

Red paper

# Matter-Centric Relationships:

The Key to Enhancing Client Service  
and Firm Profitability

# The Key to Enhancing Client Service

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**Thousands of matters are handled by a typical law firm every year, and each one has countless activities, communications, relationships, and expertise associated with them.**

## Introduction

Lawyers may ultimately work with clients and other professional contacts, but these contacts are only given true context by the matters with which they are associated. However, most firms find it difficult to leverage this knowledge beyond the selective memory and anecdotal documentation of individual lawyers.

Thus, even though matters can help define the true market value of the firm and its lawyers, it is difficult to know what work they have done before, what they are doing today and how previous matters can help them plan for the future. Without tools that proactively capture the relationship intelligence among the people, companies, expertise and experience associated with the matters handled daily by lawyers, crucial information on a closed matter that could serve as a strategic advantage is usually lost upon the opening of a subsequent one.

The sheer volume of matters makes it nearly impossible to document and analyse matter information without the use of technology. The widespread adoption of electronic time and billing, document management and financial software programs has been driven by this fact. These tools that capture information about content and numbers are now viewed as essential for a sophisticated law firm to handle matters for sophisticated clients. However, the information gathered is only about the inanimate objects, such as bills and paper, associated with matters. But, bills and papers do not hire lawyers; clients do.

## Matters are the Common Thread

Anyone who has worked in a law firm knows that the focal point of lawyer-client interactions is a matter. For example, one cannot make a photocopy or even send a one-page fax without first entering in the proper client and matter code to account for its cost. This is an ingrained cultural norm that affects all firm operations from the boardroom to the mail room.

Relationship Intelligence (RI) is the firm-wide asset that reveals the unique and complex connections among people, companies, relationships, experience and expertise. It stands to reason that complementing RI with intelligence gained from matters serves as a natural extension of a firm's overall client relationship management

(CRM) strategy. Like RI, intelligence about the most important matters is of high strategic value. It provides individual lawyers and firm management with access to information that isn't otherwise available or is not easily obtained. In addition, since most firms already have business processes in place to track and manage matters, firms do not have to reengineer systems or redundantly enter new information. Thus, the common matter intake process can offer new value without the need to create new procedures.

When used in conjunction with a firm's CRM strategy, intelligence about past and current matters provides easy access to information that is locked away in other systems. It also enhances client service and avoids the embarrassments that can occur from an ignorance of the past work done for a client. Furthermore, collecting intelligence about lawyer-client interactions centred on matters sheds light on the firm's collective experience, external parties involved, as well as "Who Knows What." This last component, the ability to quickly illuminate the most knowledgeable external and internal contacts, allows a firm to "get to the knower" quickly, which directly benefits the client.

## An Abundance of Data, But a Shortage of Intelligence

There is certainly no deficiency of data relating to matters at a law firm. Most firms are content generation machines that add to their data warehouse of matter related information on a daily basis.

However, this information is entered by multiple people into many systems that may not talk to each other. Legal secretaries manually create distribution and service lists in word processing programs that are not shared. Support personnel enter financial and billing data into complex software systems. Lawyers create documents and communicate with clients by phone, e-mail and in person, but their activities are only recorded on a legal pad or in their Personal Information Managers (PIMs) such as Microsoft Outlook, Lotus Notes or Novell GroupWise.

In reality, most data serves only a single purpose and is not centralised. This lack of a 360 degree view of a matter has a high opportunity cost. The following typical scenarios illustrate the true costs for a firm without an ability to centralise matter intelligence:

- A lawyer needs to find recent intellectual property litigation matters the firm has managed for clients in the semiconductor industry to demonstrate experience to a prospective client. While financial records of such matters may be available, how difficult and time consuming is it to access this information? Will it affect their ability to win the business?
- A lawyer needs to find local counsel in Chicago that the firm has worked with in the past on environmental matters to represent our client in that jurisdiction. If the individual lawyer has a hard time locating this information, will that cause the client to look elsewhere?
- A lawyer is handling many complex matters in several geographic regions. He or she needs to be able to be notified on all activities regarding these matters as they occur. Does this require the lawyer to spend large amounts of non-billable time monitoring disparate systems and other professionals?
- A lawyer is handling a high stakes litigation matter for a top client and needs every advantage to gain a positive outcome for them. Do they have a reliable resource to find lawyers at the firm that have previously argued before specific courts and judges that could help them do so?
- A team of lawyers in multiple practice groups and offices is handling a major acquisition for one of the firm's most loyal clients. This matter involves corporate, employment, real estate, tax and environmental lawyers in four cities. Will a lack of communication between the legal team and client contacts at crucial moments risk the future relationship with the client? Are they able to easily monitor the breadth of conference calls, e-mails and meetings that have occurred?

