

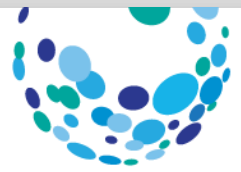


Meridian West

More for less



www.youtube.com/watch?v=POZoVsGD_Ps&index=5&list=P_L_5oom6WbowjTjKDoM_G7MklqLWtvCmoo



Richard Rosenbaum, CEO of Greenberg Traurig



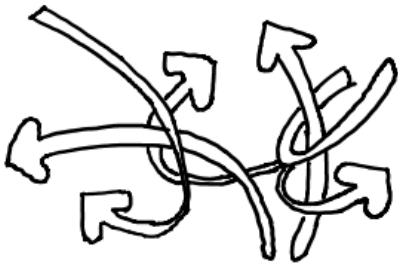
Today you will.....

1. See the latest research
2. Learn from the leading innovators in the legal sector
3. Get practical ideas for
 - Cementing client relationships
 - Locking out the competition
 - Improving profit margins



Today's agenda

More for less



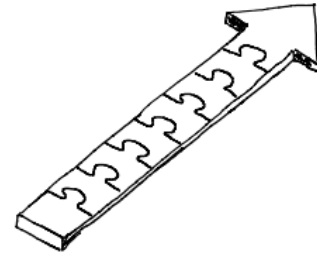
CHANGE

How the legal market is changing



MORE

Delivering outstanding client service



LESS

Improving efficiency

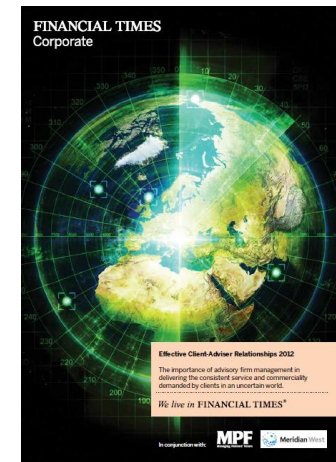
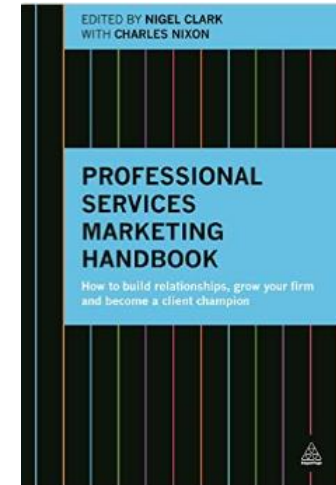
Introductions

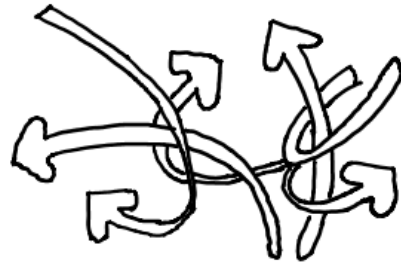


Founder of Meridian West.

Ben's clients include **KPMG, PwC, Farrer & Co., Nabarro, Simmons & Simmons, Linklates, Allen & Overy, Canada Life, JPMorgan and Sackers.**

- Ben started his career as a corporate lawyer at **Freshfields.**
- Runs client feedback & innovation programmes and provides client service & pricing training.
- Written books and articles and presented at seminars on the habits of a commercial adviser, project management and innovation in professional services.





CHANGE

How the legal
market is
changing

Challenge 3 -
Intense
competition from
traditional firms
and new comers

Good news -
New sources of
demand



Challenge 2 -
Disruptive
technology

Challenge 1 - More
sophisticated and
demanding clients



Good news -
New sources of
demand





More risk = more demand for lawyers

“One of the things that’s really happened in the last couple of years is that the **execution and completion of deals has got horrendously more complicated as a result of increased regulation.**”

Giles White, Jardines


46%: Increase in the volume and complexity of regulation

40%: Data security and protection

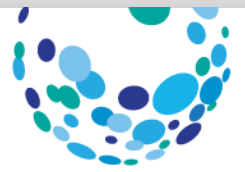
40%: Ensuring compliance around the **globe** with differing regulatory landscapes

38%: Reputational risk

28%: Increasing complexity of contractual agreements with suppliers and other business partners

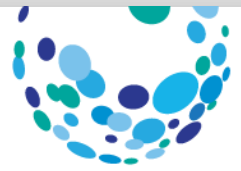


Challenge 1 - More
sophisticated and
demanding clients

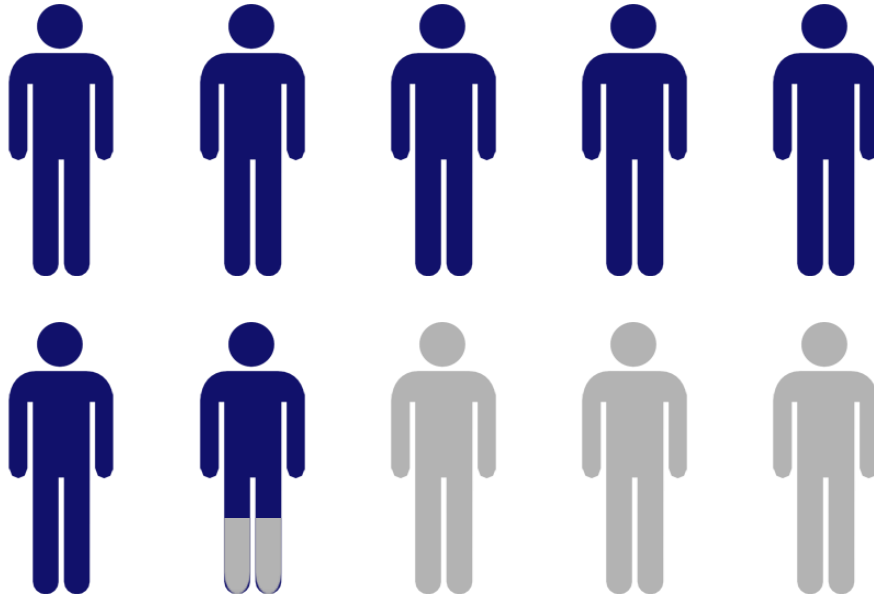


The future client





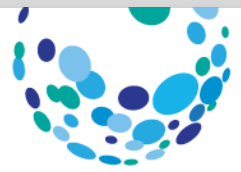
GCs more strategic



67% say that the General Counsel is now more involved in the formulation of business strategy than he/she was in the past.

“When I joined the company (2-3 years ago), my role as general counsel was positioned from the outset **as a senior leadership role**. I literally **sit alongside the managing director, the finance director and the strategy director** – I am part of that unit. My visibility to the rest of the firm imbues the role with the seriousness of being **at the heart of the business.**”

Giles White, Jardines



More for less

86%

are under pressure to deliver **more value for less cost.**

51%

have increased the amount of **work done in-house**

“There is pressure on us to reduce costs so we need to think outside the traditional law firm. At the same time as looking for something cheaper, it is very important for us to maintain quality.”

Bank, Asia-Pac





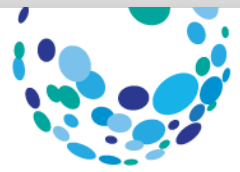
....But also innovate and add value

1. Come to me
with ideas

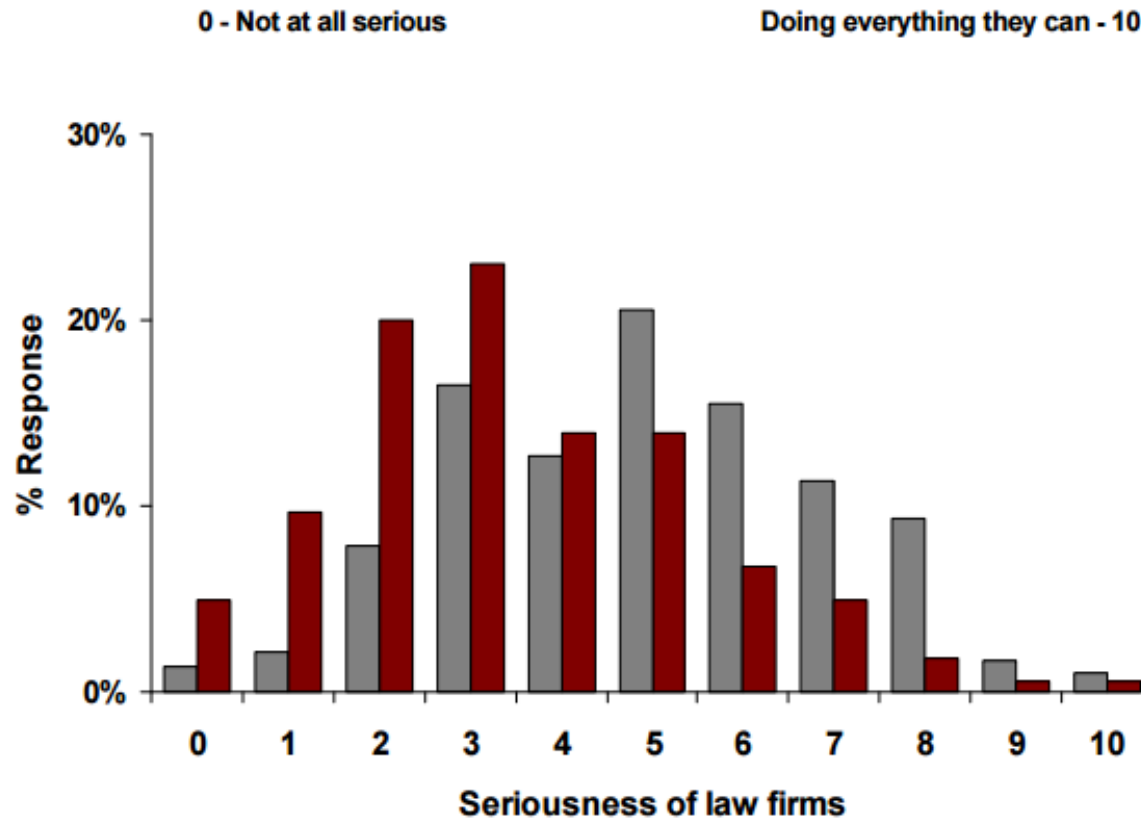


2. Offer ways to
manage
projects
efficiently

But ... how serious are law firms about changing their delivery model?



In your opinion, in 2014 how serious are law firms about changing their legal service delivery model to provide greater value to clients (as opposed to simply reducing rates)?





The opportunities

1. More strategic advice
2. Desire for partnering
3. Appetite for innovation

Challenge 2 -
Disruptive
technology





THINK



\$300,000

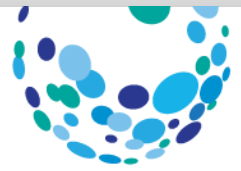
KEN

\$1,000,000

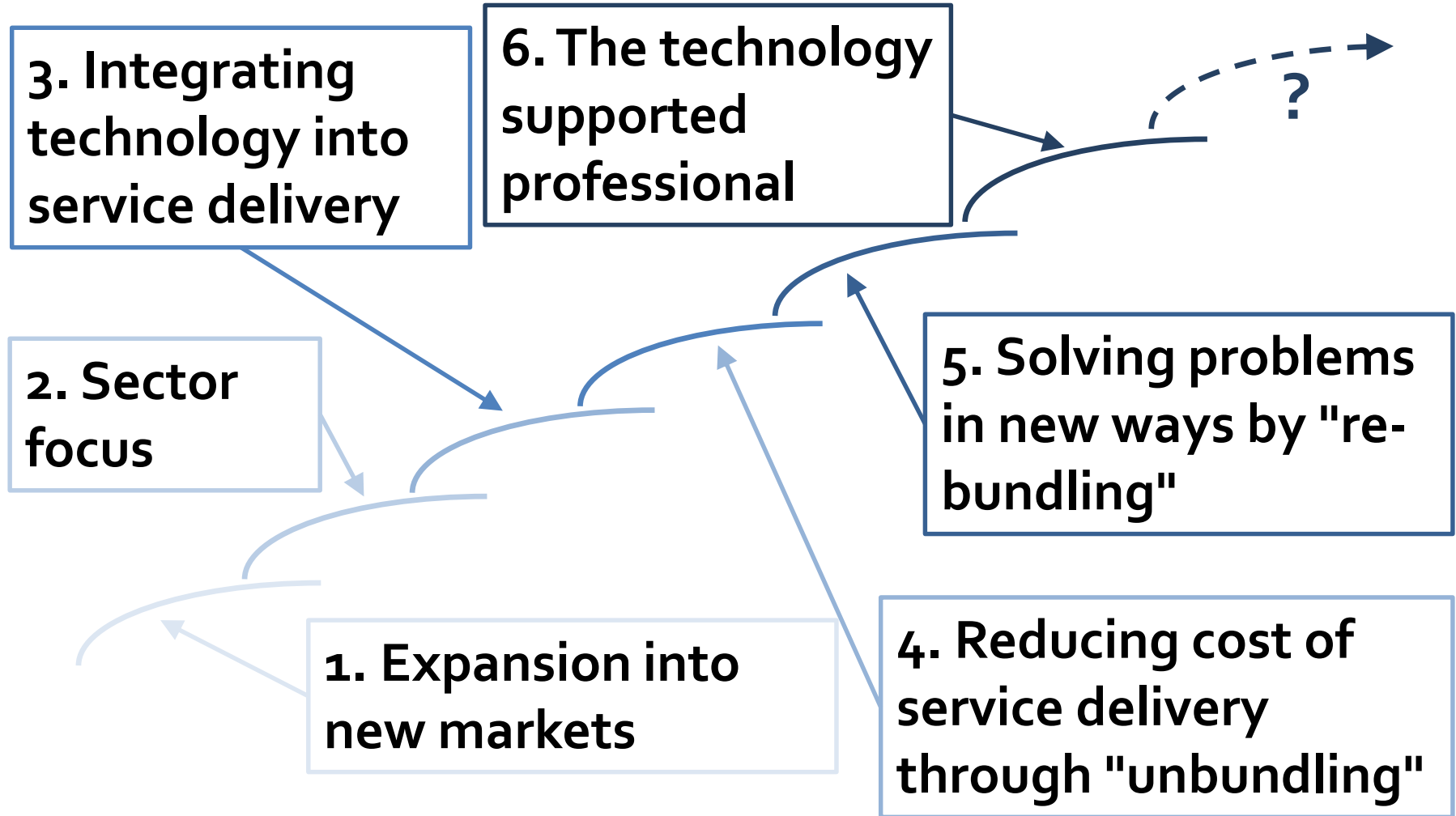
WATSON

\$200,000

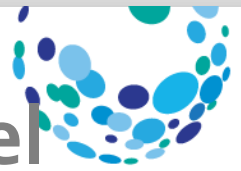
BRAD



The age of “technology supported professionals”



Technology is changing the business model

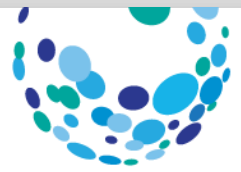


Tony Joyner,
Managing Partner -
Herbert Smith
Freehills'

"We've had tech coming into the law firm model in the past, but it was safe tech. E-mail didn't change what lawyers do, it just made it quicker.

