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## Managing Knowledge in Law Firms Is it really different?

This article summarizes four recent conference calls to discuss the following member question:

“What are other law firms doing about knowledge management and taxonomies?”

The original requestor, Head of Library Technical Services for a major New York law firm, discussed software selection, staffing, and implementation issues with four other law firm librarians. Our editor arranged the calls and participated in the conversation.

### Background

Law firms are the ultimate intellectual capital companies; information and expertise are their lifeblood. Since lawyers are heavily invested in how things have been done before, they are already oriented toward knowledge management principles. John Hokkanen, chief knowledge counsel of Alston & Bird, says:

“You can’t imagine the wonderful knowledge management systems I’ve seen in binders in lawyers’ offices, but they’re on paper. They’re incredible resources that have been developed and maintained but await a technologist gaining access to it so that everyone can benefit.”

In general, large law firms do two types of work — litigation and “transactions.” Litigators represent clients in court, so they rely heavily on commercial legal information services (WestLaw and Lexis) that help them find “good law” and develop a legal strategy for the client. Transactors, on the other hand, develop legally binding agreements. Often they rely on “exemplar” documents — contracts and agreements that have been selected by other members of the firm as the best for a given purpose.

The law, of course, varies by locality — municipality, state, and country. Most large firms do business in other countries, either through cooperative relationships or through local of-

fices. That means dealing with other languages and other ways of doing business. Even among English speakers, there are important differences between British and American terms (e.g. the American term “bankruptcy” vs. the British term “insolvency”).

### Knowledge management issues

In our conference calls, the main issue was technology selection. Which litigation support product should we buy — West KM or Lexis TotalSearch? Which search engine should we put on our intranet? Participants also had questions about how to:

- Create an organization scheme (taxonomy);
- Improve content quality;
- Staff the knowledge management function.

### Selecting a KM technology

All of the participants had installed or were considering one of two systems — West KM or Lexis TotalSearch. Both are extensions of legal research systems that help litigation attorneys find “good law” by searching for relevant court cases, journal articles, and statutes. Their knowledge management products allow attorneys to perform similar searches against internal documents, insert relevant clauses into a Word or WordPerfect document, and automatically update or flag legal citations.

Most large law firms have already installed “document management systems” (DMS) to help them find and manage client case files, memorandums, attorneys’ notes, correspondence, tasks, news feeds, time and billing information, and e-mail messages. The problem, according to several participants, is that it’s hard to find what you’re looking for in a DMS system. For example, one person complained that the Hummingbird system (the dominant DMS vendor) does not support

phrase searching. Participants expected that using the West KM or TotalSearch search engine to find documents in the DMS system would help solve this problem.

But there's a catch. For the search to work properly, documents must be "vetted" and then added to the KM system (see below).

### **Selecting a search engine**

All the participants agreed that although the West KM and TotalSearch products were valuable for litigators, they were of little help to the "transactors" or intranet users. Lisa Kellar, Practice Automation Manager at Hunton & Williams, explains the difference this way.

"Enterprise search not only would include everything in your DMS (not a subset), it would also search many other repositories within the firm. They offer conceptual searching and other fuzzy logic, but don't have the research orientation that West and Lexis offer. They might also require learning a different search syntax, although most offer natural language searching these days."

Search engine programs under consideration by participants included FAST, DT Search, Ultraseek, Autonomy, Verity, Lotus Discovery, Convera, and Google. If the experience of nonlegal users is any guide, the fact that these products "crawl" collections containing unvetted documents and use an unfamiliar search syntax will result in frustrated users and unforeseen expenses.

### **Comments about technology**

Participants had the following comments about technologies they were using or considering:

"If you want to check the [legal] citations, you're stuck with West and Lexis."

"We can't use our intranet search engine to search other systems like Lotus Notes and our DMS system."

"With the new version of Outlook [Microsoft e-mail program], you can save messages directly to the DMS system."

"Right now we're using Commonspot for Web publishing, but we're going to use [Microsoft] SharePoint."

"I'm surprised that vendors such as IBM and NextPage are showing us KM systems that can't read our DMS system."

"Our firm selected Google with all its shortcomings because the lawyers and partners already know about it."

