

Collaboration: The Next Frontier. Are Law Firms Up to it?

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The Merriam-Webster Dictionary defines col•lab•o•ra•tion [kuh-lab-uh-hey-shuh n] as: (1) the state of having shared interests or efforts (as in social or business matters;); (2) the work and activity of a number of persons who individually contribute toward the efficiency of the whole. In today's business environment, technology tools and platforms facilitate effective collaboration. So there are two things that need to happen in law firm in order for collaboration to be achieved. First, lawyers and senior managers need to want/be expected to collaborate, to have and adopt an attitude of collaboration. Second, firms need to embrace the new technologies and virtual platforms that exist to facilitate collaboration.

When it comes to law firms, there are five key areas to consider when making improvements to collaboration:

- Within the firm (between and among partners who often compete for control, for credit or for leadership; partners and practice groups who often practice in silos; offices that often feel either empowered or penalized by going it on their own)
- Within administrative functions of the firm
- With their clients
- With other service providers that service their clients
- With other law firms that represent clients

The first challenge for lawyers and firms is to adopt an accepting attitude toward and develop behaviors that support collaboration, but this will be challenging. As discussed in our post [What Rainmaker Traits and Skills are Required for Success?](#), [Larry Richard's extensive research](#) (and others') into lawyers' personality traits reveals several reasons why lawyers are not good at collaborating:

- (1) Lawyers score very low in Sociability when compared to the general public: 12.8% for lawyers versus 50% for the general public. This trait is described as "a desire to interact with people, especially a comfort level in initiating new, intimate connections with others." Low scores in Sociability definitely impact lawyers' (dis)inclination toward teamwork and collaboration.
- (2) Lawyers score unusually high in Autonomy (89% versus 50% for the general public.) According to Richard, "it's common for lawyers to resist being managed, to bridle at being told what to do, and to prize their independence."
- (3) Law firms and lawyers are both highly risk averse and resist new approaches on untested concepts or approaches.
- (4) Lawyers worry about confidentiality and liability. They don't want to take any chances that they will have to be evaluated or held to work product that other firms and service providers contribute to.
- (5) Lawyers are competitive. They don't do well cooperating with "the enemy," i.e., other law firms or lawyers.

Many firms have begun addressing some of the fundamental attitudinal and cultural impediments to collaboration. Others have designed or implemented collaboration technologies to advance efficiency and real-time communication with clients. But few firms have tackled these comprehensively.

So what's next? Follow (or join) the leaders.

Assuming that firms are advancing in the areas noted above (which many haven't tackled yet,) the next big frontier has two pieces to it: true collaboration between clients and their law firms that embraces technology, and intra-firm/intra-service provider collaboration.

We have seen some extraordinary advances in collaboration models, mostly in social media and business applications. Some of the most forward legal departments in forward-thinking companies took the lead long ago in introducing collaboration into their business and was quickly adopted by pioneers -- visionary general counsel like Tom Sager at DuPont, Mark Chandler at Cisco and Amy Schulman at Pfizer. Their forward-thinking approaches have required collaboration among the firms that work with them.

DuPont

"The DuPont Primary Law Firm Network is a group of law firms and service providers who collaborate freely on cases and projects as the needs of DuPont dictate." The process Tom Sager and the legal department embarked on in the early 1990s resulted in something that was much more than a "convergence" approach. They built a truly effective collaboration model that became the vanguard in the industry. How did the Legal Department do it?

- They used Six Sigma to analyze their work processes and then streamlined through early case assessment, strategic budgeting, alternative billing and continuous improvement processes.
- They built the Network of Primary Law Firms (PLFs) by selecting team players who adopted new technology and work processes, were good communicators, smart risk takers and were trustworthy.
- They built trust by focusing on long-term relationships with these firms and rewarding them with numerous economic incentives, non-financial recognition and bringing the PLFs together at least annually to help them further develop relationships (and referrals) with each other.
- They invested heavily in and employed technology, including Knowledge Base, a Virtual Private Network, housed on a secure Internet line, Daticon's Virtual Partner software that enables real-time review of documents, and an integrated web-based ebilling solution through TyMetrix.
- They establish annual, mutual goals so that the firms and the legal department are aligned.

Pfizer

As covered in our post [The Progressive Model for Law Firm/Client Partnering](#): the Pfizer Legal Alliance is an innovative approach to jointly handle the needs of global pharmaceutical company, Pfizer. Its stated mission is "19 law firms, working together to advance the value of legal counseling to benefit all Alliance partners, their clients and the legal profession." PLA founder and Pfizer's General Counsel, Amy Schulman, initially developed PLA five years ago to control costs and to deepen relationships with outside counsel. All law firms in the PLA are expected to and do work collaboratively. Different lawyers from different firms often work on a Pfizer case together, meaning they also share knowledge, work product and IP.

As shared in an interview [published by Intellectual Property Magazine](#), Schulman explained, "We have created an institution comprised of all of our law firms and placed them in a very democratic, participatory setting." To encourage full collaboration, the PLA established a PLA Roundtable that meets monthly and includes six law firm partners and several senior Pfizer lawyers. This groups helps set PLA goals and establish strategy for the Alliance. PLA serves as a success story for how high-powered and competitive partners from nineteen different law firms can work together for the benefit of the client, sharing strategy and work product. They also cite other benefits like learning best practices of other firms and creating stronger referral relationships of work among Alliance firms. So it can work!