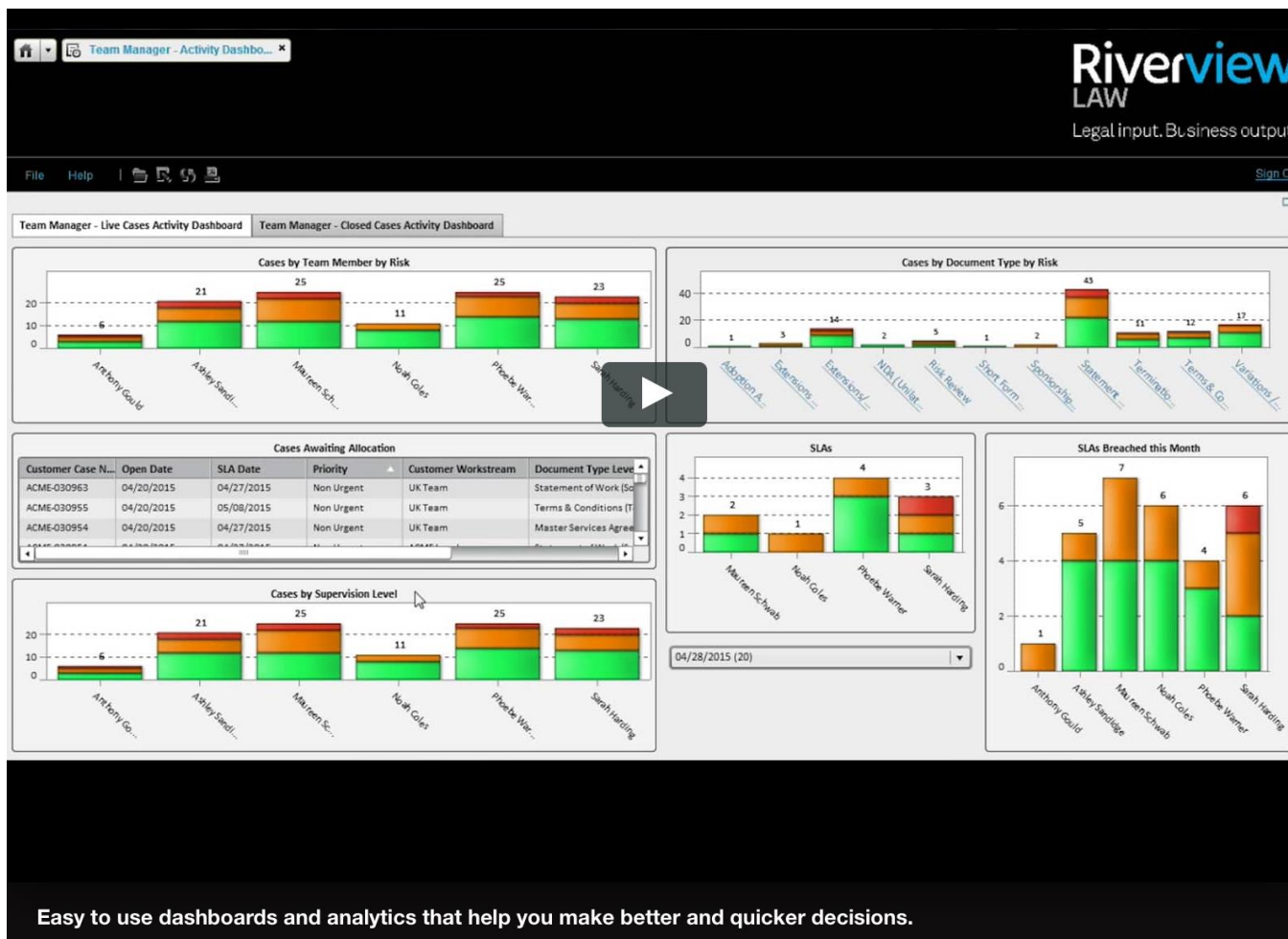
But this new way of tech will change the business model. You can't just buy this tech and plonk it in the office. It requires a discussion about how to integrate it, how to make sure it delivers for you and the client."

<https://www.youtube.com/watch?v=a2qeigmpAoM>





River view – dashboards to track cases





Legalzoom – DIY tools for individuals and businesses



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Provisional Application for Patent

File a Provisional Application for Patent – Establish Your Priority Filing Date with the USPTO

A provisional application for patent establishes your priority filing date with the U.S. Patent and Trademark Office (USPTO) and lets you immediately start labeling your invention "patent pending."

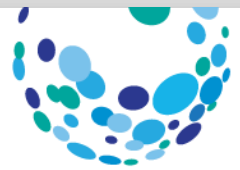
[Start my application](#)

Pricing starts at \$199 + filing fee

[See details](#) [View sample](#)

Case study: ThoughtRiver

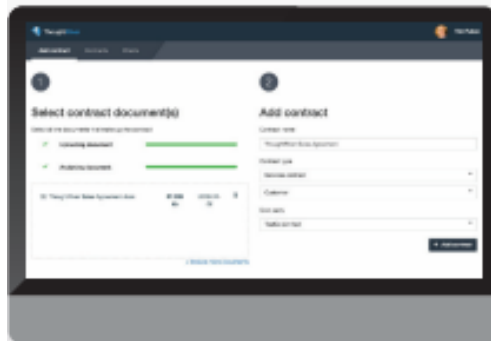
Using artificial intelligence in contract management



The Solution.

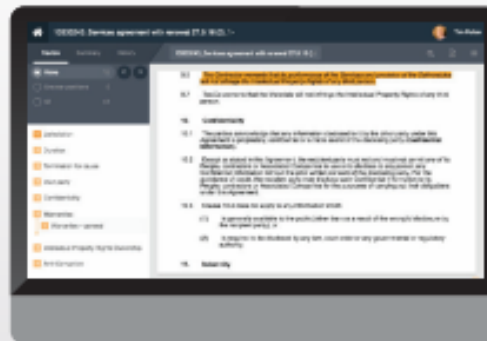
An automated contract evaluation platform enabled by AI.

Upload.



Upload, API or email a contract.

Evaluate.



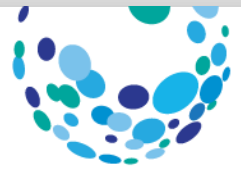
Use our simplified risk analysis.

Decide.



Automated approval or routing.





Tim Pullan's story

“I thought about it for years and homed in on one particular problem we thought we could solve,” he says. That area was legal contracts: some corporate clients might minimise risk by focusing on higher-value contracts and ignoring contracts under a certain value. ThoughtRiver’s software uses AI to scan and interpret information from all written contracts used in commercial risk assessments and presents it in a central online dashboard that enables clients to assess risk more easily.



TIM PULLAN
Founder & CEO

Tim is an international lawyer who spent a number of years in senior executive roles in the data and analytics industry in

Lex Machina – Using AI and Big Data to predict case outcomes



THE WALL STREET JOURNAL.

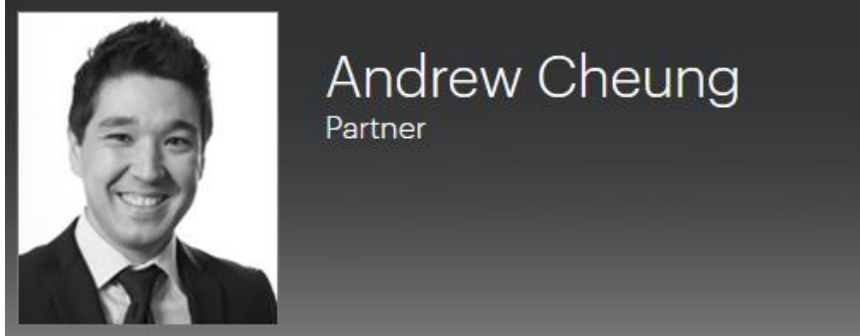
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BUSINESS | LAW

Data Tools Offer Hints at How Judges Might Rule

Services offer lawyers statistics on how likely a given case is to be dismissed





Andrew Cheung
Partner

大成 DENTONS

Global presence

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Our professionals

Issues and opportunities

Home > What's different about Dentons > Innovating through Nextlaw Labs

Innovating through Nextlaw Labs

Through **Nextlaw Labs**, Dentons takes the next step in transforming the practice of law, augmenting talent with innovative tools. By employing new technology to change and advance the legal profession, Dentons once again challenges the status quo, helping drive innovation in legal services.

The goal of Nextlaw Labs is to invest in promising companies and to develop a suite of technologies that will fundamentally change the practice of law, improving client service and enhancing client solutions. Dentons—along with its thousands of lawyers and professionals—will be the accelerator's lead supporter and investor, serving as the testing ground for new products, services and other ideas to be vetted, piloted and scaled.

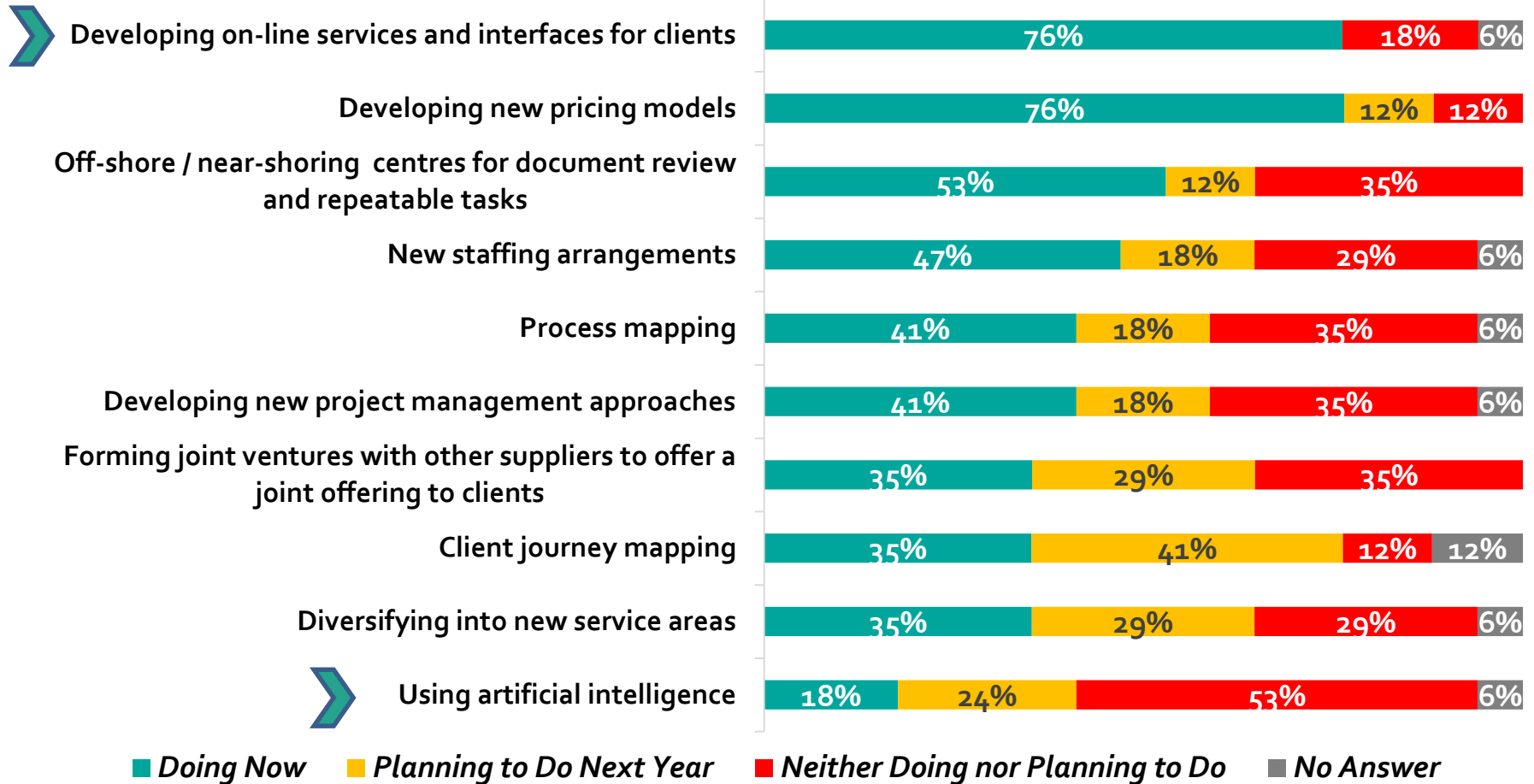
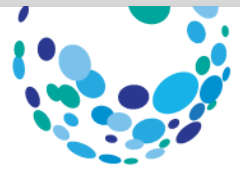
About Nextlaw Labs

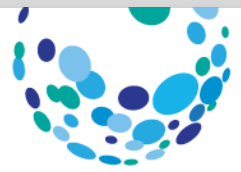
Nextlaw Labs is a business accelerator focused on investing in, developing and deploying new technologies to transform the practice of law. It is an autonomous, wholly-owned subsidiary of global law firm Dentons with physical and virtual locations in technology centers worldwide. Through complementary and strategic partnerships with leading technology companies, startups, other business accelerators and established legal vendors, NextLaw Labs will invest in promising companies and develop a suite of new technologies that fundamentally change the practice of law, improving client service and enhancing client solutions.



