

THOMSON REUTERS HIGHQ

Legal Business Operations: Gearing up for 2021



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LEGAL BUSINESS OPERATIONS: GEARING UP FOR 2021

The global health crisis has thrown legal and corporate workplaces challenges to last a lifetime. Industry professionals worldwide experienced prolonged periods of working remotely. Many continue to do so with no end in sight. Legal professionals have fought hard amid uncertainty to support business continuity for clients and their organisations.

When the pandemic locked down cities and regions, law firms were forced to provide guidance in non-conventional ways. Taking clients out to lunch in person became a faux pas during socially distant periods of global health crisis. Deals were made quickly for clients and projects rushed in a bid to secure the increasingly doubtful future.



THE WORLD HAS CHANGED,
prompting how firms collaborate
with clients and vendors to
transform in response.

Fortunately, the pandemic fast-tracked a number of innovations and virtual adoptions as well. In Australia, for example, the introduction of virtual court hearings promoted a more equal level of access to justice. Several firms launched tech hubs and rolled out innovation programs, indicating to clients their confidence in the future of their firms.



Unprecedented adaptability

The Australian legal market has fared well in 2020. According to Peer Monitor data included in the *2020 Australia: State of the Legal Market Report*, demand for legal services grew. Law firm partners were called on to work longer hours than associates in response to increased client demand for strategic advice. Demand in the US and UK legal professions, on the other hand have declined.

Globally, law firms and legal departments continue to entertain the prospect of working from home into the distant future. Beyond a pandemic world, Acritas data indicates that 79% of lawyers want the ability to work remotely at least one day a week.

Thomson Reuters' clients seem to be holding up pretty well. Chief Executive Officer of Thomson Reuters, Steve Hasker was interviewed at a virtual conference in the Asia and emerging markets region. He observed that the overall sentiment among clients is one of "cautious optimism". The CEO also referred to levels of digital preparedness pre and during the pandemic. It's likely, he noted, that companies without products fit to support virtual working will struggle.

The challenges of remote working and business continuity pressures can easily magnify operational efficiency problems. In preparation for 2021, on reflection it becomes clear that technology investment is a crucial consideration for organisations.



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Reimagining law firm and legal operations

1. VIRTUAL WORKFLOW MANAGEMENT

How well law firm advisers and in-house counsel communicate with each other matters. The priorities of in-house buyers are not like they were 12 months ago. Through 2020, in-house counsel focused less on law firm spend reduction and more on obtaining timely, strategic guidance. Acritas market intelligence has observed that General Counsel expect more strategic commerciality, efficiency and consistency from firms in the current climate.

General Counsel view 'legal department effectiveness' and 'proactively safeguarding their organisation' as priority. Among the participants working at Asia-Pacific corporations surveyed by Acritas, 61% experienced ramped-up workloads during the ongoing pandemic. These were seen in areas such as contracting and regulatory response. Overall, corporate counsel leaders are demanding proactive knowledge sharing from their law firm advisers, along with timely, relevant advice.

The appetite of in-house counsel for more strategic commerciality, efficiency and consistency is expected to rollover into 2021. This makes the systems and processes through which firms fulfill these expectations significant.



General Counsel **EXPECT MORE** strategic commerciality, efficiency and consistency from firms in the current climate.



Workflows with external vendors and clients

Firms can improve their client service delivery with a workflow ecosystem managed in the cloud. Here are some goals to consider achieving in an ideal operating environment:



Live document collaboration

Think co-authoring and sharing documents in an always-on environment. The ideal outcome is to keep parties on the same page and manage version control easily.



Real-time contract management

A firm or legal department's contract automation software should seamlessly interact with their overarching operational platform.



Safe and secure file management

Some technologies enable legal counsel and law firm advisers to work together in a seamless virtual environment. With trust being a pillar in any successful vendor and client relationship, it's important to ensure that shared files are protected.

