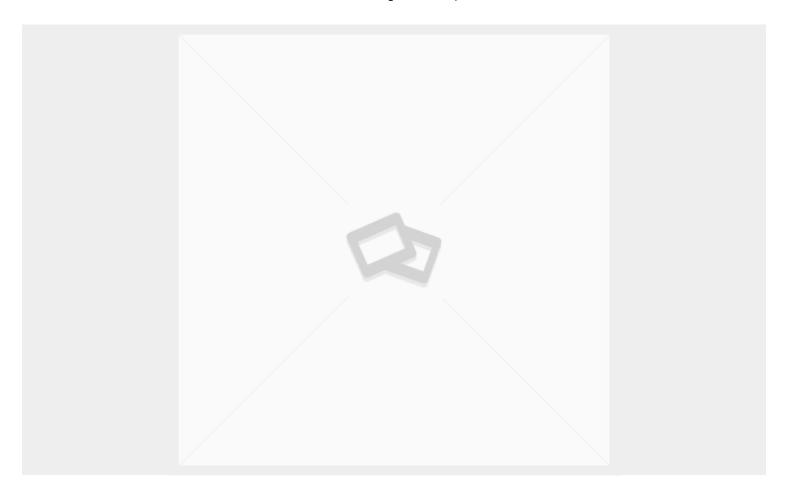
REDUCING THE DIFFERENCE - LAW FIRMS' USE OF TECHNOLOGY

Posted on 30/10/2007



Category: <u>Uncategorized</u>

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Information technology (IT) is no longer viewed only as a back office function, according to the latest Group of Experts survey. Law firm's increasingly see it as an important part of their infrastructure, helping to instil institutional knowledge, and which now requires the input of all their lawyers. Although getting the IT right can be a major challenge.

Los resultados de la encuesta realizada al Grupo de Expertos de Iberian Lawyer concluyen que los servicios de IT o Teconología de la Información ya no son considerados como una función de apoyo, sino que se han transformado en una parte importante de la infraestructura del despacho en cuanto a gestión de conocimientos, cosa que requiere la implicación de todos los abogados en el desarrollo de los sistemas. Sin embargo, el crear un sistema eficaz no es tarea fácil.

Competitive advantage

Iberian lawyers suggest that technology is increasingly important to law firms ' Ea way of effectively developing, managing and sharing knowledge within the firm and externally with clients. With some even going so far as saying that technology can provide a law firm with a competitive advantage.

Others report however, that introducing new technology is always very expensive and often unsatisfactory. Technology helps, but fundamentally it can only ever support lawyers' Eexpertise.

'We have always seen technology as a key element in the management of the firm,' Esays Hugo Ecija, at Ejica Abogados. 'We believe that the use of sophisticated technological tools allows for an increase in productivity, efficiency and for the coherent management of all the firm's knowledge and resources. As such, we have always made a significant investment in the best IT applications.

'IT helps to narrow the difference between large and medium firms, believes Pedro Cardigos, partner at ABBC in Lisbon, 'and even allows small boutique firms to tackle issues as only larger firms could in the very recent past.

The Portuguese market is an interesting IT showcase, suggests João Vieira de Almeida, managing partner of Vieira de Almeida & Associados, where investment has increased considerably as law firms have raced to equip themselves to face each other and foreign arrivals.

Technology is obviously an extremely important tool for a law firm to be competitive. But whilst it seldom provides an advantage ' Egiven the fact that most firms are up-to-date in terms of IT' Eit may provide a disadvantage if one falls behind competitors, he says.

The issue is no longer whether to invest, but where and how much to invest. The main challenge therefore is to ensure that firms get the most from the significant investments that IT inevitably demands.

'At Abreu Advogados we strongly believe that IT is a fundamental arm of a law firm and that is why we have always been and intend to continue to be, at the vanguard of its applications, for example, billing, databases, document management, and knowledge management, says Guilherme Santos Silva, Abreu Advogados.

The added value that technology can bring, say many, is to speed up and enhance communication 'Einternally and externally 'Eand to ease access to information, which inevitably increases productivity and knowledge sharing. "Good quality and high technology assets make work easier for everyone who works in a law firm" says Francisco Guijarro from Hammonds.

What benefits do technology bring to a law firm and what motivates firms to make the high level of investment required?

'Technology - the right technology - provides the leverage needed for firms to go that extra mile with clients, whether that is being more responsive, more proactive, more informative or more up-to-date." Pedro Cardigos, ABBC

"We see IT as an important tool to manage the know-how created by the law firm, specifically increasing time efficiency and ensuring quality control." Lourdes Ayala, Araoz & Rueda

'The benefits of IT are real and I do believe that the Portuguese firms coming of age has, amongst other factors, relied pretty much on their ability to modernise their IT infrastructure to be able to manage growth and change."