Evidence suggest there is lots of innovation happening

Particularly in new services, pricing models, offshoring





Law firms now investing heavily in technology



More than four fifths of respondents consider investment in technology to represent the best prospects for increasing their firm's profitability

55% have invested >£100k in technology in the last 12 months in order to commoditise aspects of legal work



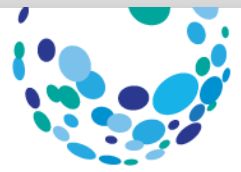


Opportunities

1. Appetite for on-line portals
2. More time spent on value-add and less on document review and admin
3. Potentially lucrative new services (higher margins, plus lock the client in)
4. Keep a watching brief on AI

Challenge 3 -
Intense
competition from
traditional firms
and new comers





In 1990 there were 10,697 lawyers registered with the Israel Bar Association.

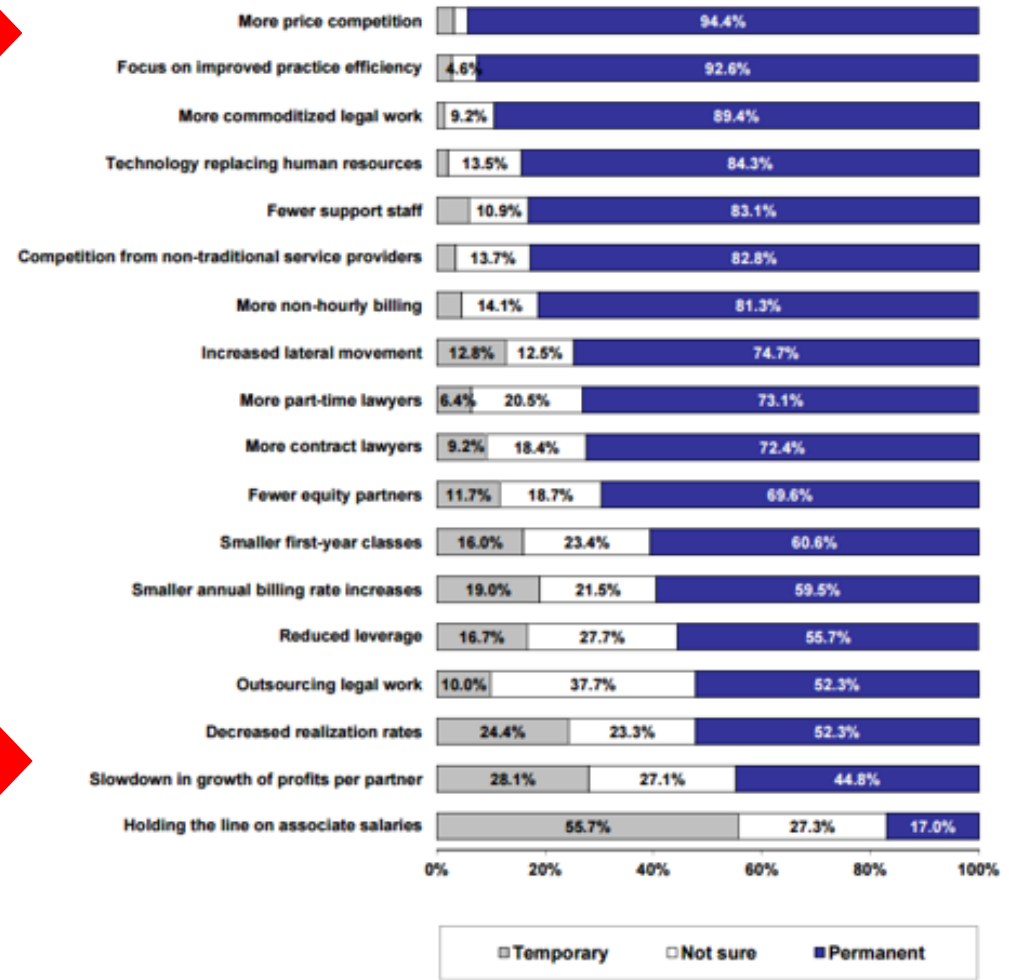
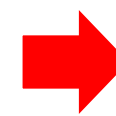
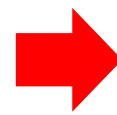
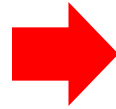
As of the beginning of 2014 there were 53,750 registered lawyers in Israel.

Israel has the highest number per capita of lawyers in the world, with 585 lawyers per 10,000 people.

More price competition, non-traditional service providers and slower growth in profits



Q: Which of the following legal market trends do you think are temporary and which will be permanent?



Clients plan to use non-traditional service providers

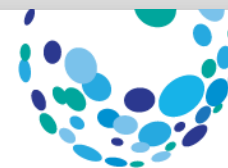
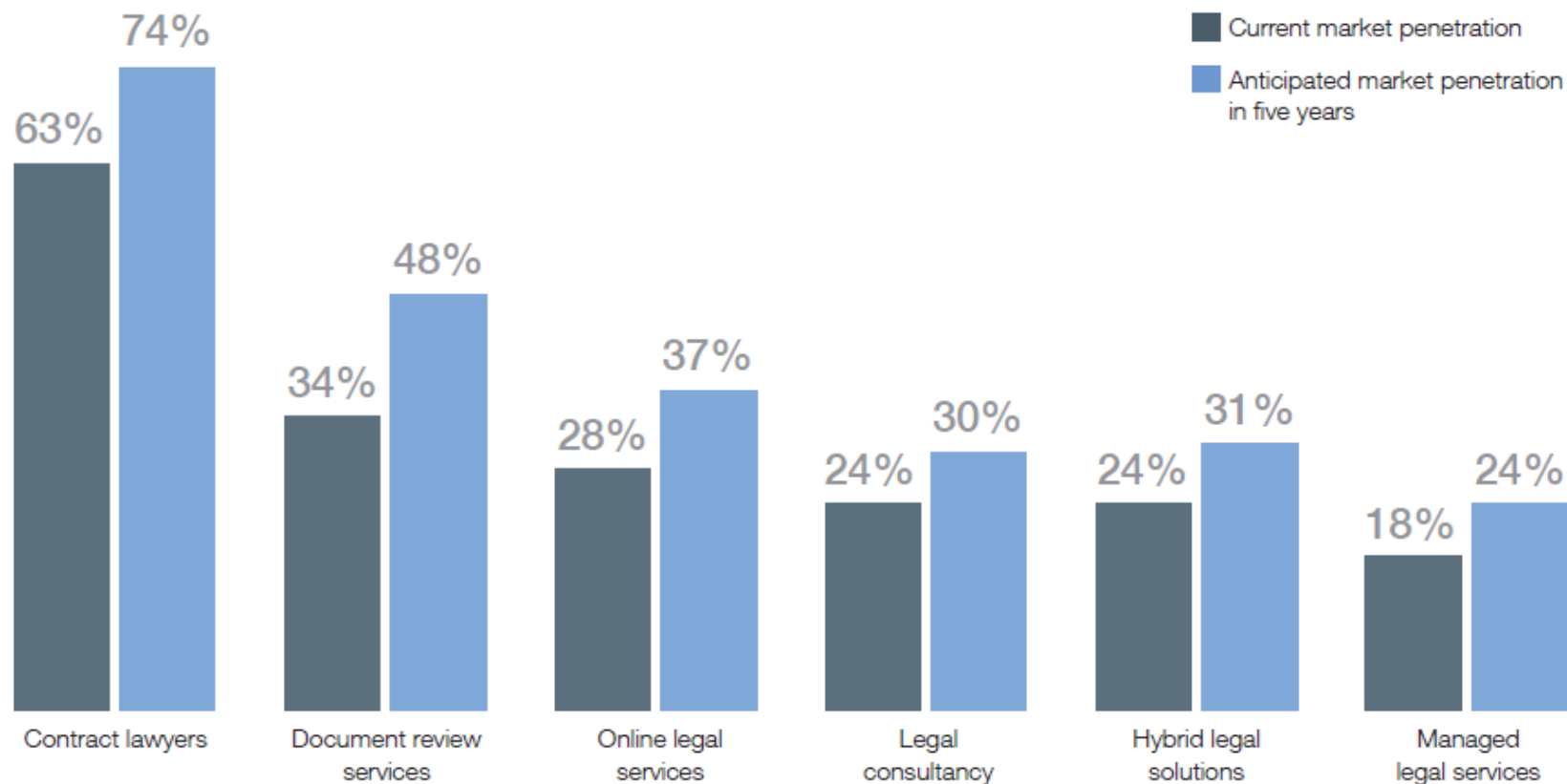


Figure 2: Expected change in usage levels of legal service providers over the next five years





OBELISK

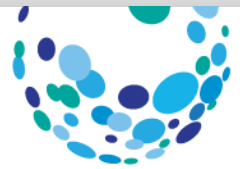


Meridian West

<http://obelisksupport.com/#>

New competitors

EY



- "Systematic assessment and mitigation of legal risk is a relatively new area and combines EY's legal ambitions with its proven expertise in the risk assessment and mitigation arenas."

Matthew Whalley

- "Along with specialising in legal risk Whalley is also a leading voice in contract robotics. He was an advocate of [BLP's use of artificial intelligence \(AI\) software RAVN](#) within its real estate and commercial practices." The Lawyer



Core services

- ▶ Corporate/Commercial
- ▶ Employment
- ▶ Financial Services
- ▶ M&A/Transactions

Industry experience

Automotive | Banking & Capital | Government & Public Sector | Insurance | Life Sciences | Mining & Metals | Oil & Gas | Power & Utilities | Private Equity | Real Estate | Technology | Telecommunications | Wealth & Asset Management

Multi-disciplinary, sector focused, integrated legal services

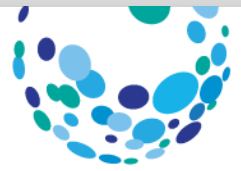
Our multi-disciplinary services are integrated with specialists in :

- ▶ Tax
- ▶ Assurance
- ▶ Advisory
- ▶ Human Capital
- ▶ Transactions

Integrated advice

With a presence in 67 jurisdictions across the globe, we are able to provide our clients with multijurisdictional reviews and advice.

A global reach



Competition from non-traditional service providers

“Wonderful – we don’t use lawyers anymore.

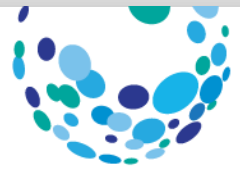
95% of my company’s legal issues are work force and health and safety-related. A service provider, not a law firm, handles all of this.

They come in, they write our manuals, they train our people and they do compliance audits.”

“How are legal services working for you?”



New competitors Citation



- PE backed
- Employment and Health & Safety
- Employs lawyers
- Plus specialist roles – sales, on-boarding, and account managers
- Atlas On-line portal
- Very commercial advice
- Guaranteed advice
- Client segmentation

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Support when you need it most

FREE CONSULTATION
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We're here to help businesses with:

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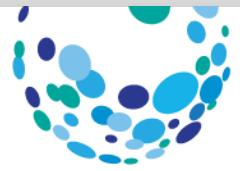
Excellent ★★★★★ 3 days ago ★★★★★ 20 December ★★★★★ 20 December

Faultless service everytime
Always very helpful with every change I put towards them.
Based on 150 reviews. See some of the reviews here. [TRUSTPILOT](#)
Luke

Faultless service since 2008
Since we joined Citation we have had an excellent service no quibbling very straightforward response...
Ikram

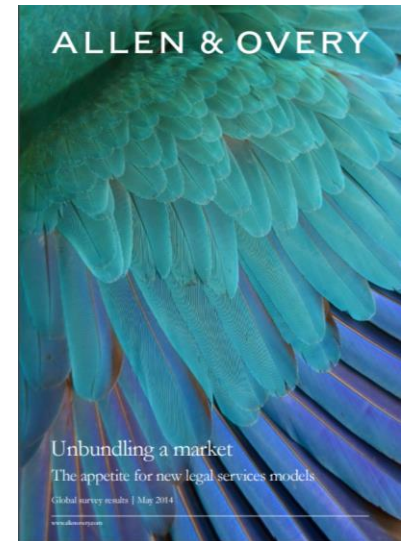
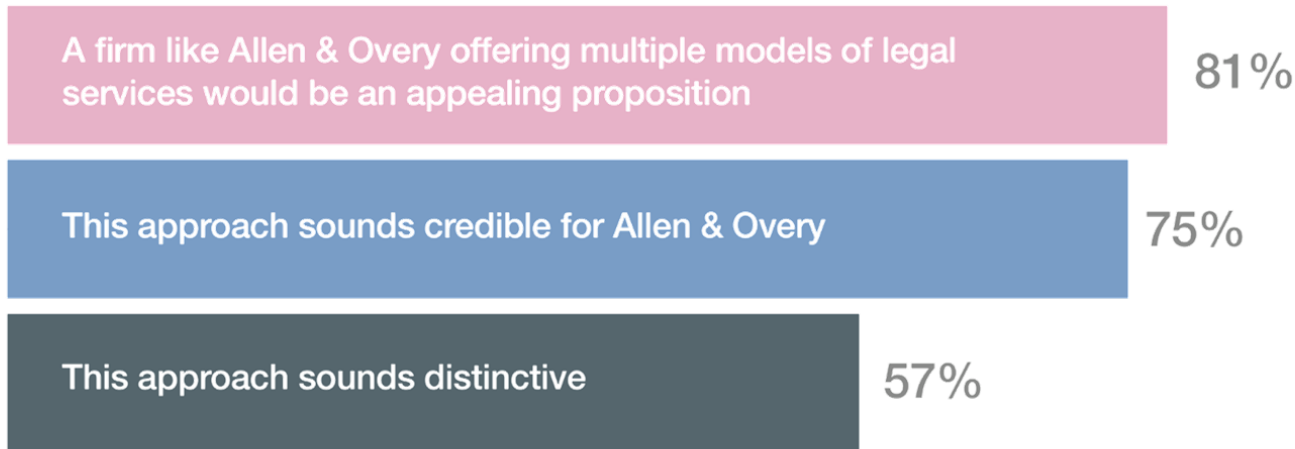
VERY PROFESSIONAL
Excellent service, knowledgeable and highly professional staff.
John

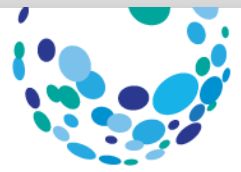
The incumbents will thrive **if** they can innovate



ALLEN & OVERY

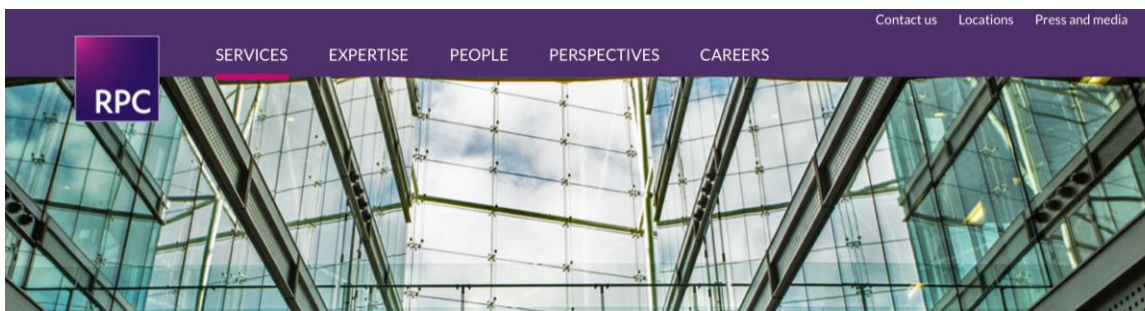
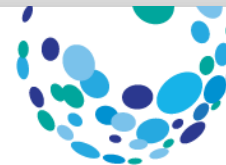
Figure 4: To what extent do you agree or disagree with the following statements about Allen & Overy?
Proportion saying 'agree' or 'agree strongly':





One of the more controversial moves of recent years has been to offer an integrated delivery of different types of service. The firm now has a low-cost centre in Belfast, its own contract-lawyer business, Peerpoint, and various online and legal technology offerings that it combines for clients as an alternative to the traditional single model based on an hourly rate and expensive lawyers at fixed locations. In the past, top law firms have resisted any standardisation of their legal services and have wanted to retain a bespoke approach to all their work, at their high hourly rate. Many have felt — and some still do — that to offer alternative delivery models can mean a dilution of a premium brand.

