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KM reality check: what really works?

Although time, energy and expense has gone into the implementation of KM in many law firms, the consequent benefits often appear lacking. Patrick Burke, director of marketing at nMatrix and Steven Lauer, a legal services consultant examine the lessons that can be learnt from past mistakes and how occasional successes can be used to build a more profitable future for KM.

Law departments and law firms share an important characteristic: they generate and use knowledge about legal issues. Those that are more successful are more capable of accumulating, using and re-using information and creating knowledge from data. Many have recognised the importance of knowledge management (KM) to their long-term viability and success.

Those that realise the significance of KM to their existence recognise that their role in an information economy depends on their ability to recognise, harvest and assimilate information and knowledge. They have begun to apply in some cases considerable effort and expense to gaining control of the appropriate information, whether it exists within their organisations or not.

Despite devoting significant resources and energy to KM, law firms have not realised the benefits that the management practice initially promised. Even as the largest law firms have built fabulous knowledge management systems – including exquisite intranets and extranets – most of their lawyers have managed to maintain successful practices with little or no interaction with the systems or technology. Without majority participation, KM cannot meet the objective of managing the firm's intellectual capital to achieve higher levels of service to clients and to drive b business advantage.

Has KM failed or have lawyers failed to realise its benefits and chosen instead to continue re-inventing the wheel in their practice? The answer is neither. KM technology often asks too much of its users, and offers them unmanageable amounts of data. At the same time, law firms have struggled with the cultural and practice shifts necessary to entice attorneys (particularly more senior lawyers) to take the time to contribute content and learn how to take advantage of the powerful KM tools built for them. Too often, there is no incentive to participate in the initiative, and law firms have expected their lawyers to re-orient themselves to the technology selected for them, rather than designing the technology to accommodate the practice styles of the lawyers.

The good news is that the legal profession can learn from those mistakes and occasional successes.

As technologists in this field, we see good prospects for significantly improved KM results with new technologies to build on the hard lessons of the past. Here is where we see opportunity borne of despair:

complaint	lessons
"The lawyers refuse to attend a 45-minute technology training session. They refuse to learn about anything beyond how to operate their e-mail."	Make e-mail (with hyperlinks) the only technology they need to use.
"We just can't get the lawyers to go onto the intranet site every day."	Have the intranet send them e-mail when it finds something the lawyer needs to see.
"The tech-friendly lawyers find themselves deluged in information requiring inordinate time to digest."	Provide them with better tools to screen information to fit their precise needs.
"The older lawyers won't go near the KM tools, not even e-mail or the Internet."	Provide technology-averse lawyers with strategies to use the KM tools, and contribute knowledge, through secretaries and paralegals.
"By catering to the lowest common denominator, we fail to tap the potential workflow capabilities of browser-based applications."	Build smart browser-based applications for teams of lawyers that will use them.

Make e-mail the gateway to your knowledge management system

Law firms expend tremendous energy cajoling lawyers to log-on to the firm intranet, usually with meager long-term success. However, do you really need them to go to the intranet? Let's remember the actual goal: bringing valuable

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> "What if each attorney had a robot that checked the firm intranet for him or her so the attorney didn't have to?"

information to the professionals who need it, when they need it. Since they all love e-mail, why not e-mail it to them?

What if each lawyer had a robot that checked the firm intranet for him so the lawyer didn't have to? Why not have those robots also check a few dozen relevant websites at the same time? Ideally, one could instruct that robot to send the lawyer an e-mail that identifies everything new on the intranet and the websites that meet that lawyer's knowledge needs, and then send an e-mail with a report on its search to the attorney. The e-mail would briefly describe the new information, its source, and provide a hyperlink to the new information.

Such robots already exist. Every morning, lawyers such as those at Davis Polk & Wardwell, Morgan Stanley Dean Witter and the Securities Industry Association stay on top of the latest developments simply by opening their daily robot e-mail based on technology designed by nMatrix, Inc., a New York-based software developer. Some law firm partners have daily robots that scour the internet for any mention of their clients. Not infrequently, these lawyers learn about controversies or deals before the in-house counsel, empowering them to serve as an early warning system for their client. Just as importantly, these robots show the lawyers any new documents or information loaded onto their firm's intranet that impacts their practice. The lawyers accomplish all this simply by opening and perusing an email that lands in their mailboxes at 7am each morning.

