooked area, dealing only with issues of compliance. Useful data can, however, be collected to reveal processes and working methods which can be improved. Other internal data can reveal productivity per lawyer, average costs per case, recovery rates, inefficient levels of infrequently turned-over work-in-progress, and effective billing rates. **Internal Staff Data** Feedback from your staff is enormously helpful both in terms of the parts of the systems which do not work well and also in relation to individuals who are not facing up to new working methods. By

what (or sometimes by whom) are your staff irritated? What dissatisfies them and what would they like to change?

Step Three – Analyse the data. It is not enough just to pick the letters, forms and precedents commonly in use and make them part of the case management system. What is vital is to work out systematically what is inefficient about current methods of working files – including matter strategies, processes, file management, workflow and resolving problems. To achieve this, all the information and data which is collected needs to be systematically considered and the root causes of any problem areas identified. Inefficient processes will need to be uncovered, but it is often the case that the root cause of any problems is the failure or reluctance on the part of lawyers to get to grips with changed ways of doing things.

Step Four – Improve the process. Re-designing work processes can then take place against a vision of what the Project Team feels can be achieved by way of streamlined service. This step needs to be taken innovatively and with a streamlining mindset which constantly challenges and questions. Key questions at this stage are

- How can we do this differently?
- What documents and steps in this line of work can be systemised into precedents and templates?
- Can we run files in a simpler fashion?
- Where can we make efficiencies?
- What steps, formerly carried out by secretaries, can lawyers carry out cost-effectively?
- What steps, formerly done by lawyers, can be commoditised and carried out by secretaries, juniors, paralegals or technology?
- How can we get more for less?

Analyse and review files to find examples of:-

- Waiting time between steps
- Incidences of delay
- Iterations and unnecessary work
- Poor matter strategy
- Use of the wrong level of lawyer
- Poor/inadequate delegation
- Inefficient use of secretaries
- Poor client reporting
- Failure to use standard forms and

- Which are the areas for development and where are the cuts and efficiencies to be made?
 - What changes do we expect to see in the next five years?
- During this stage, there needs to be a great deal of work with the whole constituency of lawyers to ensure that buy-in is obtained.

Step Five – Control and Manage the new Processes. This is perhaps the most difficult step of all. The main problem is that new working practices take time to become familiar – more time in the first instance for a busy practitioner than his/her old working practices. In addition, busy lawyers will be reluctant to spend time (which they may feel they can ill afford) training and learning new ways. Some partners, even, particularly those in their 50's may feel exempt from new working practices. But if the project team has managed to work through all the steps, with full feedback from and communication with the lawyer teams, then the chances are considerably increased that real beneficial changes in working practice can be implemented and stay implemented