Allen & Overy, however, is showing this is not the case. Profits are up 133 per cent over the past 10 years, from £245m to £579m.



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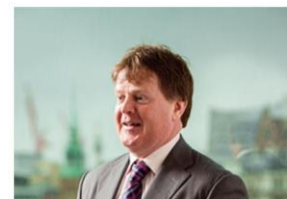
RPC Consulting

We help those in insurance and related sectors do things better.

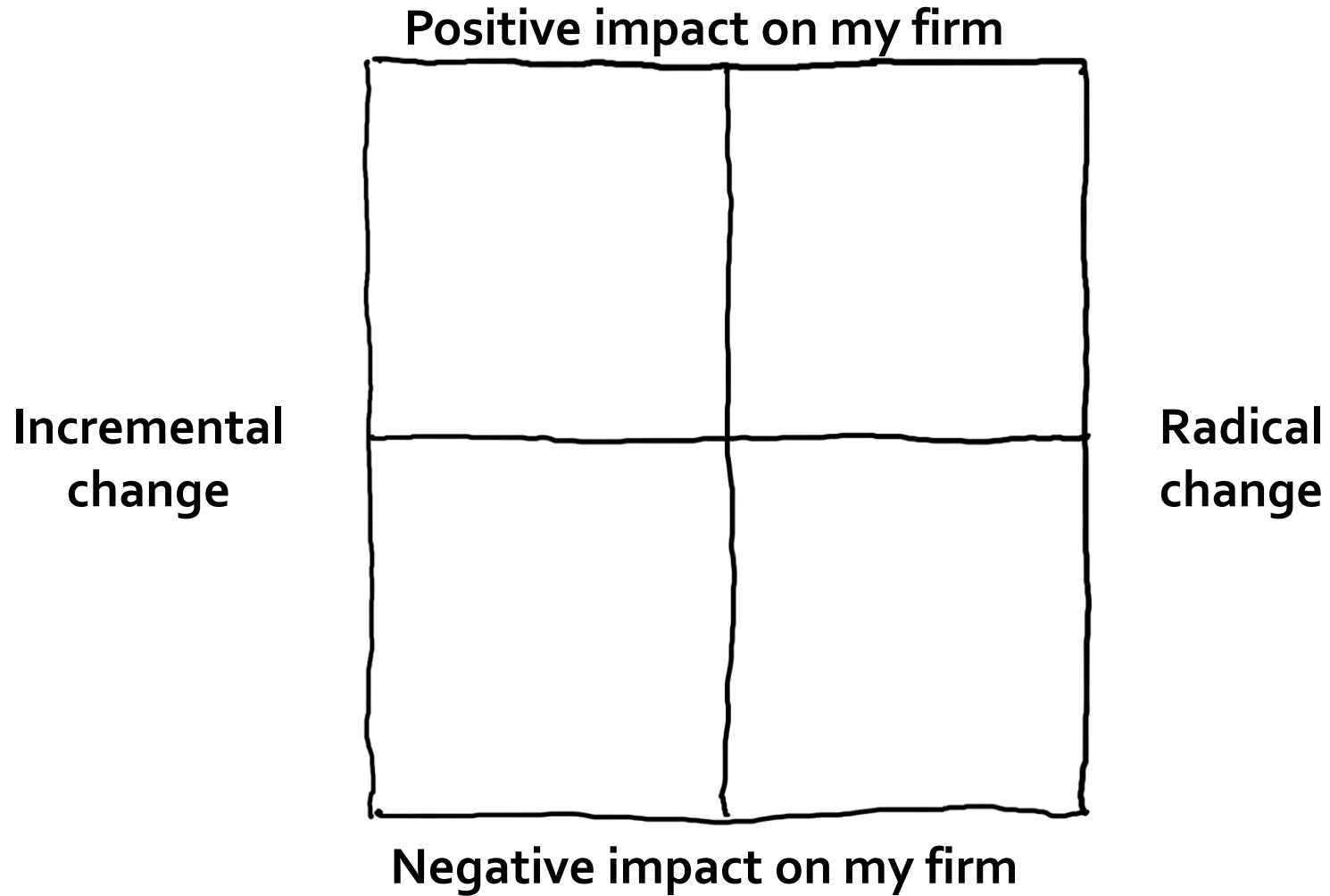
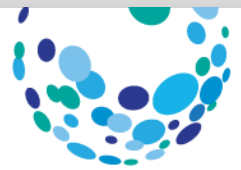
Rory O'Brien

→ About us

We help those in insurance and related sectors do things better. We utilise our team of actuaries, accountants, MBAs and PHDs - all of whom specialise in insurance - to service our clients.



What are your views?





Opportunities and challenges



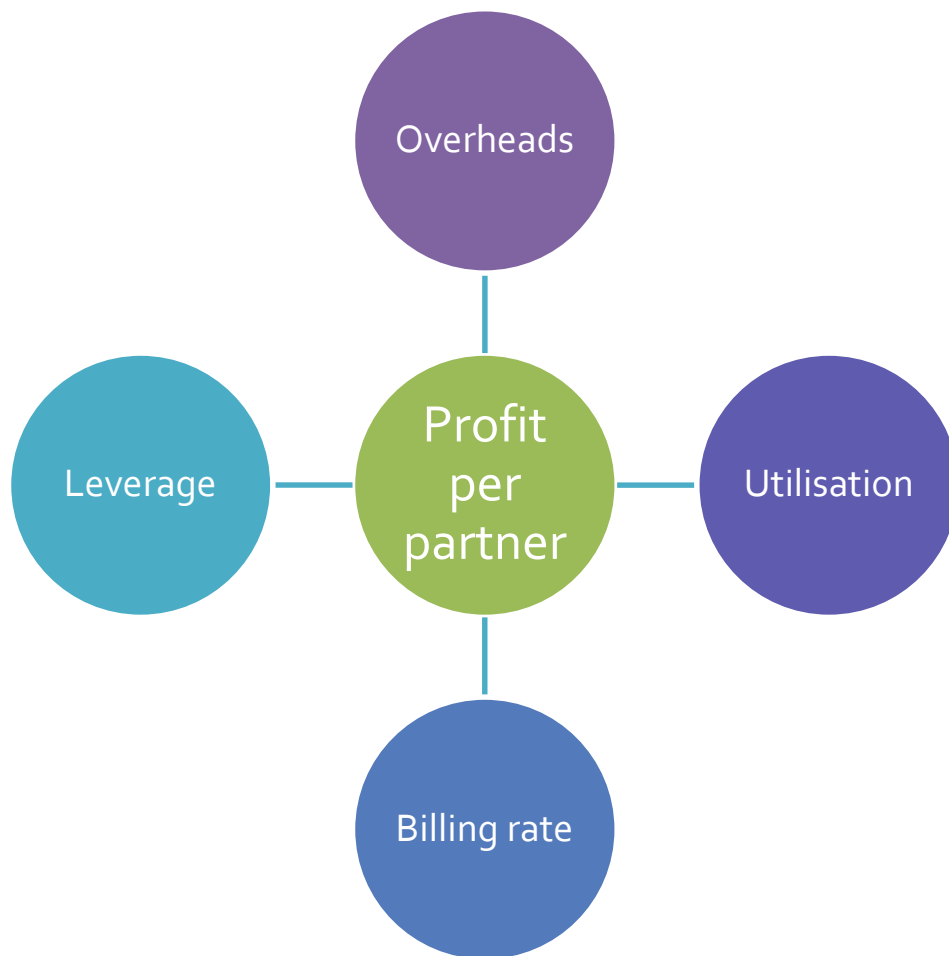


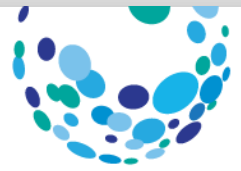
Meridian West's predictions



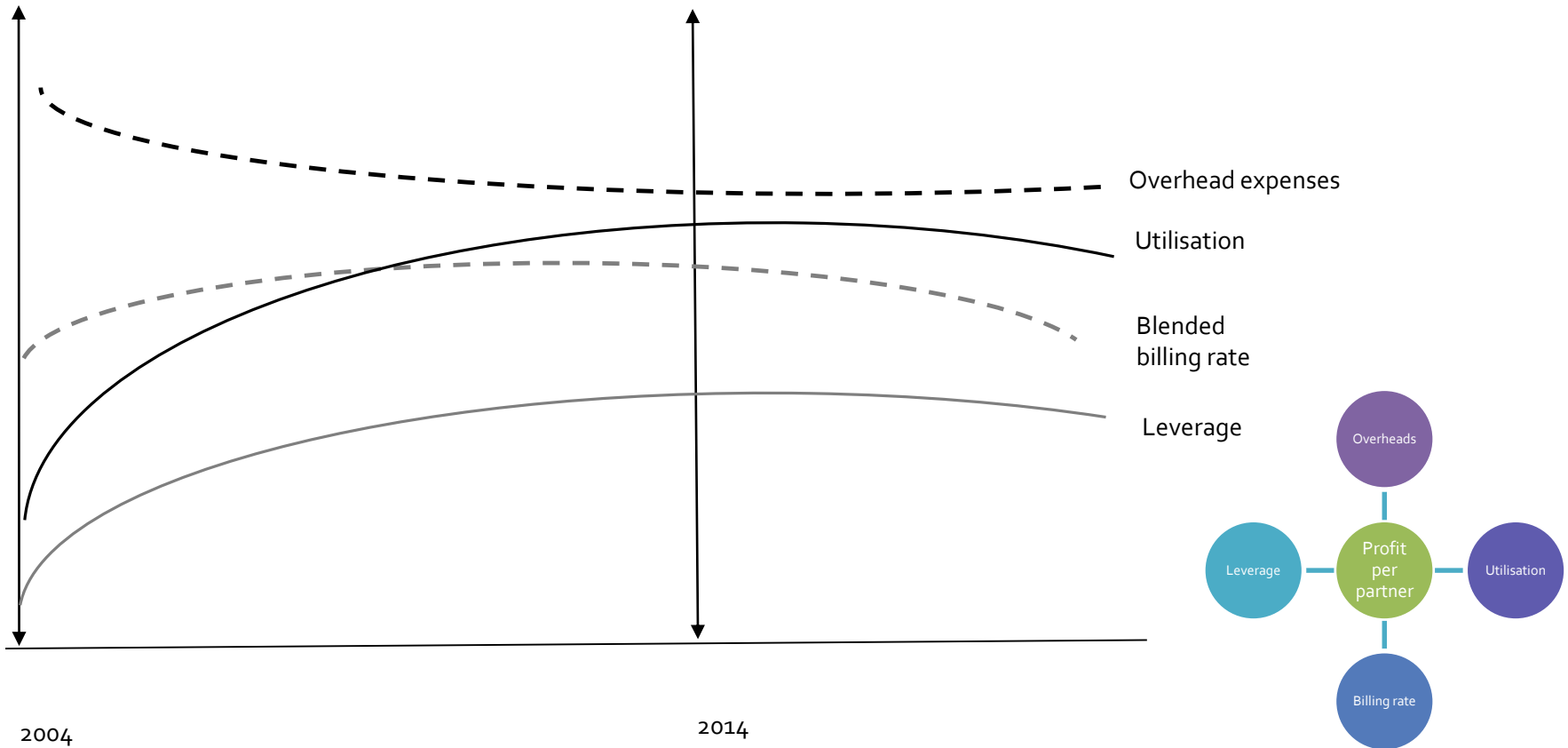
The law firm profit levers

In the olden days



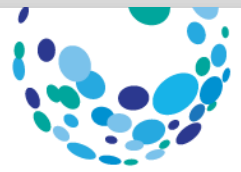


Start of a downward trend



2004

2014



Stats to back this up



Annual Law Firms' Survey 2016

*"We have seen **downwards trends in net profit margins** in all but in the Top 10 since 2005.*

*Margins in the Top 26-50 have shown the most significant decline, falling from **30% to 23.1%**, a trend that in our view is not sustainable.*

*When we look into the drivers of this, we see increasing **utilisation** and rising fees per fee earner more than offset by **greater staff costs**, particularly the increasing cost of fixed share equity partners."*

The rise of “New Law”



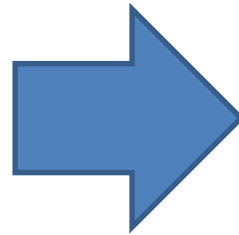
| | Traditional Law | | New Law |
|------------|-------------------------------|---|---|
| Sales | Lawyers sell and produce | ↔ | Sales and production separate |
| | Hourly rate | ↔ | Alternative fee arrangements |
| Delivery | Delivery by lawyer | ↔ | Delivery through diverse team supported by technology |
| | Legal advice | ↔ | Risk management |
| | Continuously improved process | ↔ | Re-engineered processes |
| | In-person | ↔ | In-person and on-line |
| Governance | Partnership | ↔ | Corporation |
| | Consensus | ↔ | Leadership |