Improve intranet usage by helping your lawyers avoid the intranet

KM professionals have struggled with intranet usage levels. All too often, the most sophisticated intranets cannot attract more than 20 per cent of the target audience.

Some intranets, however, achieve consistently higher user participation by taking advantage of an interesting paradox: robots improve an intranet's usage statistics, while robots offer lawyers a welcome means to avoid searching the organisation's intranet site for new information.

How do robots increase the quantity and quality of intranet traffic? Lawyers peruse e-mail, delivering news that conforms to search criteria they designed for themselves. Given the precision of the robots' search capabilities, lawyers frequently find the hyperlinked information relevant and worth a click. As it happens, that hyperlink takes them to a document located on the intranet. Having been interested enough to click that hyperlink – perhaps an article just published about a lawsuit filed the day before against a client – more often than not the attorney takes a few minutes to read it through. When done reading, the lawyer – now virtually situated on the intranet – has several choices: (1) return to the robot e-mail, (2) go elsewhere on the

intranet, or (3) close out and move on to something else entirely. Usually the lawyer will return to the robot e-mail, where he may click on another link and land back on the intranet again. Sometimes he will linger on the site, perhaps perusing the other articles posted near the material just read. Higher intranet usage becomes less surprising when you consider that this scenario plays out every morning when a lawyer peruses his robot e-mail.

Of course, all of this activity has a positive effect on the site's 'numbers'. Not only does a site analysis show higher numbers of distinct visits (and hits), but higher visits per user per month. Our analysis also indicates that robots tend to cause an increase on average in visitors' time spent on the law firm intranet site – presumably because the lawyers knew in advance the title of the material they encounter and are inclined to devote some time to reading it. Rather than logging-on to a site in hope of finding some information of use to them, the lawyers are drawn right to an item that has already been identified for them as meeting the criteria that they previously identified when the robot was programmed. In that way, you have improved your intranet's 'stats' on all fronts.

We have also observed a more low-tech solution. Some firms encourage tech-savvy junior lawyers or paralegals to serve as 'information butlers' for partners not comfortable with technology. With a feel for the partners' particular practice and information needs, the information butler simply sets up robots for those partners with the results routed to the butler for review each morning. The butler then passes along the most promising material to the partner – sometimes by e-mail, sometimes printed on paper. It may not be elegant, but it can be quite effective.

Tracking the effect of robots on intranet usage

Two graphs provide an interesting glimpse into the positive effect that robot e-mail can have on intranet usage. The graphs reflect usage by the in-house lawyers at two major international financial institutions (nos. one and two) and the lawyers at two major New York city law firms of over 600 lawyers each (nos. three and four) that use nMatrix's nSite software as the platform for their intranets.

The first graph (entitled 'Power') shows the percentage of professionals at each of those institutions that used the respective institution's intranet on particular days in September 2001. Note the low usage at each site on weekends, on 2 September (a US holiday), and on 11 September, the day of the attack on the World Trade Centre.

The graph depicts the fluctuation over the course of that month of the daily traffic to the intranet. Even accepting the wide disparity from day-to-day visits to each organisation's

intranet, it is clear that the different organisations enjoyed widely divergent success rates in attracting their respective employees to their intranets. What accounts for this wide disparity in daily usage levels?

Obviously there can be many explanations, starting with the difference in practice between in-house law departments and law firms. However, there is another significant distinguishing feature to consider: while each of these intranets takes a very robust KM approach to the content posted on their sites, they make very different use of robots. while the two law firms have made limited use of robot technology, the two law departments promote their use much more actively and many more of its lawyers receive daily e-mail notifications of new information posted to their intranet. More informed of new content posted to the their intranet, the attorneys at the corporate law departments (nos. one and two) visit the respective sites more regularly.