"When an attorney finds a document that cites a case, TotalSearch indicates that someone else in the firm has also cited that case. The reason we're not buying the TotalSearch program is that right now it doesn't keep track of who has looked at documents. Our DMS system will do this, and this is important to make sure that people leaving the firm don't take away unauthorized documents."

"With Autonomy and Verity, the language problems aren't there because they're on Unicode. I don't think West-Law or Lexis does that."

"We're looking for a federated search to index across all departments."

### **Creating a taxonomy**

When you do a full text search in West KM, the system automatically sorts the results into categories based on West's internal taxonomy. As yet, Lexis TotalSearch lacks an auto-categorization feature.

According to conference call participants, the West taxonomy is good for litigators but not for other attorneys. As a result, legal KM managers are looking for tools that will help them create custom taxonomies or for external taxonomies that they can use or adapt. Examples of external taxonomies reported by participants were:

- Factiva (a collaboration between Reuters and Dow Jones);

- Lexpert (a Canadian company that publishes a variety of legal directories);
- Eurovoc (a multilingual thesaurus of European topics);
- Global Legal Information Network (GLIN, developed by the Law Library of Congress).

Another option is to hire an external consultant, but only one of the participants mentioned this as a possibility.

A third option is to train internal staff to create multiple, specialized taxonomies using a tool like the Montague Institute Lab. Lab data can be used for prototyping and user testing via the Web interface. If the prototype is well received, a custom version of the Lab can be installed on the company's server. A list of other taxonomy software products can be found on the Willpower Information Web site.

### **Comments about taxonomy**

Participants had the following comments about creating or using taxonomies:

"It's very difficult to get across the value of taxonomies and authority files. We need help explaining that taxonomy can't be automatic."

"Our litigation department has been indexing the work products of our litigation department. It's stored in a Microsoft Access file. We currently have 2900 terms with no thesaurus structure. All 2900 terms are displayed in a drop-down list. Can you imagine that?"

"Our UK office is using a Granite & Comfrey taxonomy (acquired by Tikit), and it seems to be working for them."

"West recently bought DealProof to strengthen their taxonomy capabilities." The program automatically proof-reads and summarizes documents, links them to external search engines (such as Westlaw), and categorizes transactional documents such as contracts, leases, and prospectuses.

“Lexis Plumtree portal (but not TotalSearch) has a taxonomy built on their Matthew Bender acquisition. I have lots of success stories from partners.”

“Our corporate group has a very detailed index, while the intellectual property group wanted to make it more simplistic. Our tax and estates group is divided. Some want a clause-level taxonomy, while others want a document-level taxonomy. We are a firm of many mergers, so we have multiple indexing systems.”

### Improving content quality

Unlike intranet search engines, the West KM and TotalSearch products do not simply “crawl” all available collections. Instead, they search a subset of documents that have been “vetted” and added to the system. One participant who had actually gone through this process for 300,000 documents reported that “vetting and indexing is a never-ending job.” Her group conducted interviews with legal practitioners and secretaries and also reviewed the “vetted” documents.

Participants reported the following content quality issues during the vetting process:

- *Versions*. Most people used the date modified to select the final version for inclusion.
- *Abbreviations*. Editors had to normalize or spell out abbreviations so the documents would be included in a search.
- *Document type*. One firm chose not to include spreadsheets, slide presentations, and time sheets.

### Comments about improving quality

Comments relating to document quality include the following:

“The transaction folks want to see earlier versions of documents, while the litigators tend to want the final version.”

“We found documents that were profiled [described] completely wrong — e.g. no security code or person’s name on them. At first I thought we

shouldn’t include Desk Information Guides, but we found that they contained really good information.”

“It would be nice to nominate a document as an exemplar while you are reading it.”

“We want the operating attorney to get more information on new clients, and we want to encourage sharing of the engagement letter as an exemplar document [the engagement letter is a Microsoft Word template]. The goal is to make sure we’re taking in good clients.”

### Staffing the KM function

So who does the work of taxonomy creation, search engine “tweaking,” and document vetting? Sometimes, law librarians do it and/or train paralegals, senior secretaries, and other editors to help. One participant reported that in the UK, KM work is being done by Practice Service Lawyers (PSLs) — non-billable attorneys that includes both support and development.

Support tasks include:

- Production and maintenance of standards documentation;
- Advising the firm’s practicing attorneys;
- Disseminating information and providing training for practicing attorneys;
- Preparing and delivering seminars for clients.