A new diverse ecosystems



Traditional Law



New Law

Some new species of legal services provider



FARRER&Co

Traditional
law firms

WIGGIN

Specialists

ALLEN & OVERY

Re-made
law firms

axiom
law redefined

"New
law" firms



OBELISK

Contract
lawyers
providers



Diversified
professional
firms

Citation

Bundled
service
providers



Artificial
intelligence





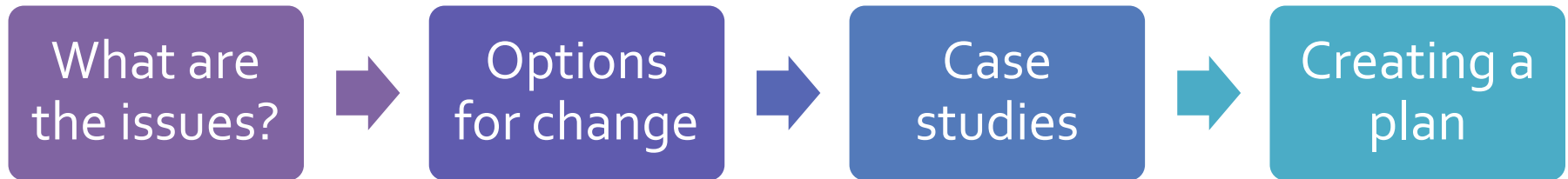
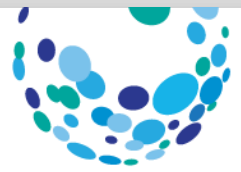
Time for a break



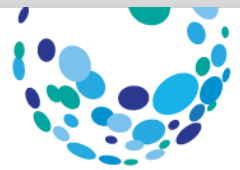


MORE
Delivering
outstanding
client service

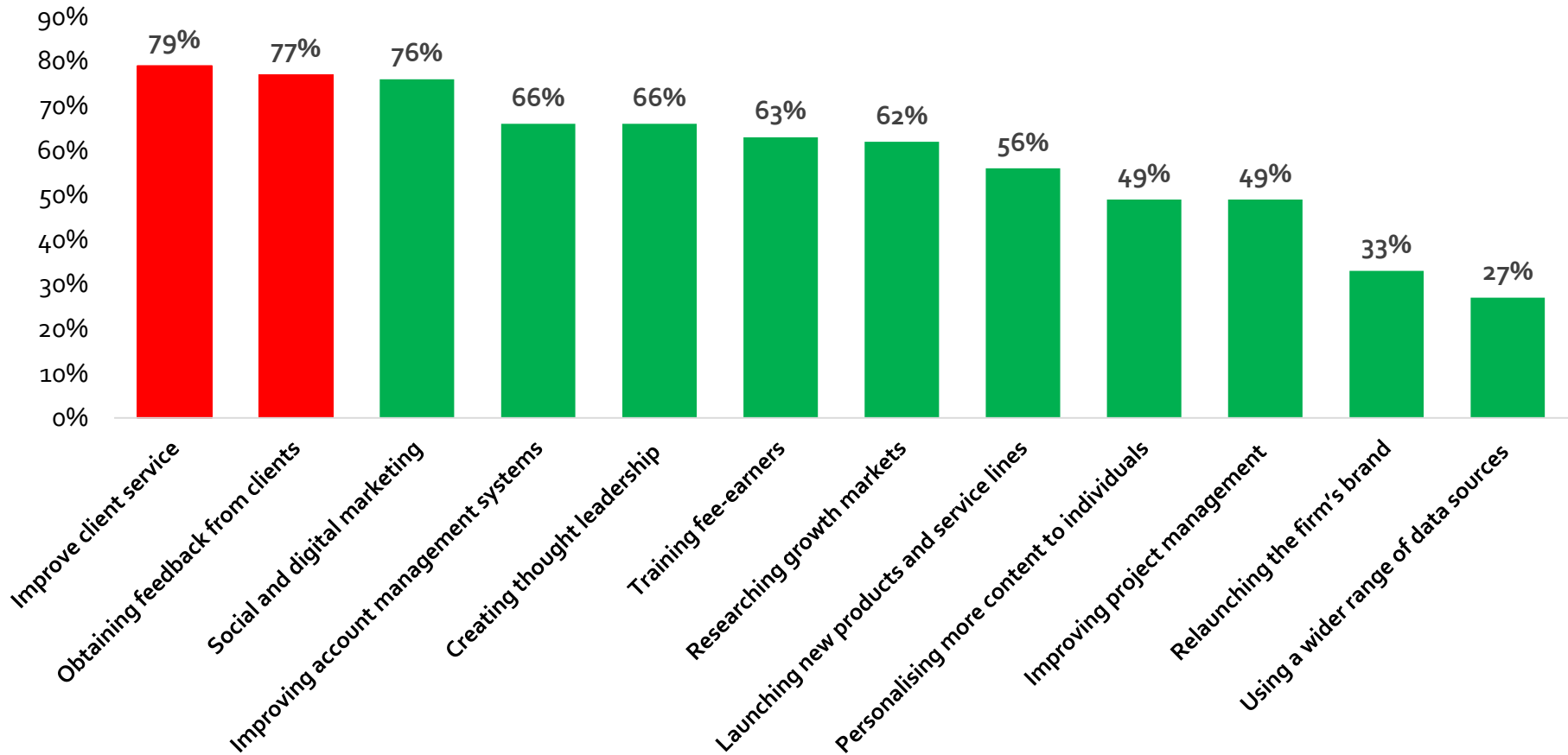
How to deliver outstanding client service, cement relationships and lock out the competition

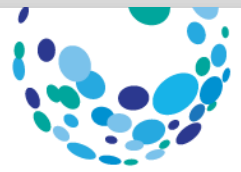


Client service top priority for 2016 for professional firms



What do you plan to do more of this year?





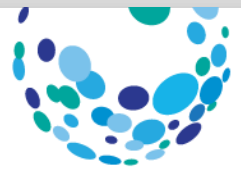
Clients exerting more pressure

“

Everybody feels that clients have tasted blood, and are not prepared to go back to the old days. ”

Top 10 law firm partner





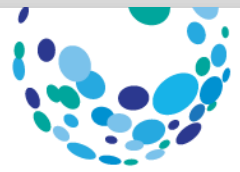
Improving customer service pays

“Successful projects for optimizing the customer experience typically achieve revenue growth of **5 to 10%** and cost reductions of **15-25%** within just two to three years.

Moreover, companies offering exceptional customer experience can exceed the gross margins of their competitors by more than **26%** while they make their employees happier and simplify their end to end operations”

McKinsey&Company

Improve client service – improve realisation by 3% - improve profits by 26%

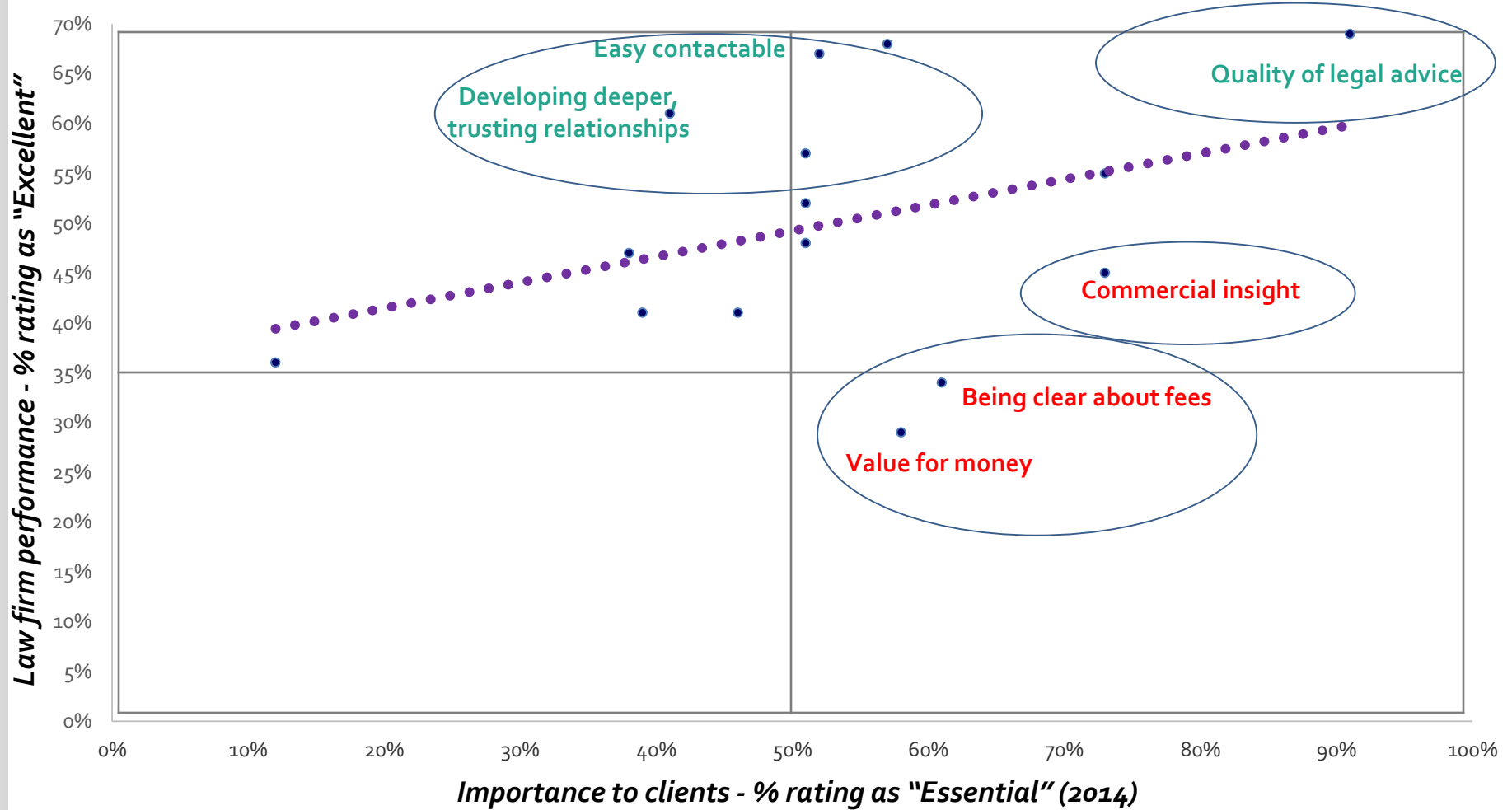


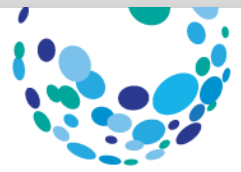
| Lawyers | Avail. hours | Utilisation | Rate | Gross revenue | Realisation | Net revenue | Operating profit |
|---------|--------------|-------------|-------|---------------|-------------|-------------|------------------|
| 150 | 2080 | 70% | \$145 | \$31m | 63% | \$20m | \$3.5m |

| Lawyers | Avail. hours | Utilisation | Rate | Gross revenue | Improved realisation | Greater net revenue | Higher operating profit |
|---------|--------------|-------------|-------|---------------|----------------------|-------------------------|-------------------------|
| 150 | 2080 | 70% | \$145 | \$31m | 66% +3% | \$20.9m +900k | \$4.4m +26% |

The areas to focus on are consistent with last year

Pricing, scoping and commerciality





Clients' views

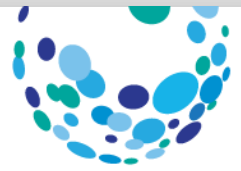
Advisers don't advise. They are too worried about their professional indemnity insurance.

I have only met two lawyers that can count.

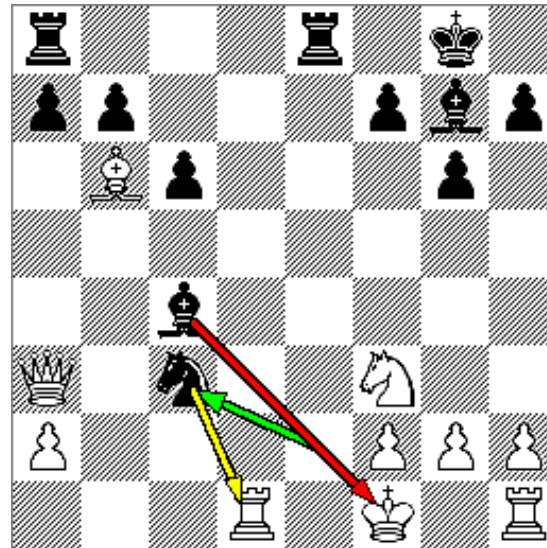
The ability to make a simple, easy to read document. I have never seen one from a lawyer.

Advisors have become too specialised. They don't move around in their careers.