There is, however, one feature of robot usage at law firm no. three that, we believe, causes it to show a healthier percentage of lawyers who use the site at least once per month. As it happens, a significant percentage of that law firm's partners use robots in a systematic way to track news stories about their clients. We believe this results in a relatively healthier percentage of usage i.e. at least on a once-per-month basis. This is depicted in the second graph (called 'Traction'), which compares relative frequency of visits among the four sets of lawyers over three months.
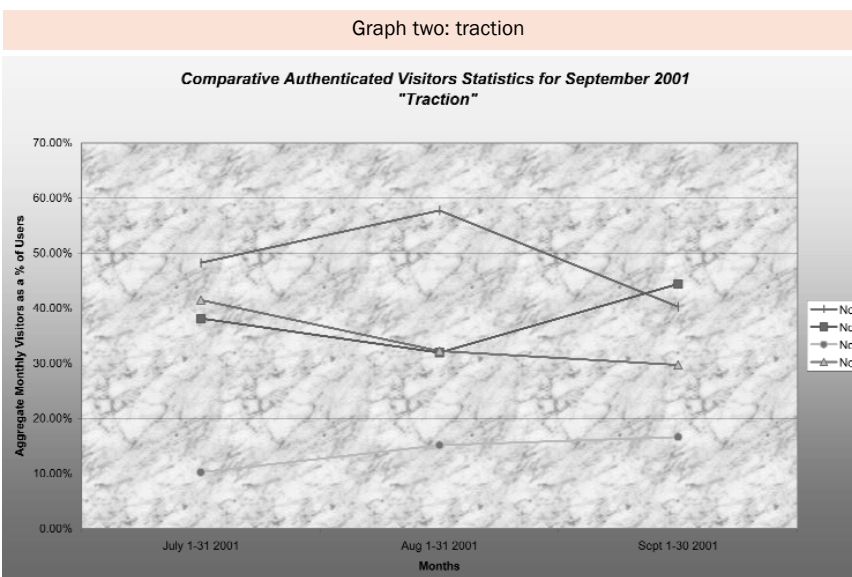
This chart shows the total number of users that visited the organisation's intranet over the course of each of three months, in each case expressed as a single percentage of the total number of users within that organisation. Each of those users visited the intranet at least once during that month. Again, the four organisations enjoyed varying success in achieving high usage by their employees. At least one factor seems to be their differing use of robots to attract users to the information that is covered by their differing needs.

Graph one: power

Comparative Visitor Statistics for September 2001
"Power"
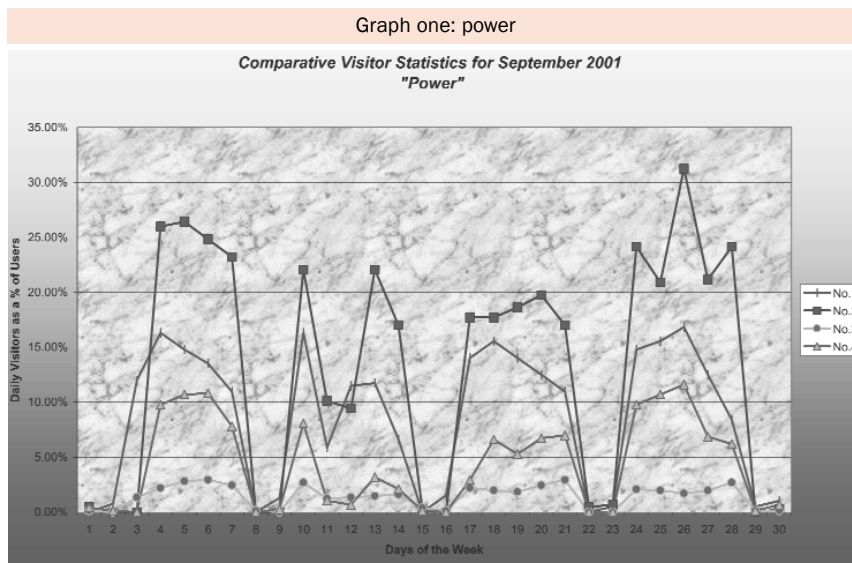
Providing tools to screen information to meet precise individual needs

The structure of a law firm or law department intranet usually reflects balances struck among hundreds of individual preferences for how information should be organised. The result is that some lawyers feel satisfied with the structure and some do not. The alternative, as per KM's conventional wisdom, is chaos.