Development tasks include:

- Legal R&D, such as drafting or creating new legal structures or products;
- Designing methods to enhance knowledge transfer and collaboration;
- Shaping and adapting IT devices, such as document assembly and online user manuals.

The PSL role is ideal for people who want a nine to five job or for female attorneys returning to workforce. The downside is that prestige, promotion opportunities, and compensation for PSLs may be lower than it is for practicing or

“external” attorneys.

### Comments on KM staffing

Comments on KM staffing include the following:

“We have eight people on the library staff and three of them are exclusively devoted to KM. We handle all the intranet and KM project work. I work with the electronic services coordinator and intranet content editor. We collaborate with IS [information services].”

“We did all the training for the West KM system, although West wanted to do it themselves. We did a lot of one-on-one sessions and did some group training over lunch. Training was mandatory for all associates. We’re 75% trained now, including partners. We didn’t build in any money for consultants.”

“Our firm has editors that have been trained to add content to the intranet. We keep up the main intranet pages, such as news, but we help the editors enter their data.”

“We envision that a librarian would train paralegals and senior secretaries in our practice areas. We have a knowledge management partner who’s very influential. She created a database called ‘knowledge finder’ for exemplar or model documents. It’s sitting in a Stellent database.”

“Our UK office has been pushing PSLs. They’ve created specialty databases that allow them to cross reference multiple systems. These databases have become training tools. They’re still looking for an automated system to cut down on the need for all these people.”

“Our intellectual property practice has developed their own taxonomy without the help of librarians.”

### How is legal KM different?

Having interviewed knowledge managers in consulting firms and “think tanks” for previous articles (see sidebar), we asked participants to tell us how legal KM is different. Here’s

what they said:

“Legal vocabulary is very precise. Attorneys are looking for nuances in terms. We might have 10,000 documents with the word ‘agreement’ in them. For example, they might want agreements for shopping center leases.”

“The KM system has to be tightly integrated with the document assembly process. For example, attorneys need to identify and import the appropriate clauses for a will.”

“KM has to be integrated with the client management function. When a regulation changes, the system should flag the clients that might be affected by it and notify the attorney working with that client.”

“All the attorneys are in business for themselves, so you can’t issue KM directives and expect people to follow them.”

None of these issues is particularly unique to the law. Medical and scientific vocabularies are also precise and “nuanced” (granular). Many highly educated professionals in large organizations behave as if they are “in business for themselves” even though they don’t bill by the hour. There are plenty of examples of how electronic information can be integrated into work flow on the desktop.

### **Behind AND out front**

In some ways, the legal profession is behind the knowledge management curve, while in others it’s out front.

Because of their dependence on two dominant vendors (West and Lexis), many law firms have waited until these two companies added KM features to their existing products, through internal programming and acquisitions. The downside of this strategy for law firms — delayed implementation and “lock in” to a single vendor — may be outweighed by the benefit— greater productivity due to tight integration with existing content and workflow.

### **Du Pont Legal Model**

Many observers believe that the “billable hours” business model and individualistic culture have also retarded KM adoption in law firms. Adoption might have been even slower if it had not been for the “Du Pont Legal Model.” In the early 1990’s, Du Pont decided to reduce its legal expenses by reducing the number of outside law firms and requiring those remaining to become more efficient at sharing and using intellectual capital. Du Pont asked them to:

- create an electronic knowledge base — a collection of databases that transfer information and work product between Du Pont Legal and its Primary Law Firms;
- shift the strategic focus from processing the lawsuit to resolving the business problem;
- use legal assistants more effectively;
- enhance recruiting efforts for female and minority lawyers;
- alternative fee arrangements, including flat fees, volume discounts, capped fees, and discounts with performance bonuses.

### **Leading the way**

On the other hand, we think that law firms are ahead of other companies in the integration of KM technology on the desktop and the development of a special class of attorneys (PSLs) devoted to knowledge support work. The most progress has been made in the litigation side of the business, where a limited number of vendors, a dependence on case law, and the use of standardized processes has fostered progress. We suspect, however, that when it comes to applying KM to the “transaction” side of the business and the firm’s intranet, the experience of law firms will be very similar to that of other organizations. In other words, search engines and auto-categorization technologies only solve part of the problem.

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