No industry is immune to disruption, not even legal. After decades of white-shoe dominance, today’s law firms now face pressing challenges not only from peers, but also from in-house legal teams (trying to handle more work on their own, and aiming to pay less for the work they send out), Big Four accounting firms (eyeing entrance into the U.S. legal market), and upstart alternative legal service providers (including LegalZoom, and a burgeoning industry of mobile apps offering users the ability to litigate small matters with a few swipes and clicks).
What's a law firm to do? Prudent firms realize they can no longer rest on their laurels, and that having a reputation of being smart, savvy, and connected is no longer enough. Instead, they must continually seek opportunities to make their client relationships stronger, their arguments more persuasive, their advice sounder, and their bills leaner. Law firms addressing these challenges have fundamentally changed the way they work, research, and market themselves: they have gone from being knowledge hoarders to knowledge sharers; from billable-hour machines to alternative-fee-arrangement client-partners; and from instinct-driven to AI- (artificial intelligence) and analytics-driven decision makers.

This article is the first in an AALL Spectrum series covering this important transformation. Here, we take a high-level survey; over the months to come, we’ll cover the changes in greater detail. While the pressures are real, solutions abound for proactive firms willing to transform.

Knowledge Management and Legal Project Management

Imagine, for a moment, that someone from a large, multi-state company has made an after-hours phone call to a law firm: the company has received a class action lawsuit over their background check paperwork, and they want the case handled by someone who not only knows the law backwards and forwards, but who also addresses their concerns and provides service efficiently without any surprises. The associate answering the call wants to impress, but he’s the last person still at work, and he doesn’t know the topic, the judge, whether his firm has ever handled similar cases, how they turned out, or what they cost to defend. Gulp.

Knowledge Management (KM) initiatives are the solution to such challenges. KM is about capturing a firm’s know-how for future use, and making relevant people, documents, information, experiences, and processes easier to quickly locate within the firm, at a moment’s notice (and even during that after-hours phone call). Once mature, KM practices allow attorneys to more efficiently provide higher quality, and more consistent, work product.

Common KM initiatives at today’s leading law firms include:

- enterprise search (systems that make a law firm’s documents, matter information, client information, timecard information, and more, all searchable in one standalone system);
- precedent collections (brief banks, model documents, checklists, template forms);
- document automation and assembly (allowing attorneys to create a template form once—such as a real estate agreement or settlement agreement—and then automatically generate hundreds of customized versions from those forms);
- artificial intelligence-assisted document review and preparation (software that can review contracts and instantly identify key or missing clauses, perform e-discovery document review, or that can analyze a complaint and automatically generate a draft answer or draft discovery);
- practice group/client team collaboration sites (often built on SharePoint, they offer a well-organized access point for key internal sources and relevant external secondary sources); and
- data analytics systems (to track a firm’s litigation track record on similar matters).

Admittedly, KM initiatives require meaningful attorney cooperation and buy-in, since they require attorneys to contribute (rather than store) their “secret sauce” exemplar documents, share their experiences (good and bad) with their colleagues, donate time to trial and pilot new tools and services, and commit to a firm’s spirit of innovation. But with so many clients selecting law firms because they are smarter, faster, leaner, and more innovative, securing attorney buy-in for KM initiatives is now easier than ever.

Legal Project Management (LPM) efforts are also increasing in popularity, as efficiency and transparency is at a premium. LPM is the application of classic project management concepts to the practice of law. It is concerned not with the substantive legal work itself, but instead with the process and mechanics of how legal services are provided to the client.

While firms differ in the scope of their LPM efforts, the discipline generally entails formally defining and scoping matters at the outset, efficiently staffing matters, hitting client-service-related milestones (such as periodic case assessments and check-ins) on time, and, upon completion, ensuring an after-action review takes place. LPM efforts tend to gain the most traction for larger client engagements on an alternative-fee arrangement basis, where firms are penalized for inefficiency and praised for adhering to the client’s budgets and expectations.

Innovative Client-Facing Offerings

Beyond the baseline expectation of sound legal advice and representation (nowadays, that’s just table stakes), clients are increasingly expecting innovative bells and whistles from their law firms. Law firms offer these client-facing tools and services, either as value-added services to increase client stickiness, or as standalone revenue generators.

Client-facing extranet dashboards, for instance, have become a commonplace offering by law firms. Akin to the
In an industry where knowledge is king, lawyers are embracing services that make legal research faster and more accurate, and that offer unprecedented insights into the tendencies of judges, neutrals, adversaries, and parties.

Marketing and Publications

Law firm marketing efforts have also transformed to meet today’s law firm pressures. First, competitive intelligence research has grown so important that many firms now have dedicated researchers or research teams to handle that important role, often augmented by the AI- and data-driven research offerings referenced above.

In terms of marketing, many firms now have a robust social media presence, posting articles, blog posts, alerts, and newsletters to Facebook, Twitter, and LinkedIn. The latest trend for law firm marketing is the podcast, with many firms trying their hand at that medium.

Firms have also entered into the publishing world, both online and in print. Beyond publishing physical books, treatises, and substantive reports on legal topics, they are increasingly drafting articles for a number of third-party research and news platforms (Practical Law, Bloomberg Law, Law 360, and so on), aiming to bring in new business, or showcase the firm’s expertise. These publishing roles are often supported by law librarians.

More subtle—but important—change taking place is the inclusion of KM, research, and/or IT personnel at client pitch meetings, right alongside the attorney team. These attendants are best suited to explain what processes and protocols the firm uses for creating, tracking, and leveraging institutional knowledge, how the firm innovates, how the firm uses technology and advanced research to provide more consistent and higher-quality legal advice, and what value-added innovations the firm can offer.

What’s Next for Law Librarians?

While these may be challenging times for law firms, they are also exciting ones for AALL members: there are critical pieces in each of the above initiatives tailor-made for the skills and abilities of legal librarians and researchers. Stay tuned as this series continues in the November/December issue.