

LEGAL **i**INFO.06



The New Era of Legal Support Services

Economic pressures continue to impact firms, driving unprecedented changes within the legal market. Firms are evaluating the future of how they deliver core legal services and are taking action by creating alternative fee arrangements, developing innovative compensation structures, establishing new career paths and examining their overall support services models.

In addition, many of the AmLaw 100 firms are evaluating the merits of establishing support service operations in low-cost locations. All of these activities have caused a buzz in the market and contributed to the evolution of change associated with back office delivery models. Legal support services are becoming increasingly focused on delivering efficient, standardized global back office support in low cost locations.

Evaluating legal support services

In order to preserve profit levels under tremendous client pressure, firms are looking to achieve a number of benefits through restructuring their back office operations. Williams Lea, working with a number of large law firms, has established the following methodology when organizations embark on a transformation strategy. Three key phases of transformational change are “manage,” “centralize” and “transform.”



- **Manage** – the consolidation of a disparate or siloed service line into a single, national operation and management structure. For example, one national document processing platform or the consolidation of mail and reprographics into one group, enabling cross training and staff reduction
- **Centralize** – the migration of shared services such as secretarial or document processing to a firm-wide standardized model leveraging onsite, offsite or offshore deliver models
- **Transform** – firm-wide business process support center. This model includes all “non-legal” or non-core work to the firm. Operations in this model will be mostly outsourced to gain greater economies of scale and leverage of existing infrastructure. The result is greater transparency around cost control and ongoing operational efficiency

Firms currently in the process of evaluating their options for legal support services are addressing the following decision drivers: quality improvement followed by cost reduction and the ability to free up firm management time. Firms must create an environment where, as their business grows, overhead and support costs remain flat. This can be achieved through a number of back office support models. The most aggressive being a fully outsourced back office service operations center.

Decision Drivers	Benefits
Lower overall cost structure	Increase profit per partner
Consolidation of support services	Process-led efficiencies and scalability
Consistent quality control/chain of custody	Consistent user and client experience

Once the need for change has been identified and a scope has been agreed, the next phase of the evaluation process is to build a considerations list. When working with clients in the initial stages of exploring their legal support services options, we recommend the following tips to ensure success.

Executive sponsorship: The firm must drive change from the top down. Managing Partners must be willing to support the “new world” of firm support services. Without senior sponsorship, the adoption rates will be low, not allowing the firm to realize full cost benefits. Additionally, if entering an outsourcing model, the new support services provider must be viewed as a strategic partner, not just a vendor. The sponsor must ensure all firm requirements are met and the management team is actively engaged through each step of the transformation process.

Culture: Cultural alignment is a critical success factor. Many times culture can be overlooked or bundled into a change management approach. Leaders must evaluate their firm’s ability to adapt to change and devise a plan which marries to their environment. Williams Lea recommends building a transition timeline to fit the firm’s cultural requirement. This leads to faster realization of return on investment as well as consistent client experiences.

Change management: This is a key consideration for any strategic project. Firms must ensure they have the right resources aligned to tightly control this program. The change management program must consider confidentiality, risk mitigation, communication, quality and security. The methodology used is important, but the Project Leader is the critical role for success. This person must be a strong leader with the ability to work within a firm’s silos to communicate the right information at the right time to ensure smooth transition and overall project success.

Williams Lea has worked with many leading firms to enable cost reduction through innovative back office outsourcing models. We work to understand each firm’s key drivers and create the right customized solution aligned to fit your requirements. If you would like more information on how Williams Lea can help your firm, contact us.marketing@williamslea.com.