Cisco, Legal OnRamp and ORX

Cisco has always been a company that practices collaboration since it was founded in 1984. In a way, it has had to since it designs, manufactures and sells networking equipment that facilitate and enhance communication and collaboration. Mark Chandler, Cisco's General Counsel, has been a visionary and innovator, pushing his outside law firms to adapt and excel in collaborative approaches. ORX was developed initially by the legal department at Cisco Systems Inc. to facilitate better collaboration, communication and productivity in the company's in-house legal department, and to reduce costs. Paul Lippe, former General Counsel of Synopsys, a public software company and founder of Legal OnRamp and CEO of OnRamp Systems, helped Cisco broaden its ORX platform to enhance flow with and among Cisco's outside legal counsel and in 2010, Cisco agreed to license the tool to other in-house legal departments and law firms. What is ORX?

- A secure, hosted shared, secure, compartmentalized and hosted knowledge repository software through SaaS (software as a service).
- A legal team collaboration platform to:
 1. Connect people and information in legal departments' extended team;
 2. Automate common legal team collaborative tasks; and
 3. Enable best practices.
- An opportunity to get ahead of the competition at key clients by bringing greater value through collaboration, knowledge and communication.
- A focused initiative to grow business and improve profitability at key clients in support of client relationship initiatives.
- A chance to accelerate learning in the firm about improving value delivery and enhance firm reputation for innovation.

Ever the visionary and committed to moving the legal profession forward, Paul Lippe also developed and runs [LegalOnRamp](#), "a collaboration system for in-house counsel and invited outside lawyers and third party service providers. There are lawyers participating from over 40 countries, and a rapidly growing collection of content and technology resources." As a virtual community, Legal OnRamp provides a data base of content, forms and precedents, a communication platform for in-house counsel to share questions, strategy, best practices and resources, an active discussion forum for thought-leadership and social networking. This community was built as a direct response to in-house lawyers' the desire for access to a wide range of knowledge and collaboration that is free.

Clearspire

Another innovator and one of the newest entrants onto the collaboration scene is this virtual law firm. Because the lawyers work largely on a remote basis, lawyers and clients connect online for ongoing formal and informal communication and collaboration. They describe this as [A Community of Practice](#).

As noted in our recent ABA Law Practice article and blog post [5 Firms Take Bold Approaches](#), lawyers and clients connect online using a sophisticated, proprietary technology platform Coral®: Clearspire's Community of Practice, with features that allow for ongoing formal and informal communication and collaboration. This patent-pending technology platform was developed as an alternative to operating in traditional brick-and-mortar offices because that is a substantial cost escalator that drives little value to clients. This technology hosts video conferences, online chat rooms, document sharing, face-to-face meetings, tweets, blogs and wikis. Through Coral, conversations occur around the virtual water cooler, virtual library and virtual hallways. Clients can fully engage in the strategy and considerations, immersing themselves as a partner in the process/case. They also have access to work product, relevant research, news and matter management lessons in the online Knowledge Library. Clearspire has invested in, designed and applied cutting-edge technology to bring a whole new model of collaboration to law firms and clients.

How can firms conquer the next frontier of collaboration?

Start with the relatively easy stuff:

- Modify your compensation system to reward collaboration, cross-selling and helping advance the interests of the firm over the individual. (A modification of the old lock-step model is being re-introduced in some firms, maintained in others.)
- Hire professional, senior executives and expect and empower them to facilitate more communication and collaboration between the inter-related support functions: finance, pricing, technology, marketing/business development, client development, strategy, talent management and operations.
- Establish client service teams, which embrace [strategic account management](#), client feedback and service/communication plans. Work more closely and collaboratively with your clients to achieve their goals.
- Use industry teams to bring partners together across practice lines and more deeply understand clients' businesses.

Next, move to the more difficult stuff:

- Explore Lean Sigma and other approaches and tools to focus on process improvement in budgeting and pricing, project management, knowledge management, and the production and delivery of services.
- Use more advanced technologies that facilitate collaboration within the firm and with clients through software and SaaS platforms for matter management and budgeting, eBilling, real-time document review; knowledge management including CRM, experience data bases, precedents and forms libraries; trial presentation and other applications.
- On the lower tech side, use videoconferencing, Skyping, intranets, Yammer groups and social media to make meaningful connections that enhance collaboration.

And then on to the really tough stuff:

- Give up control of client relationships. Start looking for ways to work more collaboratively with other law firms serving the clients.
- Proactively put together a more formal network of expertise in other locations/markets. This is different from the law firm networks that exist to generate referrals among firms.
- When you are national coordinating counsel, develop a collaborative approach for sharing work product, strategies and technologies. If you are a firm that is part of a national team but not the coordinator, control the sharp elbows, be a team-player and communicate effectively with other firms on the team.
- Stop trying to be all things to all clients. Determine which end of the value spectrum your firm is best suited for. If it is on the routine legal work or production end, beef up your ability to do high volume work efficiently through use of technology and staffing and then partner with a few high end firms who will be on the short list for the high value, strategic work. If you are a high end firm already, don't try to hire and oversee a cadre of contract lawyers to do document review. Find another firm that is better situated to do this work cost-effectively, and align with eDiscovery vendors and LPOs to put together the best team for the client.

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