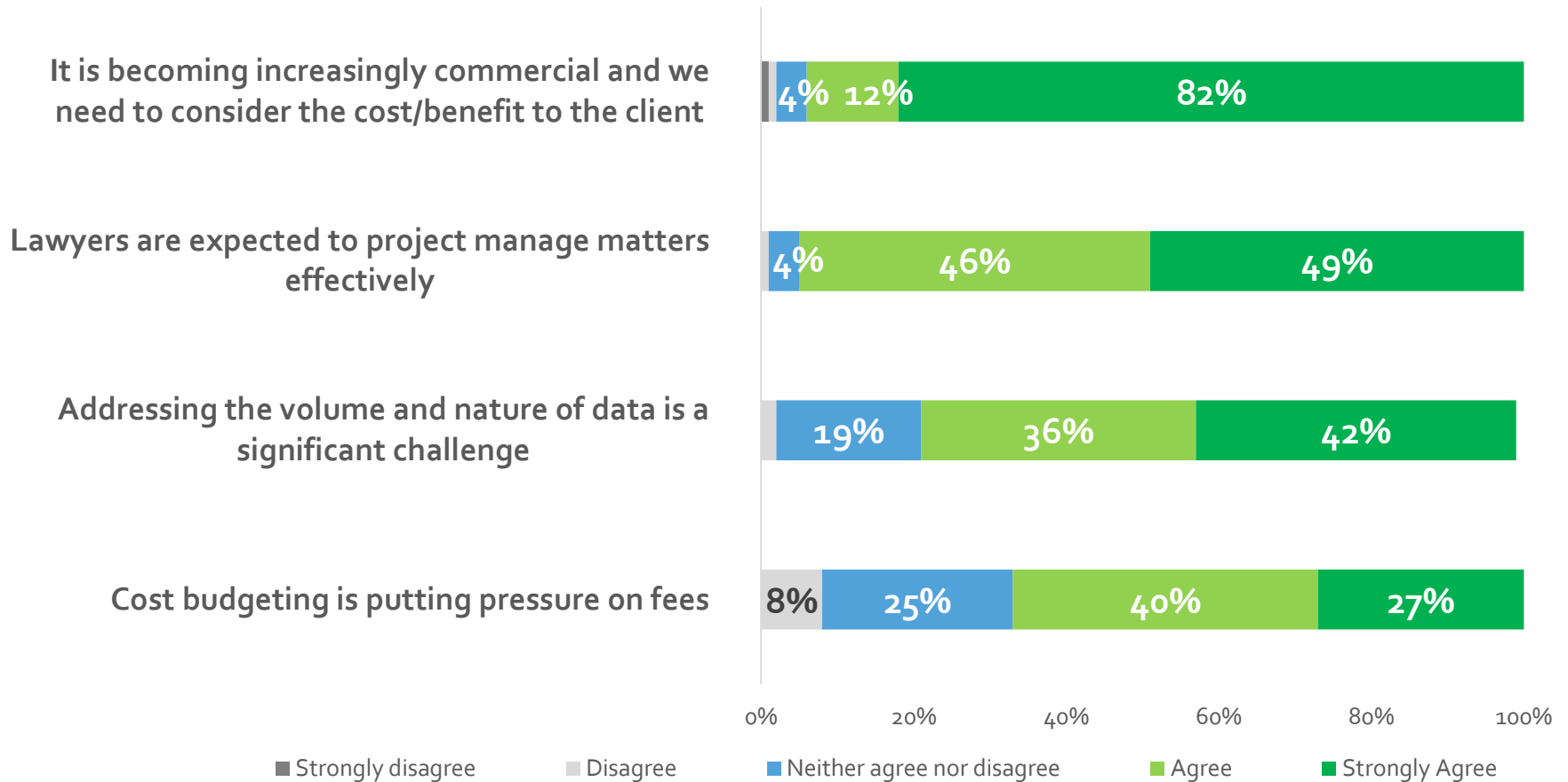
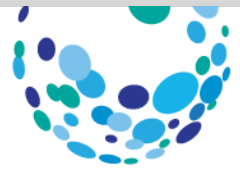
Delivering commercial advice



It is almost like I am in check. I don't want advice from someone who just understands how the knight moves. I want to understand how all the pieces move and hence what my options are.

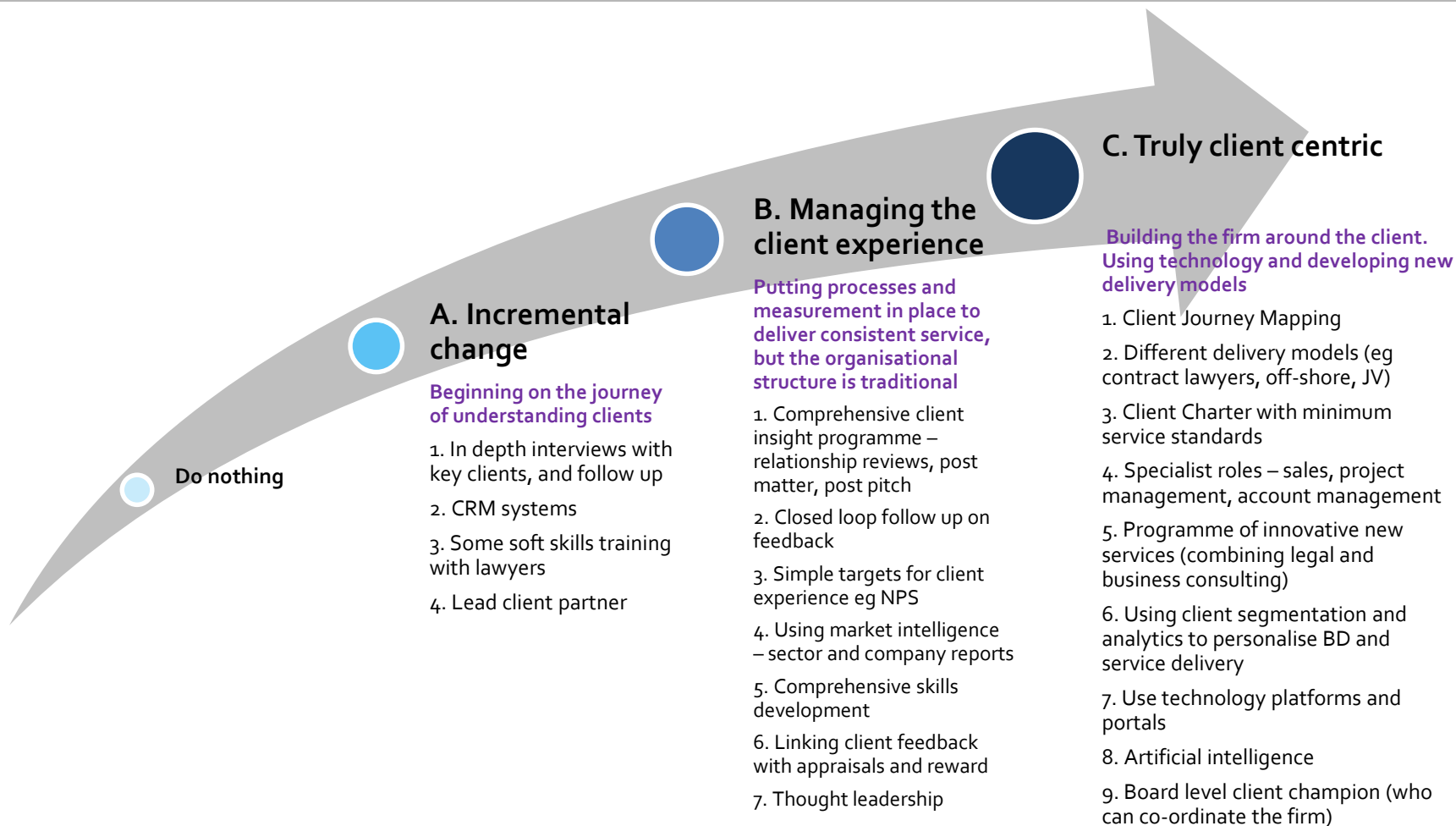
Lawyers expected to be more strategically focused

Data management becoming an increasing challenge



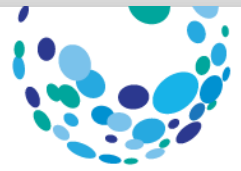
Ideas for delivering outstanding client service

4 options

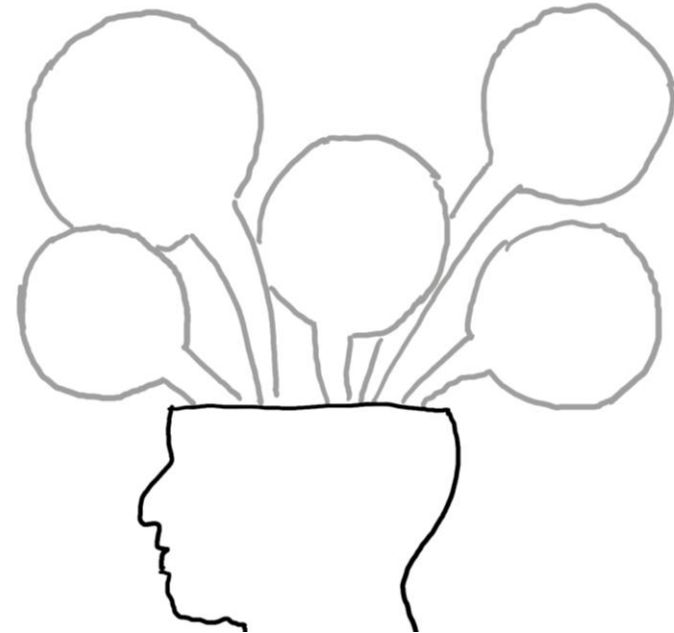


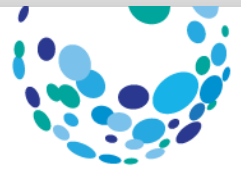
Practical things you can do

Key account programme



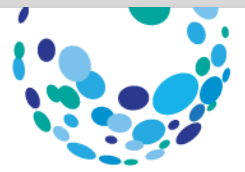
- A small number of accounts 1-10
- Create a plan
- Research their business
 - Company accounts
 - Google Alerts
- Appoint a relationship partner
- Preferential treatment
 - Training
 - Strategy sessions
 - Preferential fees
 - Recommendations





Getting client feedback

- On-line survey (Survey Monkey) after each matter
 - No more than 10 questions
 - How we did
 - Comparisons to other firms
 - Outstanding individuals
- In-depth reviews
 - No the lead partner
 - 60 mins
 - Follow up with issues
- Staff feedback



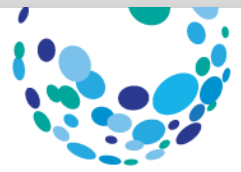
Round tables and seminars

- People from their sector
- Discursive
- Legal / Business issues
- Over lunch



Coffee catch-ups

- At all levels of the firm
- Their peers
- Huge impact
- Track it
 - Make it a competition



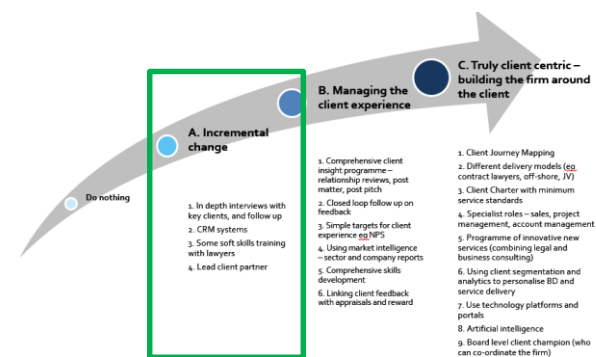
Training for young lawyers

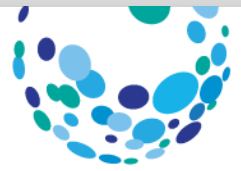
- Soft skills
 - Listening
 - Holding meeting
 - Rehearsing with partners
- Business
 - Finance
 - Mini MBA

Case study – London law firm specialising in private and corporate clients



- Year one
 - Client survey
 - Reports – individual clients, practice areas, firm wide
 - Partners Conference – facilitation session to create client service plan
- Year two
 - Key account programme
 - Training





Thomas Eggar

- Work experience. - 2-3 days
- Client feedback
- Partners sharing their tricks
- On-boarding session

Thomas
Eggar



Result.....

- Award
- No 1 for client service
- Helps win new work



SERVICES

INDUSTRIES

INSIGHTS

ABOUT

BDO wins awards for client service and international collaboration at Managing Partners' Forum



"I don't think lawyers are naturally the most commercially-minded people."

- *Meridian West provided*
 - *A framework for delivering commercial advice*
 - *Workshops for all lawyers and partners*



RESULT

- One of the greatest benefits of the workshop has been an improvement in Coffin Mew's pitches and credentials documents. **"In our pitch documents we now talk about our commercial focus, saying "this is how we do it" and "this is what it means".**
- **We use the habits of commerciality as a guiding principle. We are not yet a year in to the Commerciality Programme, but we are starting to win more work."**





Content marketing

- Technical and legal issues
- Use to produce white papers, articles, reports
- But also
 - An excuse to visit the client
 - Seminars
 - News

Bringing clients new ideas

Thought leadership campaigns



Grant Thornton
An instinct for growth

INSIGHTS FROM THE 2013 GRANT THORNTON INTERNATIONAL LTD
Global Food and Beverage Benchmarking Survey



Grant Thornton
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Legal Perspectives



Discussing topics of interest to the legal market

Issue Two

The art of reinvention: four factors shaping changing client needs in the legal sector

As the way in-house legal teams procure external advice continues to change, law firms must reinvent themselves to rise to the challenge of evolving client demands.

Two recent research studies – surveying different audiences within law firms – confirm the influence of changing client demands on the strategic choices facing law firms today. When asked about the biggest threats to the business growth of their firm, 86% of partners and functional heads in law firms cite changing client needs and behaviours as a concern. Almost a fifth (18%) cite this as ‘extremely concerning’. This is by some margin the biggest worry for law firms, ahead of shortage of talent (72%), over-regulation (62%) and general economic instability (58%).¹

Concern about client needs is not just a worry for law firms today, but also for the longer-term. A benchmarking study among senior marketers within law firms substantiates this point. Two out of every five participants (40%) rank changing client needs as the most important factor driving change in the industry over the next five years. Over half (57%) rank this among their top three factors. Again, the research highlights changing client needs as a greater priority for law firms ahead of other potentially game-changing factors such as new technologies (29%), changing governance structures within law firms (15%) or macroeconomics (8%).²

A clear consensus emerges: the changing needs and buying behaviour of in-house legal teams witnessed in recent years is here to stay. Law firm leaders recognise it is a structural, not merely a cyclical, trend and that it will not reverse as the economic cycle improves. To prosper in this climate of uncertainty law firms need to reinvent themselves, innovating and adapting how they service their clients.

Law firms are right to pay close attention to the changing demands of their clients. Yet, while there may be broad recognition and consensus that clients have become more savvy buyers of legal services – wanting more value and pressing law firms into charging less for it – it is important to understand how changing buying behaviour actually plays out in reality. What is the real evidence of the impact of a structural shift in buying patterns? And what strategies can law firms take in response?

Four trends impacting buying behaviour

When general counsel themselves are asked about their needs, over a fifth (21%) say their number one management priority is ensuring the quality and value of the external legal providers they work with, a figure that has risen from 12% since 2011.³ Underpinning a desire for quality and value are four fundamental considerations impacting the way clients procure legal services.

1: Greater choice means greater competition

Gone are the days when the ‘traditional law firm’ was the only port of call for those procuring legal services. The legal market in 2015 is characterised by multi-sourcing, whereby sophisticated buyers of legal services, such as large corporates and financial institutions, seek the best legal firm to undertake a piece of work for the best price. In reality this may mean selecting one of the alternative legal service providers – such as an offshore document review service or a flexible legal resourcing solution – that are taking market share away from those ‘traditional’ firms.