No matter what the role, all firm personnel need to be able to enter and access crucial information about the matter. Support personnel manage the daily workflow. Lawyers manage the work product and long term relationships. Firm managers drive the achievement of overall financial and client satisfaction objectives.

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## Using Collective Matter Intelligence for Future Growth

When attempting to win an engagement for a new matter with existing or potential clients, information about historical financial records and documents only provides limited value. To uncover a strategic advantage, the questions that usually arise include:

- What is our firm's past experience in this type of matter and with which companies and industries?
- Who in our firm has worked on this type of matter before?
- Who in our firm knows potential decision makers charged with awarding this matter?
- Who are the firm personnel and other contacts that could help us win this engagement?

- Who are we typically competing against?
- What relationships with judges, expert witnesses and other professional resources can we take advantage of to give the client confidence in our abilities?
- What was the makeup of our internal legal service team that previously had success on a similar matter?
- What previous matters have we performed for this client?
- Who are our top referral sources for such matters?

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## Barriers to Entry

Even in an ideal world, lawyers are not apt to input endless information about each matter they are engaged with no matter what the system. A lawyer's time should be spent with his or her clients as opposed to its firm's internal systems. To gather the intelligence needed, a solution must accomplish three things.

First, it must be able to collect information passively from its existing financial and billing systems, the lawyer's interactions with clients, and the activities of its support personnel.

Second, it must be able to give a concise view to firm management as to the most important matters by practice group, office or other operational unit to allow them to make important decisions regarding priorities, allocation of resources and the future direction of the firm.

Third, it must provide immediate value to lawyers, with low perceived risk, so that they embrace its use and adopt it into how they manage their most important matters.

In the past, this was a practical impossibility. It would require lawyers to spend time becoming software and data analysis experts rather than legal experts. The challenge of being able to pull data from disparate systems and place them in the proper context from within a sea of unrelated information was just too great. The end result for lawyers and firm management was that when it came to competing for and managing the most important matters of the firm, they had two choices. They could call multiple departments hoping to compile the necessary information in time to make key decisions, or they had to guess (and hope for the best).

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## The Solution: Matter Centric Intelligence Using InterAction Matters

The InterAction Matters module was designed to capture more than just the internal transactional data associated with a matter. It is technology whose purpose is to give context to the interactions and work related activities that occur between lawyers and clients.

It is not solely a matter management tool. Most firms do not view themselves as having matter management problems. They do

have problems relating to how to tie matter work to ongoing client relationships and leveraging it for future strategic benefit. The advanced matter management functions used by secretaries and lawyers such as using distribution lists, documenting communications, adding contacts and tracking activities are the means of collection that lead to the end result of being able to access intelligence related to matters.

It is also not traditional knowledge management (KM), which requires a great deal of data entry and cataloguing by experts to record what professionals know, what work they've done and other similar information. Furthermore, KM does not begin to address the most important aspect of matter intelligence: how relationships, people, companies and matters come together to offer tangible value to the firm and its clients beyond information storage.

By using InterAction Matters in conjunction with existing matter tracking systems and supporting the daily practice of law, a firm can capitalise on its collective knowledge that grows constantly with each new engagement. Using InterAction Matters can have high impact on both profitability and client service.

#### **Enhanced Matter Management**

- Information entered into other technology systems, such as time and billing, through the existing client intake process can be automatically populated into InterAction Matters to allow lawyers to instantly begin work for the client.
- Professionals can use InterAction Matters to manage the work in real time. This includes keeping track of the people and companies involved, managing matter communications with key client contacts, and tracking matter specific activities.
- Secretaries and administrative users can edit the matter information and work with the distribution lists for sending matter communications.
- The use of matter management tools by secretaries and attorneys to assist them in working with clients on a daily basis is a primary collection method for the intelligence that can be used in the future by the firm.

