

Knowledge Management in Virginia Law Firms

by Evelyn M. Campbell



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“Knowledge management” is a buzzword currently making the rounds in legal circles. It refers to a management system that has been widely used by consulting companies such as Ernst & Young, PricewaterhouseCoopers and McKinsey. In recent years, knowledge management (KM) has come to the attention of lawyers.

What exactly is KM, and what is its significance to the legal field? Definitions vary. A simple example of KM is the organization of clients’ records within a document management system. Or it can be a complex creation of systems or processes that access a firm’s institutional memory. It may include an expert witness database, a memo or brief bank. KM systems preserve the body of knowledge that attorneys have built—to share that intellectual product before it is lost. When a firm collects, organizes, preserves and disseminates its intellectual property, attorneys and clients benefit.

Law firms are suited to knowledge management because they are information-intensive. Lawyers are the ultimate knowledge workers—consuming, processing, synthesizing and producing documents and oral communications. They develop great expertise, have insights into clients’ needs and create case-spe-

cific documents. But what good is information in binders on a shelf or in a restricted system? To benefit the firm and its clients, that knowledge could be accessible through a system that captures, codifies and distributes it.

Law firms should be in the forefront of knowledge management, but a recent survey of 30 top U.S. law firms conducted by West Group showed that about 70 percent are “KM seekers”—firms that are sold on the idea of knowledge management and are trying to figure out how to execute it effectively; less than 10 percent are “KM innovators”—firms that are successfully executing and sustaining knowledge management. The remaining 20 percent are “KM Luddites”—firms that believe that knowledge management is just the latest fad that should be ignored.¹

A law firm’s compensation structure plays a major role in the perception of information sharing. A good KM system requires the commitment and resolve of upper management to promote its use. To encourage lawyers’ participation, a law firm’s management should recognize and reward knowledge-sharing by giving billable hour credit toward a firm’s compensation system.

Management can create non-billable positions whose responsibilities are to build knowledge management resources and systems. Some KM innovators have created positions called “practice support lawyers,” staffed by experienced lawyers who are supervised by chief knowledge officers. Atlanta’s Alston & Bird, San Francisco’s Brobeck, Phleger & Harrison, Detroit’s Dickinson Wright and the District of Columbia’s Dickstein Shapiro Morin & Oshinsky have chief knowledge officers or knowledge management programs.

Most Virginia-based law firms, however, are waiting to see how the large firms fare before jumping on the KM bandwagon.

“We’re aware of knowledge management. We’re monitoring what other firms are doing,” said Laurie Claywell, director of library services for Norfolk-based Kaufman & Canoles, a 113-lawyer firm with offices in several Virginia cities. Eileen Chandhoke, librarian at the Fairfax firm of Odin, Feldman & Pittleman, said that she monitors the literature on knowledge management in the legal profession, but that nothing is yet in place at her 45-lawyer firm.

Size may have something to do with the willingness of firms to devote personnel and money to new technologies. “We’re a small firm where people still talk to each other and pass along information in the hallways,” said Jeanne Ullian, librarian at Hofheimer, Nusbaum, a 30-lawyer firm in Norfolk. The firm currently does not have any knowledge management initiatives.

Ed Gillespie, West Group’s technology manager, said that he routinely looks to larger firms like Hunton & Williams and McGuireWoods to lead Virginia firms in testing new concepts and technologies. Richmond’s Hunton & Williams, an 850-lawyer firm with 17 locations worldwide, has worked on knowledge management since the early 1990s. They began with a Folio Infobase work-product search and retrieval system that was created in-house, according to Frosty Owen, library services manager. “We had a lot of infor-

mation in binders, and these documents needed to be in a search and retrieval system that would benefit the entire firm,” Owen said.

He said that the public finance team put all its documents into the work product, while others selected model documents they wanted in the system.

It was difficult for the teams to find time to select, code and move the documents into the work product system. To encourage greater participation, the firm created a non-billable number to which attorneys could charge their KM time.

These documents are available to everyone through the firm’s portal, which is powered by Plumtree Software. Michael Moss, practice automation manager and a member of the firm’s knowledge management team, said that Hunton & Williams identified a system that could bring all the components of the firm’s knowledge management together. The system, however, was too complex to be user-friendly. The firm continues to study these management systems.

McGuireWoods, a 600-lawyer firm with 14 offices worldwide, began considering knowledge management issues five years

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constant intervention. I waited until something came along that might work.”

Recently the two publishing giants, West Group and LexisNexis, introduced knowledge management software and applications. West Group introduced its *West km* in July 2002. Major firms, including Clifford Chance and Dickstein Shapiro, have invested in *West km*, as are law firms in Virginia.

West incorporates its indexing and research tools into *West km*, and applies them to a law firm’s private information collections. Everything is contained in-house—an important factor for most law firms. “It works with a firm’s own application,” said Brook Boehmler, business development executive with West. “Bigger firms are not going to let other people host the firm’s applications outside the firm.”

A researcher who finds a case on point using *West km* and Westlaw, also retrieves a list of in-house documents citing that case. The researcher can see what is available in the firm’s own document collection before continuing with research on Westlaw. Any document with citations is tagged with KeyCite flags so

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that researchers know at a glance whether there is a problem with a given cited case.

West’s system adapts to a variety of document management systems. *West km* can be integrated with in-house indexing systems. West’s Gillespie said that the system is best suited for firms with 50 attorneys or more—and to those with KM initiatives already.

LexisNexis, is working on a “superior KM tool” powered by DolphinSearch technology. Its KM product will search a firm’s internal document management systems, e-mail, LexisNexis and the Internet in one integrated search.

With so many products on the market, experts advise careful research. Read legal technology publications, attend trade shows and hands-on demonstrations. Keep current with technology shows and conventions of national and state legal associations. Law firms in Virginia already appear to be taking that advice to heart and are proceeding cautiously. ☪

Endnotes

- 1 Sally R Gonzalez, “Attention KM Seekers!: The Billable Hour is a Formidable Obstacle to Effective Knowledge Management Systems,” *Legal Times*, May 13, 2002, at 31.



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