

PSL SERIES

PUTTING PROFESSIONAL SUPPORT LAWYERS AT THE HEART OF YOUR FIRM'S VALUE PROPOSITION

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1. INTRODUCTION

Professional Support Lawyers (“PSLs”) have been part of the operational fabric of law firms for nearly 30 years. In many firms their activities have evolved from precedent drafting, legal technical training and maintaining current awareness to become a vital contributor in delivering innovation and change. This article, aimed at law firm, practice group and Knowledge Management (“KM”) managers, assesses some examples of alternative activities for PSLs which can add value to your business.

2. THE EVOLUTION OF KNOWLEDGE PROFESSIONALS IN LEGAL

The table below illustrates how the KM function has evolved since the 1990s. Its scope has expanded from enhancing the *practice of law* to projects at the heart of the *business of law*. The activities of the 1990s are still critical to any practice area: essential but now routine. Mature systems should be building on those core elements, using PSL capability to widen and extend their reach.

1990s: Giving everyone the tools to be as good as the best

- Focus on quality of legal product and subject matter expertise
- Delivering precedents and example documents, training and current awareness
- Risk mitigation

2000s: From support to development

- PSLs became Knowledge Professionals: Knowledge Development Lawyers, Knowledge Management Lawyers and Practice Development Lawyers with a remit beyond technical legal knowledge
- Knowledge now includes who does the work, how and for whom...
- Firms focus on efficiencies to reduce the cost of production: rise of process improvement and project management

2010s: Increasing external focus

- Knowledge for clients: turning internal knowledge into revenue generating solutions
- Impact of technology to automate repetitive tasks and introduction of Artificial Intelligence tools for document review
- First promotions to partnership for Knowledge Professionals

2020s - so far: Technology finally takes off

- Increased pace of digitisation, accelerated by the pandemic and the need for knowledge to be available anytime, anywhere
- Role of data in legal service delivery
- Increased collaboration with other legal service providers

3. EXAMPLES OF NON-TRADITIONAL ACTIVITIES AND THE VALUE THEY CAN ADD

Knowledge is at the heart of what law firms do – they sell their legal and commercial knowledge. Therefore, leveraging the firm’s intellectual capital is where all KM focus should lie. Each activity undertaken by a Knowledge Professional should be able to respond positively to the following question: “How is this moving the business forward and increasing the firm’s profit margin?” The answer must reference either reducing cost or generating revenue.

In other words, to evolve beyond the PSL core role as the “quality conscience” of their organisations - ensuring that the lawyers have access to tools to be the best advisers they can be - attention should pivot to how their work product and skills can tie in more directly with the delivery of the client value proposition.

In essence, from back office to bottom line. By way of example, I have seen Knowledge Professionals deliver commercial impact in these four areas:

1 How legal work is produced

PSLs are experienced legal practitioners in their own right, who understand how transactions and cases are managed. Like mathematicians with algebra, they also see the practice of law from a process perspective: the sequence in which actions take place and who is involved at each stage. This gives them a unique insight into how activities can be simplified and re-ordered, bringing in the right lawyers for the right tasks at the right time. Using project management and process improvement techniques, PSLs can, for example, help reduce duplication, remove unnecessary email chains and advise on appropriate resource allocation, saving time and money.

Where is the value? When this is done well, I have seen a significant reduction in write-offs, uplift in margins, more competitive pricing and a greater ability to win work.

2 Bridging between legal and tech teams

PSLs will have a good understanding of their firm’s technology and the use the lawyers make of it. They are ideally positioned to be that essential bridge between technologists and practitioners: the go-between championing the needs of the lawyers to their IT colleagues and in return showcasing the benefits of new tech solutions to the practitioners. PSLs can help tailor IT to the needs of the business and enhance the pace and scale of user adoption. A recent example was the sudden need for a global law firm to equip legal teams with electronic signature capability when COVID locked them down. PSLs were quickly identified as those who could both explain the legal objectives required of the tech to the IT professionals, and educate the lawyers to make best use of the product. The PSLs quickly became the go to experts for electronic signatures, making them vital members of deal teams as transactions closed in the spring of 2020. They then led discussions with the supplier on how to improve the product and add features to enhance functionality.

Where is the value? I witnessed better investment decisions when PSLs were involved in testing new technology solutions, avoiding unnecessary purchases and expensive add-ons. More targeted and educated use of tools increased early adoption and smooth roll-outs. All of which contributed to quicker returns on tech investments.

3 Digital legal products for clients

Two have proved particularly popular:

- **Matter management portals:** live 24/7 visibility of information on a transaction or case provides the client with much wanted transparency. Facilitating instant, on demand access to status reports, key documents and dashboards charting progress against budget reduces time spent on important but administratively burdensome tasks such as circulating new drafts and project updates. As practitioners who have advised clients in similar matters, PSLs instinctively know what information clients value and can help with the design, UX and content accessed via a portal.