#### **Coordination Between Professionals**

- Lawyers from different offices or vertical practice silos can easily view what others are working on now and what work they have performed in the past.
- The internal service team can be kept up to date on a real time basis as to the present disposition of key matters and client associated activities.
- The ability to capture a higher percentage of the client's total legal budget is enhanced through cross selling other practices that may have relevance to a matter that may have been previously viewed as encompassing only a single legal discipline.

#### **Improved Communications**

- Handling and billing lawyers can quickly communicate to the entire legal service team about new information and events.
- Legal teams can coordinate their activities to address client need more effectively and efficiently.

- Newly added members to a legal team can quickly get up to speed on the present state of a matter and its client.
- Lawyers can quickly inform key client contacts about changes in matter status.

#### **Positive Matter Outcomes**

- Better managed legal teams are able to coordinate efforts and increase positive matter outcomes.
- By being able to use previous knowledge and expertise, the client is better represented.

#### **Client Satisfaction and Retention**

- Matters are delivered in the most efficient manner, which reduces overall cost to the client and increases the chance of gaining future work from them.
- Fee realisation is increased when clients feel the work performed was of high value.
- Surprises to the client, both in fees generated and matter outcomes, are greatly diminished.

#### **Collection of Expertise and Experience**

- The firm is able to compile and analyse a "deal and matters database" of previously performed work.
- A true documentation of the firm's intellectual inventory can be created.

#### **Strategic Analysis**

- Firm management and practice group leaders can concentrate future resources and planning based on the most profitable work that is regularly performed.
- The firm can use its knowledge of previous matters, contacts and activities to target existing and potential clients for future work.
- Priorities in terms of recruiting, marketing and strategic focus can be established to increase the financial well being of the firm.

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## **How InterAction Matters Makes Matter Intelligence Possible**

#### **Creating and Populating Matters**

Suppose a lawyer and their secretary are working on a mergers and acquisitions related matter that will involve multiple professionals, practice groups and office locations. However, due its time sensitive nature and high complexity, it is important to be able to have a single place where multiple people can view the matter and track the activities and activities associated with it. Instead of using ad hoc methods, the lawyer can direct the creation of a matter page that is populated with essential information automatically and augmented it as the matter continues.

Firms already have existing client intake processes that capture the essential information required to open a new matter. InterAction Matters should be used in conjunction with such processes. Knowing that time is a valuable commodity at law firms, it is recommended that the population occur automatically from legacy systems.

“The lawyer can direct the creation of a matter page that is populated with essential information automatically.”

Using InterAction’s Application Collaboration tool, the firm can populate the module with data from your time and billing, accounting and other databases. Key data on involved lawyers, matter descriptions, matter numbers, location and type of matter is harvested and brought into InterAction Matters automatically on a prescheduled basis. Using a unique identifier such as a client number, all matters associated with a client are automatically tied to their existing contact record in InterAction.

Matters can also be entered in manually by administrators or lawyers using InterAction Matters. For very important matters, firms may perform further profiling and update them with data that is not available in the other systems.

### Categorising and Segmenting Matters

A health care attorney may have the need to track certain aspects of a matter that may not have relevance to others. Whether or not a hospital is unionised, profit versus non-profit or other factors may completely change how a matter is handled. Therefore, the ability to designate different types of matters and track common fields and attributes can be highly beneficial to the practicing lawyer.

Matters can be assigned Matter Types to provide a way to organise and group matters. Every matter has at least one type. These types frequently match the service lines a firm offers. Using matter types enables easier searching, specific additional fields and pre-assigned security rights. It also allows management to quickly see all active and past matters pertaining to that service area. Some examples of matter types include mergers and acquisitions, labour and employment, litigation, intellectual property bankruptcy or real estate.

Different types of matters require specific pieces of information that may be extraneous to certain service areas but essential to others. For example, an employment practice may need to track whether or not a matter is union or non-union related. A corporate practice may need to know whether or not a company is public or private to accommodate regulatory reporting requirements. There is no limit to the number of additional fields that can be added to matter types. And, since all entered data can be searched in InterAction, these additional fields provide useful search parameters when trying to find specific matters.

