

INDUSTRY ANALYSIS



2021 the year of role evolution

At a series of virtual events discussing the future of the law firm, Williams Lea polled over 400 UK and US law firm leaders to understand their perspectives on future challenges to their operations and how they will be reframed in a world after Covid-19. Phil Muller, director of legal services at Williams Lea, reflects on the findings

More than three-quarters (79%) of law firm leaders told us that “the biggest impact of the pandemic was a greater acceptance of new processes, technology and ways to work.”

The events of 2020 have moved new ways of working to the top of the law firm agenda – and the legal sector’s surprising ability to adapt quickly during the pandemic, to harness technology and transition to remote working within months, stands as a testament to firms’ resilience.

However, embracing remote working has brought to light the serious issues of productivity and staff motivation. Two-thirds (65%) of law firm leaders said that employee engagement was the greatest challenge to remote working and, as a COO at a top law firm described the blurred boundaries

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between life and work: “It’s becoming less like working from home and more like living at work.” When it comes to productivity, even though firm leaders reported their fee earners had about the same levels of productivity when working remotely, support staff were perceived as less productive in the same environment.

This contrast highlights a role-based difference in remote work environments. Fee-earner productivity is easier to measure – as they’re measured in billable hours, whereas measuring the productivity of support staff is not as simple. Productivity in support activities is more suspect where quantifiable performance data is not available.

How can law firms use this crisis to encourage better business practices? Law firm leaders know that their business strategies need innovation that can encourage greater productivity and utilisation. Otherwise, they will lose out to the competition. A CIO of a leading law firm recently stated: “We have been losing billions of dollars to alternative legal providers and the Big Four. All the hurdles law firms face are within. What the pandemic helped us to do was change faster. We were 15 years behind in technology, and – the way we adopted business flows – we’re perhaps 12 years behind now. So that’s a huge uplift and I hope it’s a crisis that, as an industry, we don’t waste. If we go back to our old ways, we’ve lost.”

Data makes the difference

We are already seeing our law firm clients commit unprecedented resource and focus to building an

operational model that balances the benefits brought about by virtual working and the ongoing challenge of maintaining employee engagement and corporate culture. Regardless of the model, however – any hybrid of office, home and outsourcing – leaders agree that building strong, emotionally sensitive operational models must be underpinned by data.

Law firms are recognising the potential of using a data-driven approach to better understand workers’ individual attributes and needs, and to segment the work their staff undertake accordingly. As one law firm leader at a recent roundtable stated: “We don’t always know what people are doing. We’re trusting them to work hard when they’re working at home.” My mantra over the last year, even before the crisis, has been that great data creates great analytics, and great analytics inform effective business decisions, drive change and improve the way law firms operate and communicate. Transparency and confidence in a law firm’s internal operations will, in turn, give its clients greater confidence in their service delivery and value for money.

Alternative legal providers and the Big Four have a competitive advantage over law firms because they’ve embraced technology and focused on continuous efficiency improvements that allow them to be more cost-effective. Our findings from speaking to top leaders across the sector point towards strategic initiatives that will drive an upward trajectory in terms of productivity, efficiency and collaboration for both fee earners and support staff, which will in turn forge better cultures, stronger partnerships with clients and greater profitability. ▲

To find out more, download a copy of the latest Williams Lea survey here