Where is the value? A fee for maintaining the portal can be built into the overall fee structure creating additional revenue. I also found that using a portal reduces the cost on fixed fee transactions, which allows for more competitive pricing. It also significantly enhances the client experience, deepening the lawyer/client relationship.

- **Online legal advice services:** many questions that are of key importance to clients are standard and often repeated. Creating a secure website where clients can self-serve using an automated Q&A session saves them time and money. For example, we built a hugely popular system to help clients assess whether areas of their business were GDPR compliant, and critically, highlighting required remediation steps if not. Tech supporting such a solution is now widely available and cost effective. PSLs are key in leading the content creation for these systems and testing the outputs. We also developed these tools for use by in-house counsel with their own business and commercial teams, saving significant time and cost.

Where is the value? Such services are usually offered on a license fee basis, and the more subscribers who sign up to the same product, the more profit can be generated from the same content. Careful selection of the topic and practical advice how it addresses specific issues are essential – in-house counsel will only pay for tools which add demonstrable value. A well-thought-out product will provide the client with better pricing options and cost predictability.

4 Leading Innovation

Innovation has become a key term in the law firm management lexicon in the last six or seven years: clients are demanding it (note the increased focus on innovation in invitations to pitch), new recruits expect it and the legal press revels in it. But in reality, what does being innovative mean? Simply put, “being curious about doing things differently and doing different things”, with a focus on internal

transformation and new services for clients. Wherever Innovation lives in a firm's organisation chart (whether IT, KM or a dedicated Innovation function), I believe that all legal service delivery innovation has to begin with legal knowledge. PSLs, with their practice and market overview, are well placed to manage an innovation programme, bringing together lawyers and colleagues in business services into project teams to identify and deliver valuable outcomes for the business.

Where is the value? All firms need a drumbeat of looking at how they evolve their business to remain competitive and attractive to clients. Innovation provides a good catalyst and results in cost-savings, as well as novel products which will enhance existing - and generate new - revenue streams for the firm.

5 And there is more...

Hot off the press, two announcements in November 2021 open the door to new legal technology opportunities for lawyers: The Law Commission's confirmation that the existing law is able to accommodate smart contracts without the need for statutory law reform^[i] and the announcement that, from April 2022, an official judgment portal will go live with nearly 50,000 court cases, allowing data analytics and predictive assessments to be run on this significant set of legal decisions^[ii]. Professionals at the intersection of tech and law, which PSLs often are, will immediately see opportunities for innovation here and should be spearheading projects so their firms are well placed to meet the challenges of tomorrow's legal practice.

6 A quick word on KPIs for KM activities

This topic deserves an article of its own as it has been challenging KM professionals for over 20 years. The principal reason is that the unit of measure for activity in law firms - time - focuses on input, rather than output. This fails to recognise the efficiency gains that KM often delivers. There is scope for development here, going beyond the time that would be saved either by a partner not delivering training or responding to queries (because a PSL does it instead) or by lawyers' increased efficiency as a consequence of knowledge products and processes managed by PSLs.

And don't forget: in addition to the quantitative measure of PSL activity, the qualitative benefits are vital. They can be assessed by feedback whether from a formal survey, post transaction review or a chat over a coffee and include:

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- Improved internal morale
 - Enhanced client satisfaction
 - More consistent quality
 - Reduced risk
 - Positive impact on recruitment and retention
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4. SO, WHAT NEXT?

If, as a result of reading this article, you would like to refocus some of your PSL activity, this should be closely aligned to the objectives of your strategic plan (whether practice group or firmwide – preferably both), so that KM initiatives are shaped to support strategic success. You should involve your PSLs in these discussions, so they have visibility of the longer-term view.

This will produce a list of new activities for your PSLs. You should review this alongside current KM activities to determine which activities are going to add the greatest value and support the delivery of the strategy. This should be a thoughtful and detailed prioritisation exercise, not merely adding more tasks to an existing PSL workload.

In the past, I have found the Blue Ocean Strategy model^[iii] helpful, measuring each activity against the following headings:

Eliminate/delegate	Raise
What activities no longer add value and can be eliminated?	What activities should be increased as they tie in with the firm's strategy?
Reduce/delegate	Create
What activities that can be reduced or delegated to others?	What new activities that have never been done before should be started?

Your PSLs are an extremely valuable multi-talented group of professionals and they will welcome this opportunity to become more involved in the business of your firm and to share insights on what will deliver value. It could also lead to an important discussion about a wider role for your PSLs and the impact on their career development (yes, they will want one!). This is the subject of the next article.

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i Law Commission Report: "Smart legal contracts: advice to Government"- 25 November 2021

ii Michael Cross: "Official judgment portal set to go live"- The Law Society Gazette, 29 November 2021

iii Kim & Mauborgne: "Blue Ocean Strategy" -2005, HBS Press