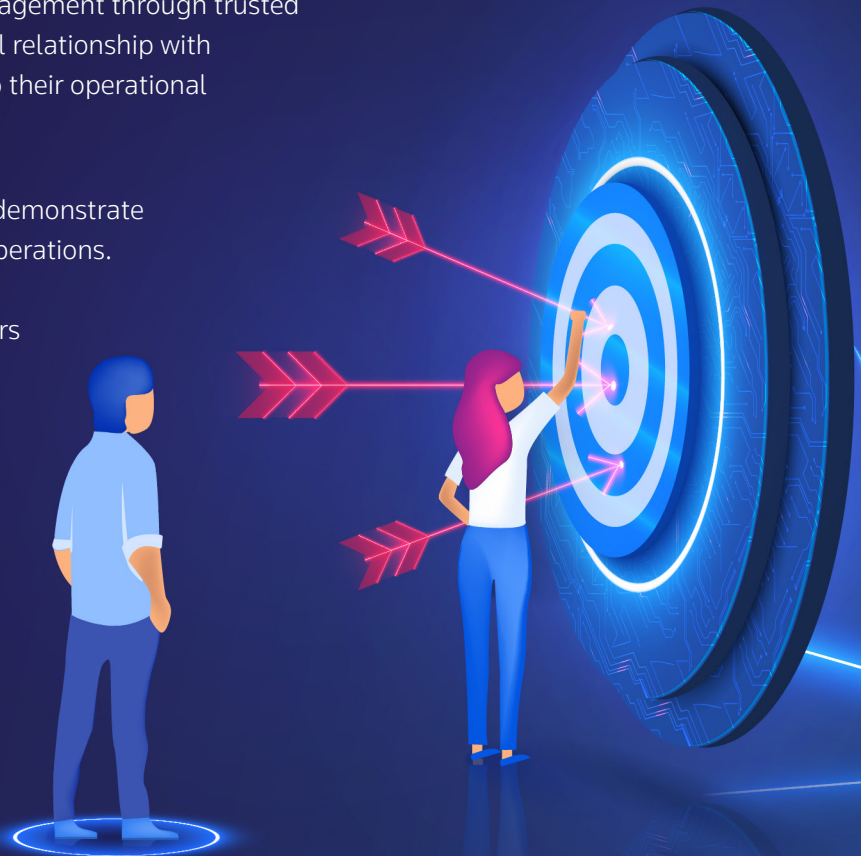


Extranet publishing portals

Sharing market insights through an extranet platform is a powerful way to demonstrate expertise. Practically speaking, software users should be able to update sites quickly and easily without being tech experts.

Overall, user-friendly client and internal engagement through trusted cloud-based technologies makes for an ideal relationship with corporate counsel. Firms who factor this into their operational sandbox for 2021 will stand out to clients.

The same applies to legal teams looking to demonstrate value to their client through efficient legal operations. Approaching virtual workflow management holistically can provide executive stakeholders the visibility they need to demonstrate a legal department's value.



Customised internal workflows

To drive internal efficiencies between lawyers at firms and organisations, Knowledge Managers and General Counsel are opting to purchase flexible, cloud-based technologies. One of the many options available in the marketplace is HighQ, a platform solution that Thomson Reuters acquired in 2019.

With the use of Thomson Reuters HighQ, many innovative global firms have ramped up platform customisation during the pandemic. A client recalls her experience with her overarching virtual workspace powered by HighQ, in the following snippet:



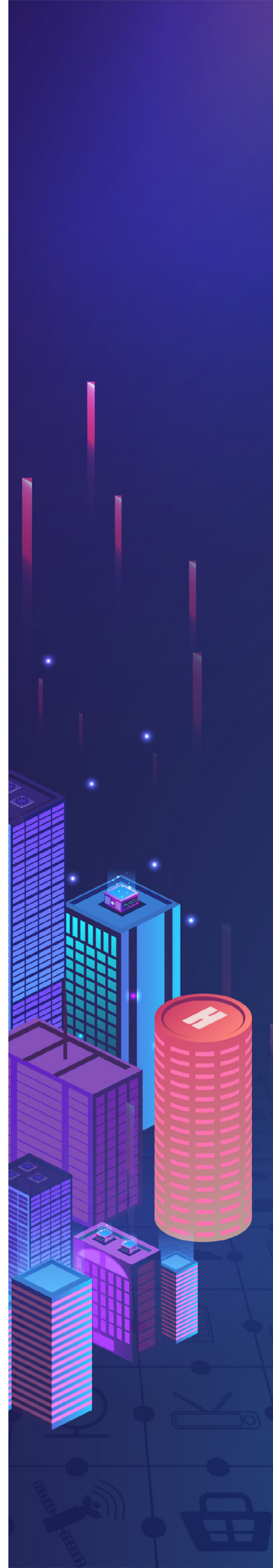
Not only do we use HighQ as our client collaboration portal, some bright spark (the Knowledge Manager) decided to integrate our knowledge platform with HighQ as well.