### Using Matter Contacts and Role Types

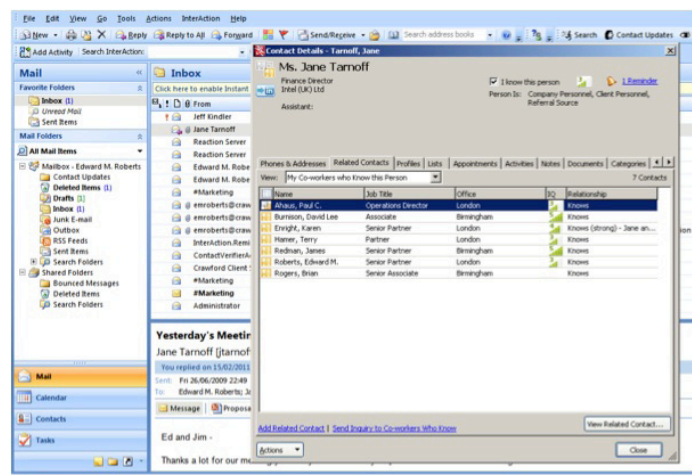
A litigation lawyer actually doesn’t interact with a faceless entity called a matter. They coordinate their trial plan with the general counsel and other senior contacts at an organisation. When it is time to make key decisions regarding a case settlement, the lawyer must be able to quickly identify all the relevant contacts by the role they play and communicate their recommendations.

Since matters are actually work associated with people and companies, tracking contacts is an essential component. Each matter can have any number of matter contacts. However, it is only useful to tie contacts to a matter when their role is properly defined. To accomplish this, InterAction Matters allows a firm to create matter roles, which provide a way to organise the contacts involved in a matter and provide a quick description of their relevance. These contacts are frequently people and companies that are already in the InterAction database. There is no limit to the amount of role types that can be created. Useful role types might include the following:

- Handling Lawyer
- Billing Lawyer
- Internal Legal Team
- Client Billing Contact
- Decision Maker
- Competitor
- Referral Source
- Experts
- Judges

All of the above information connected to matters can be brought in automatically from other software systems or manually entered after the matter is created. Either way, it adds valuable context to the matter and the people associated with it.

There are many future uses of role types as well. The firm can begin to track and cultivate referral sources that consistently send them the most profitable business. They can profile opposing counsel and see a history of other firms they commonly find themselves “across the table” from to prepare future legal strategies. Some firms may also choose to analyse the decision making history of individual judges on specific types of matters when making initial case preparations.





This ability to tie contacts and matters together to offer context to lawyer client relationships is a key benefit of InterAction Matters. One of the most important features of InterAction Matters is the ability for each matter to have its own list of contacts. Similar to the concept of a user contact list in InterAction, people or companies can be specifically tied to the matter (and possibly deemed private) or be part of the shared collection of firm contacts. Each contact can also be assigned roles as mentioned above.

Users can view and edit the contacts, print the list, and export the contacts using Word Mail Merge or Excel. Since these matter contacts are also available using the InterAction Desktop Integration tools, secretaries can easily manage the daily activities and communications associated with a matter's contact list.

### Searching, Viewing and Accessing Matters

When clients are choosing a lawyer to handle a complex intellectual property matter, it is not uncommon for them to request all of the past experience, expertise and related matter history of the firm. This may involve the lawyer making a call to the marketing department where they state, "I need a list of all the intellectual property matters over the past three years that we have worked on in the Midwest that involved companies using private equity financing." Compiling such a list of matters in a short time frame is an operational challenge for a marketing department that is constantly challenged with keeping their matter lists up to date. By using InterAction Matters, this easily searchable "deals and matters" database is automatically created and kept up to date in real time.

To be truly valuable, concise information about the most important matters must be displayed in a user interface that supports the needs of both tactical and strategic users. Professionals are able to use InterAction Matters through an intuitive, Web-based interface that allows for quick searching and viewing of the matters they are involved with as well as being able to find information on matters outside of their usual environment.

However, at any given time, only a few active matters have relevance to a lawyer. Providing too much information on matters where they are not involved can be overwhelming. Therefore, InterAction Matters allows each user to track specific ones by using the My Frequently Used Matters feature. By filtering the thousands of firm matters into just a handful, each lawyer can focus on client interactions in the context of their daily work.

Practice group leaders and firm management often must go beyond the matters they are personally handling. InterAction Matters provides several search forms for finding matters and matter contacts based on different criteria. The fields on these forms allow users to search for matters based on criteria such as the matter type, location or estimated fees. Another useful way to find matters is to search based on attributes of the client. For example, the firm may wish to see all employment matters that have been handled for publicly held clients with over 1,000 employees. This might be in response to a strategic decision to attempt to generate more corporate securities work from existing clients of the employment practice group.