Why should an organisation expect its intranet to gain universal acceptance when some lawyers' informational needs and preferences are purposefully left unsatisfied? Today's technology allows for elegant structure overall with individually maintained portions that can be as idiosyncratic as their practice demands. For example, web software known as nSite, used at Simpson Thacher

Graph two: traction

Comparative Authenticated Visitors Statistics for September 2001
"Traction"

& Bartlett and UBS Warburg, allows individual lawyers (or work groups) to create their own sections of an organisational intranet to attract precisely the information they need. They can also post documents they wish to share, with the scope of sharing delimited by permissioning. What's more, they can use customised robots to fill their personal sections with the precise mix of new and old information to meet their particular information needs.

That personalised section may not be organised as a KM professional would like. That may be because the attorney is absolutely brilliant, thinks differently or more creatively. Or it may be because the personalised section is as chaotic as the lawyer's desk. In either case, if it works for them, it must be counted as a success. KM professionals need to look for more opportunities to facilitate such idiosyncratic successes, which begin with choosing the right technology platform and end with developing a flexible approach toward accommodating individuality.

Build smart browser-based applications for lawyers that will use them

Not all of our favourite next-generation KM is aimed at making technology less sophisticated. In particular, we have seen browser-based workflow applications that provide impressive results for working teams of lawyers. Some of the smartest of these applications tackle such complex issues as money laundering and trademarks. On their face, these applications consist simply of screens displaying well-crafted questions seeking information that fire off decision trees that lead to the appropriate follow-up questions. The smartest applications have other important features. For example, it turns out that when intelligent people respond to series of questions in decision trees, they often hit the back button to amend their responses to prior questions and then expect not to be asked to re-input answers to subsequent questions when they remain the same. This requires a retraction engine, which the best applications possess. These applications not only conduct an analysis based on those answers, but they send e-mails to relevant colleagues and experts, and make entries in databases.

A good place to begin with smart browser-based applications is where regulatory compliance is critical and review by regulators is likely. Not only does the application facilitate smart lawyering, but also it creates a database that provides a record of compliance that can be shown to regulators. We've seen these applications used as the platform for organising in-house compliance training, where the application helps the compliance lawyers put together a list of invitees to training meetings, e-mails invitations, tracks RSVPs and actual attendance records, and sends follow-up e-mails to invitees who miss the first meeting. Not only does

such an application simplify the administration of a training programme, but it also maintains a database record of each training session, including the dates on which it was conducted, attendees, trainer's names and the materials distributed – all information that will help satisfy regulators' requests for documentation of training. The New York Stock Exchange, the National Association of Securities Dealers Regulations and several other securities regulators use a smart application to provide regulated members with an organiser application that advises them on which topics to conduct annual training of their personnel, provides training materials and allows members to subscribe to an e-mail alert service to keep up through the course of the year (you can view the application at www.securitiescep.com).

Conclusion

Lawyers have proved themselves a frustrating target audience for knowledge management professionals. After years of mixed success, we now have the benefit of seeing what tends to work with them and what generally does not.

New approaches, combined with new technology, can improve the success rate for KM. When the new robot e-mails eliminate the drudgery of the 'needle in the haystack' search, experience and metrics demonstrate that lawyers are likely to access their departmental intranet more frequently and for longer periods. They discover the benefits of having that knowledge immediately available to them. Individualists that they are, rather than relying on another person (or a person in another department) to determine what information they might need or be able to use, lawyers can set their own parameters for the robot that match their practice needs. This enhances the value of the intranet to them. Likewise, by allowing personalisation of sections of the intranet, an organisation can also make it more useful and user-friendly than many otherwise are.

Law firms and corporate law departments have the technological capability to make their aggregate knowledge instantly accessible and we have the experience and metrics that allow us to learn what works and what does not. Learning from past mistakes in KM approach and culture, there are fewer excuses for an under-utilised law intranet. ❑

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