Multi-sourcing is the product of clients disaggregating legal work. An in-house legal function may decide to break

¹ PwC, Annual Law Firms Survey 2014 (2014)

² Meridian West and PM Forum, Professional Services Marketing Benchmark (2015)

³ Global Legal Post, General Counsel Excellence Report (2013)

WIN: WHAT IN-HOUSE LAWYERS NEED UNITED KINGDOM

WIN is our award winning series of events, tools and forums addressing the technical, commercial and personal aspects of working in-house. [Learn more](#)

UK referendum: [Explore the legal impact of the Brexit vote](#)



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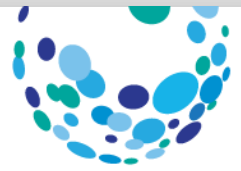


TRAINING WORKSHOPS
& WEBINARS CPD
ACCREDITED

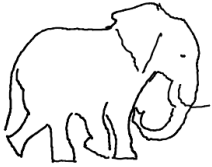


Step 1 – Split into groups of 5



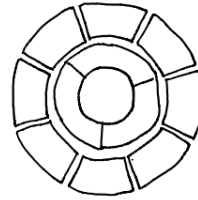


Step 2 - Pick one idea between you



A. Incremental change

1. In depth interviews with key clients, and follow up
2. CRM systems
3. Some soft skills training with lawyers
4. Lead client partner



C. Truly client centric – building the firm around the client

1. Client Journey Mapping
2. Different delivery models (eg contract lawyers, off-shore, JV)
3. Client Charter with minimum service standards
4. Specialist roles – sales, project management, account management
5. Programme of innovative new services (combining legal and business consulting)
6. Using client segmentation and analytics to personalise BD and service delivery
7. Use technology platforms and portals
8. Artificial intelligence
9. Board level client champion (who can co-ordinate the firm)



B. Managing the client experience

1. Comprehensive client insight programme – relationship reviews, post matter, post pitch
2. Closed loop follow up on feedback
3. Simple targets for client experience eg NPS
4. Using market intelligence – sector and company reports
5. Comprehensive skills development
6. Linking client feedback with appraisals and reward
7. Thought leadership

Step 3 – Develop an implementation plan

Plan on a Page



The idea in a nutshell



Resources



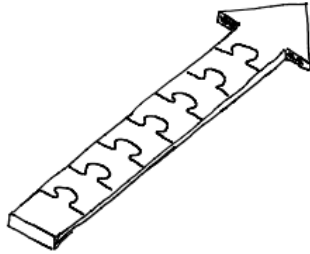
The benefits



The Plan

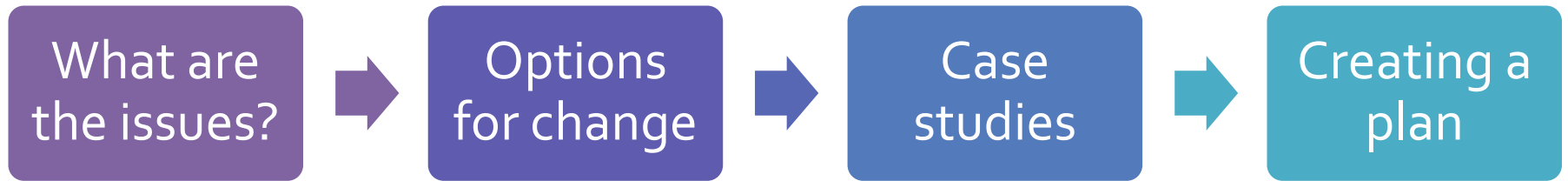
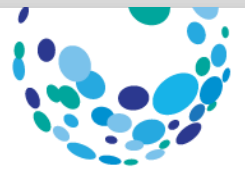


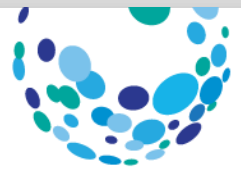
Team



LESS

Improving
efficiency





Subdued demand

"Based on Thomson Reuters Peer Monitor Data, demand growth in the U.S. legal industry since 2010 has been hovering between 1 percent occasionally even turning negative, with a moderate 0.5 percent for 2014."

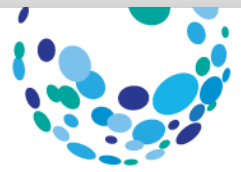


More for less

"Clients want more choice of service delivery at lower cost but no reduction in quality. In other words, they want to have the cake, eat it and lose weight."

Partner

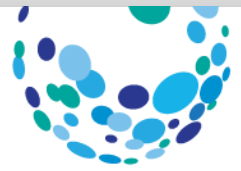




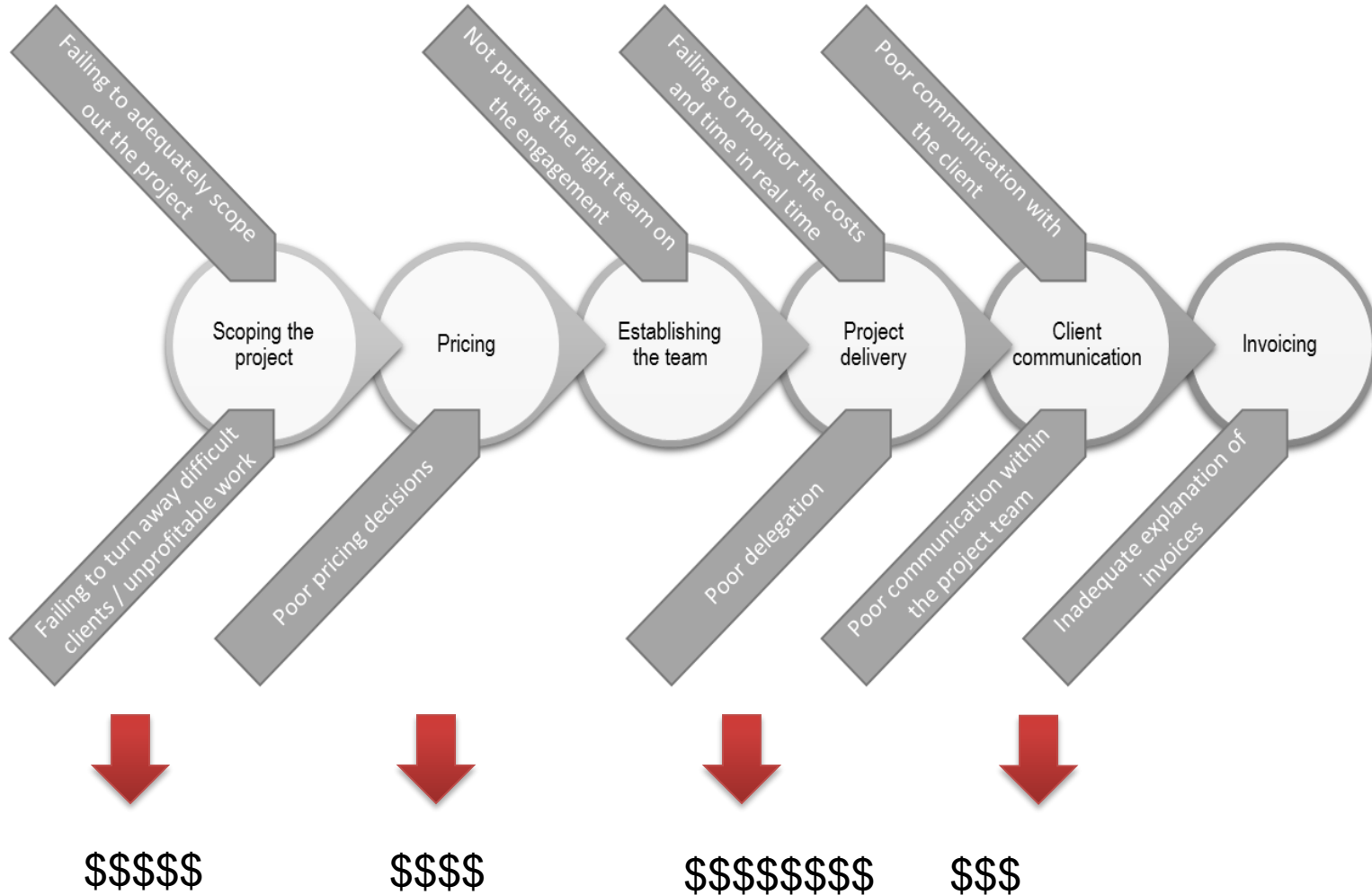
Client legal depts. more innovative than law firms

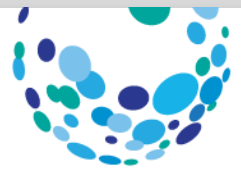
"As clients have applied theories of process management (such as Lean Six Sigma) to work so as to unbundle legal services into more manageable stages, and to look at solving problems with greater efficiency and with technologies and workers specifically trained for the task, they have become less enamoured of law firms doing all that work at a much higher price and with greater inefficiency."