João Vieira de Almeida, Vieira de Almeida
'Technology is now not an extra but a vital, basic, essential and imperious part of a law firm. The world, clients and their issues and needs travel today at the speed and capacity of an e-mail and those who are not technically equipped to accompany the rush and complexity will simply sink."

Guilherme Santos Silva, Abreu Advogados

Is IT increasingly part of a firm's knowledge management and how best can this be managed?

☑'It is of great importance to align technology with a law firm's business strategy



objectives and other parts of the business in order to achieve a competitive advantage for both the firm and the client. The use of technology is also fundamental in the commoditisation process. Clients increasingly require us to standardise our work in a number of practice areas. Technology is an important tool in collating and disseminating precedents and information both internally and to clients." Manuel Barrocas, Barrocas Sarmento Neves 'We implemented a web-based solution two years ago to enhance not only our knowledge storage capacity and access to it, but also to create an online knowledge improvement program for our lawyers. We call it 'Saber+'"

João de Macedo Vitorino, Macedo Vitorino e Associados

'We invest in the most sophisticated and advanced technological systems on the market. This facilitates fast and efficient identification of clients and conflicts, information sharing among all the offices of our network (27 offices in 16 countries) in real time across geographical borders and time zones."

Vicente Sierra, Freshfields Bruckhaus Deringer 'The added value is sought in early delivery, in other words, in receiving the deliverables from your counsel before your competitor does," says Diego Ramos of DLA Piper. 'In addition, IT systems allow lawyers a faster and more complete understanding of the factual background of the case. Law firms invest in IT because clients demand it!"

Technology brings better access to people and to knowledge. By shortening the distance between us and our clients IT increases the level of communication and by increasing the information available it increases our quality of service, adds João de Macedo Vitorino, Macedo Vitorino e Associados.

Build or buy?

But while there may be a consensus of what technology can help firms to achieve, there is considerable variation on how to best target and manage IT systems. 'We are focusing on getting the right IT system for the targets we are aiming at," says Pedro Cardigos, partner at ABBC in Lisbon. 'Boutique firms are grounded in their particular expertise, having it handy, cross-checked and quickly accessible to new demands is paramount.

Document and knowledge management has become pivotal to smaller organisations and key to compete in the global legal arena."



Nelson Raposo Bernardo of Raposo Bernardo & Associados, says that his firm is benefiting from a specifically designed system. He adds however, that 'Obviously the benefits from the system only become possible with the involvement of the whole team."

Barrocas Sarmento Neves is another firm that has sought to develop it's own systems, explains Manuel Barrocas. 'We have worked with specialised IT consultants to create and tailor-make an integrated software system, which brings together a billing system, client data base, know how information storage and management, as well as a platform for clients to access information on their matters online."

It is a similar story at Ejica. 'We have developed our own IT system 'Ecijanet which acts both as an intranet and extranet, a system which is used by all our lawyers,' E explains Hugo Ecija. 'Ecijanet acts as a secure central knowledge tool containing our own online library, all the lawyer's working documents, client details, targets, timesheet etc. The system is designed to ensure maximum transparency within the company."

'Being a medium-sized firm, our worries are more in the aspect of organising than, for example, the creation of an intranet,' Esays Francisco G. Prol of Prol & Asociados. 'However, we are always unresolved with new IT material. Therefore we count on management software that is quite advanced and has helped us enormously in organising the office."

Although technology may now be at the heart of Garrigues' international strategy, explains César Mejías, the firm's Director of Technology, it has chosen to outsource almost 80% of its services. This enables them to better manage the service received.

Getting the buy-in and support of lawyers is central to implementing an effective IT strategy, says Francesc Muñoz the Director of IT at Cuatrecasas. His firm has developed an IT Board, chaired by the Managing Partner with the participation of the Executive Director, Financial Director and the IT Director. This cascades down into regular communication with the practices and business units and the know-how, human resources, financial and marketing functions. Most importantly, Francesc regularly survey feedback from lawyer across the firm.

"It is a slow process, concludes César Mejías, 'But with time law firms are viewing technology as part of their global strategy."

But while lawyers agree that technology offers a great

opportunity, or risk if you are behind your competitors, it is clear that there is no 'magic fix' to the technology challenge - Iberian firms of all sizes are inevitably utilising a variety of means to support and manage their IT functions.

Some respondents suggest, strictly off-the-record, that getting it right can be a huge financial, technical and even personal challenge.