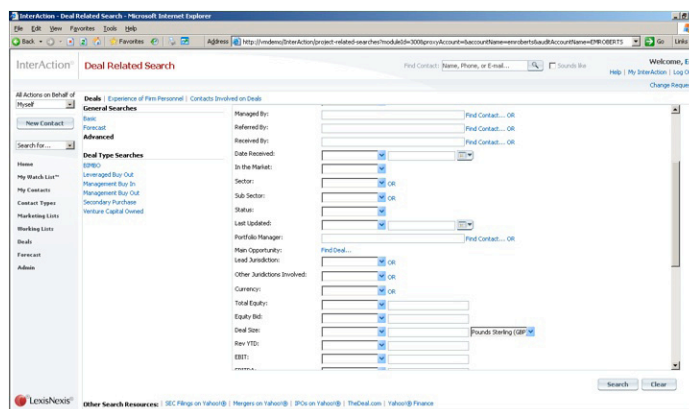
Finally, InterAction can produce reports for summarising and printing matter-related information. These reports, which can be configured to the needs of your firm, are available in HTML, Microsoft Word,

or Microsoft Excel formats. New reports can also be created to support the most common requests. This ability to see reports on key matters, contacts and activities allows management to be able to ensure proper client service delivery and monitor the efforts of multiple lawyers.

### Managing Matter Communications

A lawyer working on a sensitive employment matter must be able to securely communicate between the internal legal team as well as with the key client contacts throughout the course of the matter. A client that demands "no surprises" needs to be kept up to date on the filings, depositions and billing status of the ongoing matter. InterAction Matters supports not only the ability to communicate with key contacts directly from the matter page, but it also attaches the resulting activity as part of the permanent record. Thus, the handling lawyer can feel confident that all related parties are being kept up to date as the matter nears resolution.

The level of communication between lawyers and their clients regarding matter status is one of the top drivers of satisfaction and retention. Communications may occur between support personnel, the internal legal team, or between lawyer and client. With InterAction



Matters, users can organise matter contacts into an unlimited number of distribution lists with which your firm regularly communicates. This could be extremely useful when sending e-mail messages to all internal contacts, sending correspondence to opposing counsel on a matter, creating a phone list of all the parties involved in a matter, and creating a service list that identifies all individuals being served and their representation.

Mistakes in matter communications could mean the loss of future business. The chances of this occurring only increase as the matter involves more people and services. Since these lists are consolidated in a single area and centred on the matter, the lawyers and secretaries can be assured that they are using the most up to date service, distribution and client contact lists.

### Documenting Matter Activities

A handling lawyer coordinating the actions of several associates and fellow partners may also be involved in several other time consuming matters that demand their attention. Keeping track of the amount of meetings, depositions, filings and other activities associated with a matter can be a daunting task. InterAction Matters allows such an attorney to be able to quickly view all activities to make sure that the proper steps are being taken to influence a positive outcome for the client.

Matters generate countless matter specific activities. Like regular contact activities in InterAction, matter-specific activities can be used to track interactions users have with a contact, such as phone calls, letters, e-mails and meetings. Matter-specific activities collect the same information as regular activities, with the addition of the name of the matter they are related to. In addition, making these activities specific to the matter applies the appropriate matter security. In other words, a user without access to see a matter cannot see any activities that are related to it.

Users can view activities in several locations in InterAction Matters, such as the Matter Overview page, the Activities page for a contact, and the results of activity searches. Also, users can create matter-specific contact activities from e-mails, calendar items and tasks already being maintained in Microsoft Outlook, Lotus Notes or Novell GroupWise.

The ability to communicate with key contacts directly from the matter page.

### Researching Expertise and Experience on Matters

When a corporate lawyer needs to staff a large matter, they need to be able to quickly assemble a team whose experience and expertise will influence a positive outcome. In some cases industry or issue expertise may be a key factor in the decision making process. Since the staffing mix is crucial to serving the client, they must be able to use a system that allows them to search and access the intellectual inventory of the firm and immediately start addressing the matter.

Keeping track of the internal expertise and experience of the firm's professionals could be a full time job for multiple support personnel. However, using InterAction Matters, the historical record of deals and matters, as well as the expertise and experience that are related to them, are captured as they occur.

