



Maverick partners

**Tactics for dealing with
difficult colleagues**

Allies or aliens?
Tips for managing your
MP/FD relationship

Panel: Business mindset
How to become a trusted
adviser for high-value legal work

Funke Abimbola
'How I select law firms to
advise Roche Products (UK)'

CASE STUDY



Commercial intelligence

An ERP platform is more flexible, agile and scalable than individual practice management systems, says Michael Burne

KEY TAKEAWAY POINTS:

- 1 Find an application that fits your business model and don't compromise
- 2 Build open and transparent relationships with your technology supplier
- 3 Make a choice that is right the first time – it's expensive and time consuming to get it right the second time!
- 4 Never forget that law firms are a service business, so technology solutions must be client led, not firm led

When we started looking for a technology system to underpin our new commercial law firm we had it easy. Traditional law firms often have to struggle with a legacy of creaking technology systems that don't talk to each other and which each have multiple upgrades and workarounds. Instead, we were in the fortunate position of being able to choose the right solution from the outset.

To explain the context for our search, let me explain more about Carbon Law Partners. We are pioneering a new way of providing and accessing legal services. We see an exciting future full of opportunities for lawyers and clients: a modern, more efficient approach to the business of law that suits our client base of fast growing, disruptive businesses. We have broken ranks with traditional

firms and stripped away the ineffective ways they currently do business, while carefully taking the best bits with us.

How did we know what to keep? We designed our firm around the personal chemistry between a business client and their lawyer. We started with a clean sheet of paper and asked clients what they wanted. Next, we asked commercial lawyers what got in the way of them delivering a great service to their clients. This seemed like an obvious approach to me and COO Owain Saunders-Jones, as senior executives from outside the legal sector.

Typically, lawyers tell clients what they must have. As someone who used to commission legal advice and also sat on the main board of Openwork (formerly Allied Dunbar), I've been on the receiving end of that behaviour. The external lawyers



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we worked with found it difficult to talk in terms of commercial results and definitions of success, and even tougher to articulate their advice for our board. We believe there's a better way to procure legal services and practise law.

Needs assessment

Our first priority is to understand what our client is trying to achieve as a business and what value that has for them. It's only when we're clear about this that we start to work

with them and explain how we can help them to achieve their business goal(s). We try to ensure that we align what we do with what the client wants. We will even, where it makes good business sense for both the client and the firm, align our fees with the client's definition of success (we're businesspeople first and lawyers second).

We will continue to refine what we do by listening, learning, developing and listening again to talented commercial lawyers and clients – a process we refer to as 'dynamic learning'. That's what will keep us ahead of the competition. It's also how we can better plan resourcing to keep profitability high. This is something traditional firms without an enterprise resource planning (ERP) solution can't do easily or, at the very least, without the ability and willingness to have candid conversations with clients. In my experience as a law firm client, that's often lacking.

Armed with a clear understanding of the commercial imperative, we can provide clients with a shortcut to lawyers who are in tune with their values, motivations and ambitions. Our objective is to offer clients the right lawyer(s) at the right time, in the right place and at the right price. We don't believe in 'one size fits all'; our platform is flexible enough to allow us the freedom to tailor our services around our clients' preferred way of working. We're not hidebound by legacy fixed costs and attitudes, so we can adapt to the client and don't expect the client to adapt to (or indeed fund) outmoded ways of working.

We have also talked to lawyers about what doesn't work in commercial law firms. They told us that it's about two things: lack of control and risk. In large traditional law firms,

partners often have little personal control over either the level of fixed overheads or management and financial risks taken, which they are effectively underwriting.

One partner, let alone an associate, is unlikely to be able to change the system to suit their own needs. As part of the machine, they can find themselves frustrated in their desire to deliver the service the client wants in the way that client wants it. Worst of all is the risk to their career: hard work and excellent client relationships are no guarantee of reward, as many a rainmaker has found to their cost if they, their client base or their profile don't fit the firm's strategy.