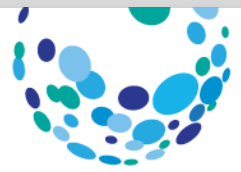
Profit is leaked at all stages



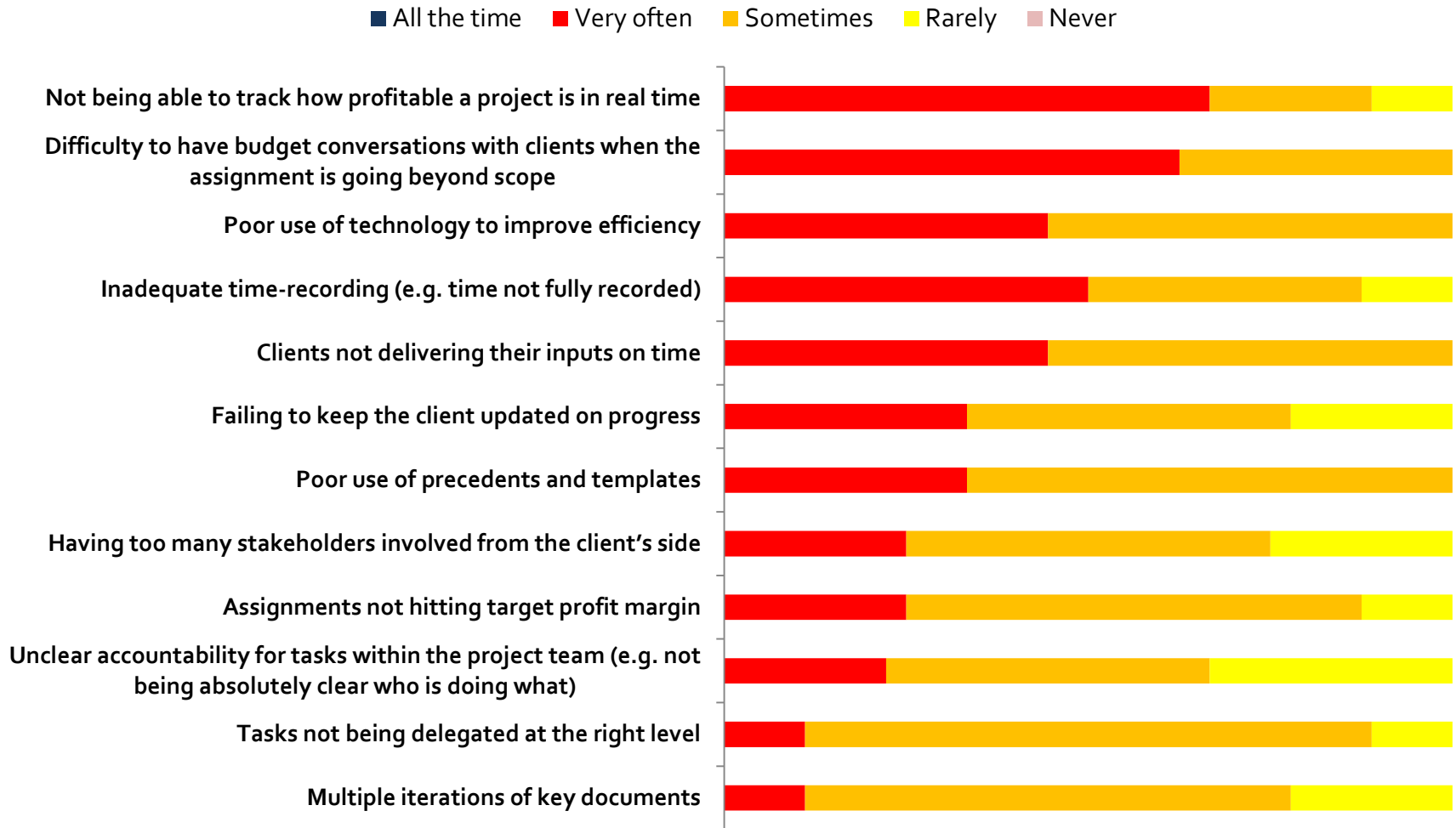


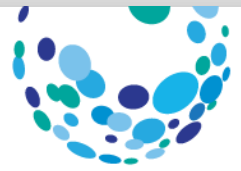
But the lawyer mindset is a barrier





Problems in project management



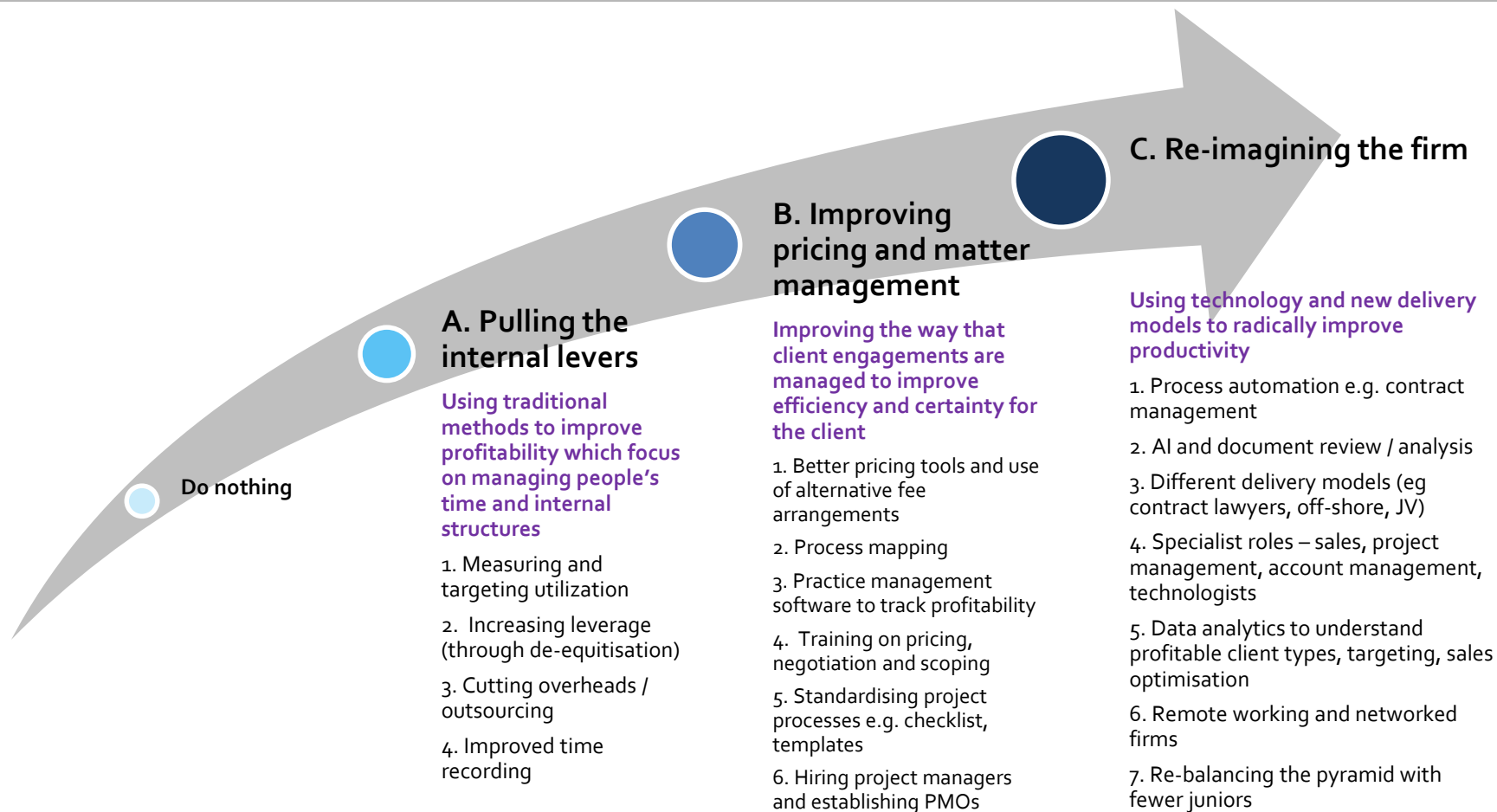


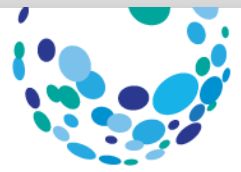
Practical ideas

- Train staff on finance, fee negotiation and project management
- Create a pricing tool
 - Learn from experience
 - A 2nd pair of eyes
- Do proper scoping of a matter
 - Up front conversation with the client about assumptions and how to change
 - What can we take out, what can we take out
- Standardise processes and templates
 - Clarify tasks, time estimate, and who does it
- Deal with scope creep
 - Keep clients up to date
 - Sharepoint portal
 - Before the work is incurred

Ideas for delivering greater efficiency

4 options





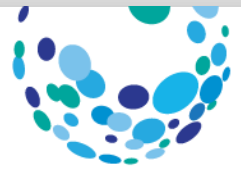
Structured Delivery of Legal Services

"That is how we landed on the name 'Gowlings Practical'. We simplified the project management cycle into four steps, which are intuitively obvious. Liam and I fastened on the concept of 'just enough' project management. A light touch. It shouldn't take a lot of effort."



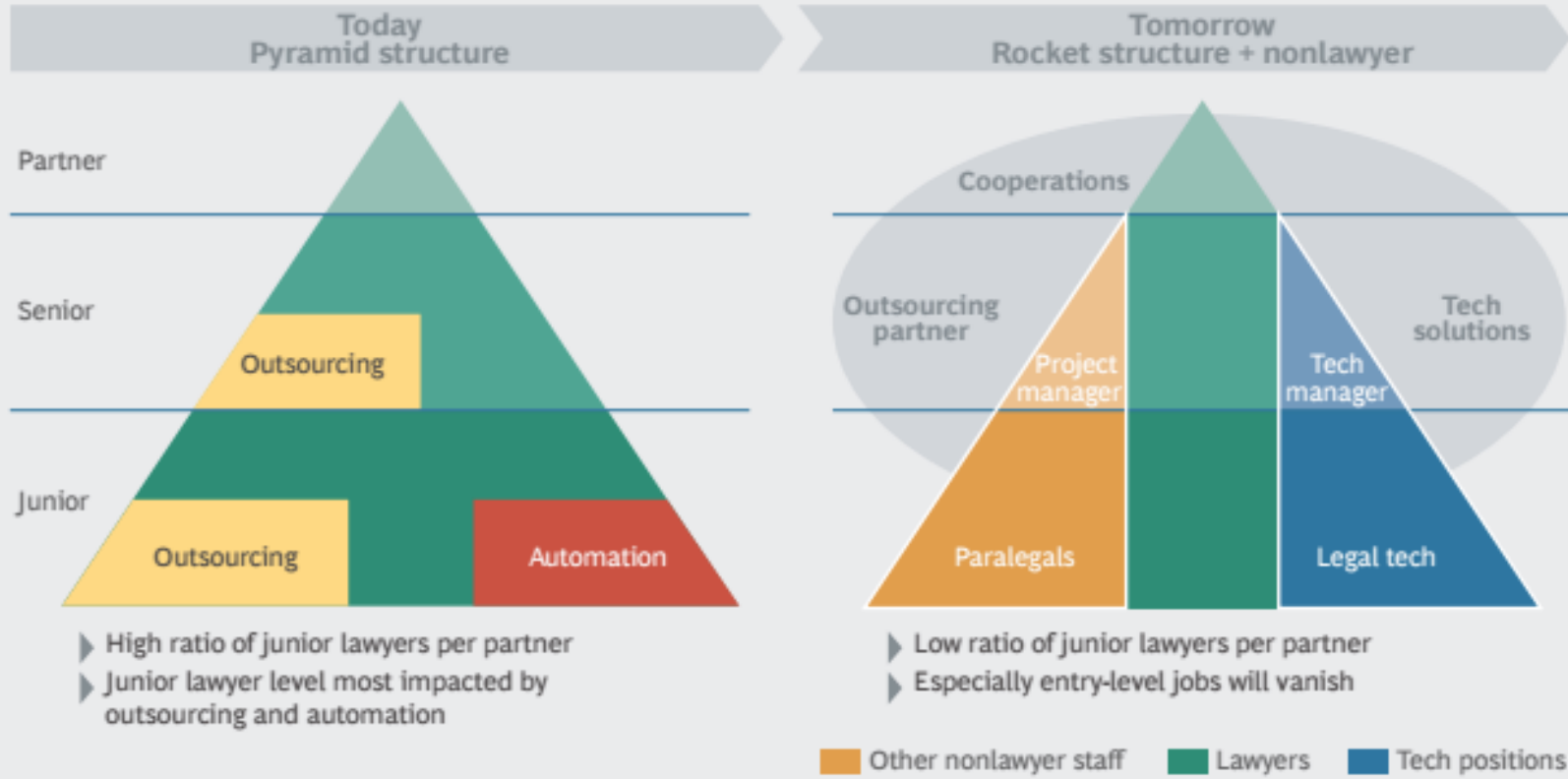
Mark Tamminga

Leader of innovation initiatives and former managing partner at Gowlings



BCG's analysis

EXHIBIT 5 | Adapting big law's business model also includes the traditional pyramid structure



- ▶ High ratio of junior lawyers per partner
- ▶ Junior lawyer level most impacted by outsourcing and automation

- ▶ Low ratio of junior lawyers per partner
- ▶ Especially entry-level jobs will vanish

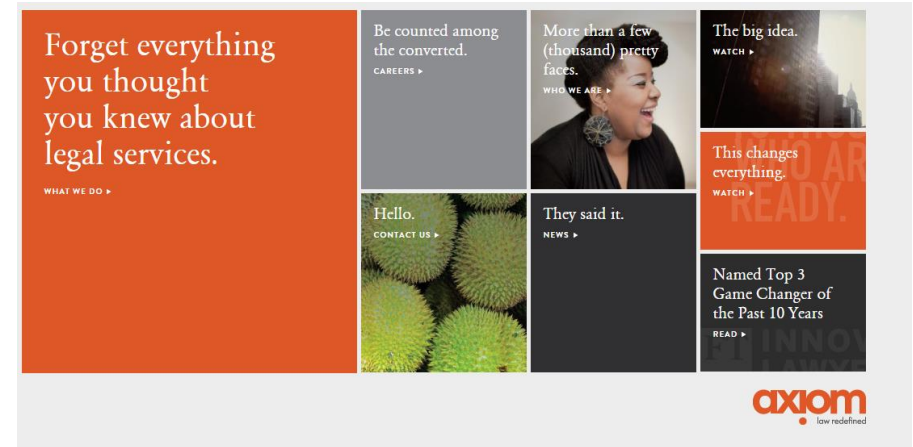
Source: BCG analysis

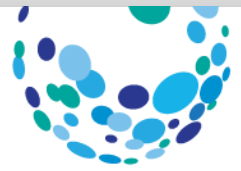
Case studies

Axiom



- **Fast growth** - 1,000+ lawyers and 2,000+ employees across 3 continents
- **Process methodologies** - Axiom deploys a number of process methodologies including standardized workflows, playbooks, QC methods and operating procedures.
- **KPIs** - Axiom reports detailed performance against contracted metrics, including workload, throughput, accuracy, consistency, milestone achievement and cost versus budget.



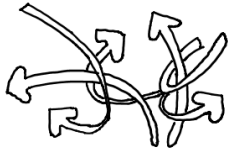


Axiom's process methodologies

*"What we try to do on a complex project, such as the **novation of 50,000 contracts**, is to get the right balance between our **lawyers and paralegals** on the one hand and our bench of **operational experts** on the other. Lawyers are usually the most expensive cog in the wheel, so we need to get the balance right - there needs to be sufficient legal expertise that we can deal with the technical legal questions, but not too many lawyers so the whole system is really expensive.*

So we spend a lot of time structuring the work up front, breaking down exactly what needs to be done – for example, which clauses in the contracts needs to be reviewed, what kind of counterparty outreach needs to happen, and so on -and building playbooks and workflows. That allows us to work out how much lawyer time versus paralegal time versus negotiator time we need.....And we think hard about how we can use technology to support the legal work as well." Nick West, Axiom



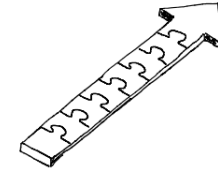


CHANGE

How the legal market is changing



MORE Delivering outstanding client service



LESS Improving efficiency

67% say that the General Counsel is now more involved in the formulation of business strategy than he/she was in the past.

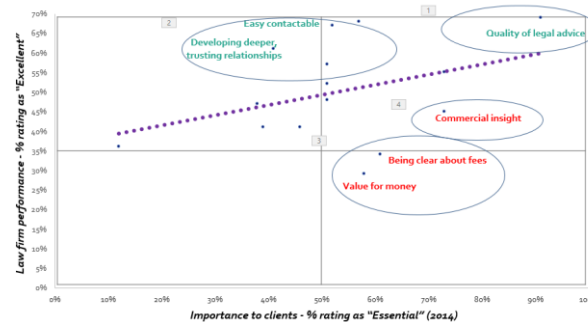


| | Traditional Law | | New Law |
|------------|-------------------------------|---|---|
| Sales | Lawyers sell and produce | ↔ | Sales and production separate |
| | Hourly rate | ↔ | Alternative fee arrangements |
| Delivery | Delivery by lawyer | ↔ | Delivery through diverse team supported by technology |
| | Legal advice | ↔ | Risk management |
| | Continuously improved process | ↔ | Re-engineered processes |
| Governance | In-person | ↔ | In-person and on-line |
| | Partnership | ↔ | Corporation |
| | Consensus | ↔ | Leadership |

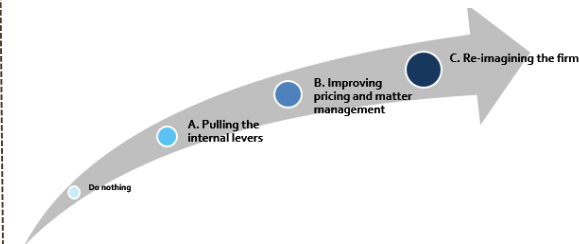
“

Everybody feels that clients have tasted blood, and are not prepared to go back to the old days.”

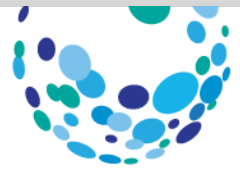
Top 10 law firm partner



“We have seen **downwards trends in net profit margins** in all but in the Top 10 since 2005.”



If you would like to find out more
Please contact me +44 (0)20 7261 4701 or
bkent@meridianwest.co.uk



- I will happily email you the following reports as soon as I get back to the UK

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Corporate

Effective Client-Adviser Relationships 2012

The importance of advisory firm management in delivering the consistent service and commerciality demanded by clients in an uncertain world.

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Legal Perspectives



Discussing topics of interest to the legal market

Issue Two

The art of reinvention: four factors shaping changing client needs in the legal sector

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² Meridian West and PwC Forum, Professional Services Marketing Benchmark (2013)

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When general counsel themselves are asked about their needs, over a fifth (21%) say their number one management priority is ensuring the quality and value of the external legal providers they work with, a figure that has risen from 12% since 2011.³ Underpinning a desire for quality and value are four fundamental considerations impacting the way clients procure legal services.

1: Greater choice means greater competition

Gone are the days when the ‘traditional law firm’ was the only port of call for those procuring legal services. The legal market in 2015 is characterised by multi-sourcing, whereby sophisticated buyers of legal services, such as large corporates and financial institutions, seek the best legal firm to undertake a piece of work for the best price. In reality this may mean selecting one of the alternative legal service providers – such as an offshore document review service or a flexible legal resourcing solution – that are taking market share away from those ‘traditional’ firms.

Multi-sourcing is the product of clients disaggregating legal work. An in-house legal function may decide to break

³ Global Legal Post, General Counsel Excellence Report (2013)

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