Marketing departments often are asked to compile "deal lists" that show representative work done by the firm to give confidence to a client that they have the experience and depth to handle such a matter for them. By using a combination of matter types, roles, locations, matter descriptions and additional fields, InterAction Matters can be searched to provide the exact information requested by the client. This is also a useful tool when creating annual reports or submitting documentation to the media for awards or general publication.

In addition, by attaching internal lawyer contacts to matters, the firm is able to build an expertise database based on the types of matters that lawyers work on. Users can search based on information about matters as well as the lawyer contact. When past matter experience is combined with additional fields about the lawyer contact such as foreign languages spoken, states admitted to practice or industry expertise, it becomes a powerful method of quickly revealing the intellectual inventory of the firm.

Likewise, once contacts external to the firm are tied to matters, they also can be searched in the context of the work performed by the firm. For example, users would be able to search for all expert witnesses related to a particular type of environmental matter in a specific metropolitan area. This resource allows the lawyer to increase the chances of a positive outcome for the client by having the ability to utilise the ingredients related to prior success rather than create their own recipe from scratch.

All of these searches are available to all users through using InterAction Matters. The information that is searched is either brought in automatically from other systems using Application Collaboration or from data that is added to the matter from routine client interactions. This eliminates the need for redundant, manually updated databases that do not include perhaps the most important component: the personal relationships among the matters, lawyers and clients.

### Maintaining Matter Security

A trusts and estates lawyer may be asked to work on a matter that involves working with high net worth individuals who wish to protect their identity and the nature of the work with the firm. Both the contact and the matter activities may need to only be seen with those lawyers directly involved. If the lawyer cannot be 100% assured of this fact, it is highly unlikely for them to use a centralised database to manage matters or share their key contacts and relationships.

InterAction Matters includes a comprehensive security model designed to accommodate thousands of matters and at the same time protect sensitive information. The three levels of security can control general view access, detailed individual access rights and specific restricted parties for each matter.

To manage the large number of matters in a typical system, InterAction Matters provides extensive system-wide security defaults. Types and roles are used extensively when setting these security defaults. By effectively configuring the default security settings, most matters can come into InterAction from an external system with security already set.

InterAction also provides ways to "automatically" assign access rights to matters based on the types and roles of the matters. For example, you could allow all users to view matters with the type "Real Estate - Sales," but restrict access to "Intellectual Property - Patent Agreement" matters to a small group of users from that practice group. Assigning access rights by roles is especially flexible. For example, you can assign full edit access for the Handling Lawyer role. Any user with this role on any matter will then have this access to the matter.

InterAction Matters includes permissions that determine whether a user can work with the module at all. These are primarily used when initially deploying InterAction Matters since many firms choose to make the module available to just a pilot group or only after individuals have completed training.

The intricate security model built into InterAction Matters allows lawyers to have confidence that their client's confidentiality is protected while still having effective tools to leverage intelligence on their matters.



# Conclusion

InterAction Matters provides a way to “harness” matter information by collecting it in a centralised database and integrating it with other relationship intelligence.

Most of the data that the firm needs is already located somewhere in the firm. Secretaries, marketing and accounting personnel and lawyers all enter data about clients and the activities associated with them. However, the focal point of lawyer-client interactions is the matter.

InterAction Matters makes the concept of triangulation possible. By connecting not just documents and financials to matters, but also how they relate to people and companies, new pieces of intelligence can be discovered that ultimately make one firm more successful than another. Using InterAction Matters allows a firm to enhance their service to their top clients and give them an edge in winning new business, while allowing them to capture information both automatically and incrementally by users who use the tool to help them practice law.

Without a centralised repository of the work the firm has done before and what it is performing today, even the most dedicated lawyer has a distinct disadvantage. And, in the practice of law, that disadvantage often gets passed down to the client.

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## For more information

To find out more about [LexisNexis InterAction](#) and to discuss your firm’s specific business requirements, please visit [www.lexisnexis.co.uk/enterprisesolutions](http://www.lexisnexis.co.uk/enterprisesolutions), email [salesinfo@lexisnexis.co.uk](mailto:salesinfo@lexisnexis.co.uk) or call [+44 \(0\)1132 262065](tel:+44201132262065) to speak to a LexisNexis Enterprise Solutions consultant.