Investment criteria

Taking all this on board, we wanted our ERP system to be a robust, fit-for-purpose platform that actively encourages partners to align themselves with their clients by giving them control back. A platform that allows our partners to be streamlined and lean, but to build big and varied teams on demand, if required. This meant we were looking for an application that is flexible, can handle variable costs and allows us to be agile.

Owain and I had a long shopping list of requirements. Whatever solution we found needed to be:

- able to support our business model: each of our partner practices is structured as a separate entity (with appropriate security protocols);
- able to support our business strategy through its three distinct phases;
- business enterprise standard;

- future proof (as far as possible);
- easy to use (lawyers not being known for their patience with IT); and
- mobile (our lawyers can work anywhere in the world, on any device, so long as they have broadband access).

Looking back now, I can say it would have been very easy to procure a much cheaper business and financial management package than the one we ended up with. We were, after all, just starting out at that point and many would have opted for a less substantial application.

However, we operate a policy of 'right first time'. Cheaper meant less scalable and less likely to be fit for purpose in the long term. Having experienced the challenges associated with system changes in previous lives, we wanted to avoid procuring a 'starter' package now and experiencing the disruption of a data migration and training exercise later when we are larger. Nor did we want that disruption to be forced on us at a critical time in our development, such as when we extend our services to other jurisdictions.

Those were the strategic reasons behind us choosing the system we did.

There is another question, though, of why we bought an ERP package rather than buying 'best of breed' individual solutions or even a more standard practice management system. I can deal with this quite quickly: insight, flexibility, agility and scalability.

An ERP solution harmonises financial, human resources, productivity and performance management. Having different software products for different parts of the business (as traditional law firms usually do) is fraught with difficulty and danger. Changes to one product may affect data transfer between, say, finance and marketing. Updates do not always work well with older versions of software; compatibility issues are almost inevitable.

We wanted sophisticated management information we could rely upon, which was accessible at the touch of a button and supported our 'dynamic learning' to enable us to refine and improve our business over time. We also wanted something that would not just pull data in but would help us to proactively manage costs, prepare

and track matter budgets, improve control, make informed decisions and optimise resources to deliver greater value to clients. An ERP offers significant savings in terms of both the finance and IT support required to achieve the same results.

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Technology has moved on now to the point where it was almost a no-brainer for us: if we could find the ERP solution that did what we wanted it to, why wouldn't we buy it? We explored an extensive range of software providers and solutions before sourcing a system that we hope will support and adapt to our medium to long-term business plans: the LexisOne enterprise-grade business management system.

“An ERP solution harmonises financial, human resources, productivity and performance management”

Business benefits

The approach to implementation was rigorous and thorough by both parties. Consequently, there were no issues – from data migration to operational use. We currently use the ERP system for centralised client and matter inception, client and partner contract management, flexible time recording and invoicing and credit control.

LexisOne is intuitive to use. Prior to going live, a 90-minute training session

was all it took for our lawyers to feel comfortable with using it. That's really important for us, because we want our lawyers to use the system; we all know that, if it isn't easy to use, they won't! When partners join us, they may be entrepreneurial, client-focused lawyers who want choice, control and the freedom to effectively run their own firm, but they aren't willing to compromise on the support they are used to. Quite rightly – why should they have to?

The service-led platform we've implemented is a double win for us. The very fact that we have an ERP system demonstrates to potential new partners the sort of business we are. Once they have joined us, the system's ease of use reassures them that they have made the right choice. Lawyers are generally risk averse, so we have sought to make the decision to join us as easy as possible in articulating our vision for a new future of legal services delivery. Freedom is wonderful, but it comes with responsibility; there is no doubt some are scared of making the change and taking control. So, if they ask 'have you got the right technology systems?' We can say 'yes we have and they're probably better than the ones you are used to working with'.

Certainly, sticking to our principles and ethos in choosing the right ERP system was time consuming. But, the benefits for our clients and partners are already showing, and that's what's important. They are the ones who should measure how good the platform is for them and that's what we intend to do: ask them, listen to what they say, evolve what we do and how we do it.

Perhaps best of all, the ERP system is going a long way to helping us to deliver not just on our own strategic goals but also on our client's business goals by providing us with the flexibility, agility and scalability that we all need. ^{mp}

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