It did take effort to transfer everything across there. However, it proved to be a godsend (when the pandemic sent us all home, working remotely). Even if our system was down, you could go into any browser and access the information needed through HighQ.

Numerous urgent and topical matters came our way. We would not have managed them without a site set up in HighQ. It has been an absolute godsend.

Our virtual workplace functionality enables us to collaborate with our colleagues everywhere in the world. We [Clyde & Co] have offices in over 50 different cities globally. Through HighQ, we can collaborate virtually and the user experience for internal and client collaboration has been fantastic.

Leona Blanco, Knowledge Manager, Clyde & Co



2. INTEGRATION AND DATA MANAGEMENT

It's never been a more important time to be in control of data. In the post Banking Royal Commission era, responding to an incident with 'I didn't know' is no longer acceptable. Organisations and firms are required to keep their data breach response plans current, adhere to shareholder expectations of corporate social responsibility and so on.

Virtual workplaces with seamlessly integrated technologies connect leaders to information on processes fast. Processes can be ultra automated, reduce unnecessary labour and human error. In a heightened regulatory environment, complete oversight on every process is the ideal. This assists legal departments and external counsel to mitigate the risks of problems escalating once identified.

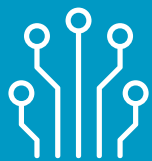
Data management for firms and organisations is riddled with legal landmine risks. Meanwhile, cyber-criminal activity is at an all-time high. It is paramount to trace and protect every piece of data in an easily manageable way.

Furthermore, in-house clients put trust in their advisers to protect their data. They require transparency over how their strictly confidential information is handled and shared. How can firms and legal departments ensure their processes and data points are managed in a cohesive way?

Legal operations managers and innovation specialists can gain complete oversight through integrating their systems and processes with the right technology. Should a breach occur or issue crop up, lawyers, legal professionals can access the data they need to identify and handle the problem, fast.

A single platform built with these risks in mind can help to reduce them. For example, through a platform instance of Thomson Reuters HighQ, user access can be regulated and offer various levels of access. Not only does it enable complex workflows but ensures security and privacy.

When thinking of how your legal operations can support business in the year ahead, be mindful of what it takes to mitigate risk. Implementing an integrated technology stack can increase visibility while maintaining the desired level of control within your firm organisation.



It's never been a more important time to be in **CONTROL OF DATA.**



Project managing the innovation journey

Particularly in the Asia-Pacific region, it is increasingly common for larger law firms to have an innovation function. An innovation leader within an organisation will identify a list of internal problems that require a new approach to resolve. They will approach relevant stakeholders to identify the gaps and work out whether issues can be ironed out without additional technology investment.

Some firms even commission internal technology builds to support legal efficiencies. Other times, underutilised technologies are revived to improve a process or dissolve a problem. Outstanding issues highlighted are generally ranked in order of priority. A phased approach is usually needed with any digital transformation project to support smoother change management.

Identify, then rank key challenges

While the product selection part of the journey is an exciting one, it usually comes later on. A strong business case for a product will centre around solving the specific needs of its end users. This can take time to determine. If a specific product is purchased prematurely, the change management chapter can fail.

Additionally, the operation nuances existing in the firm must be considered to ensure the provider is offering a good fit. One example of a mismatch is if a solution does not integrate with others easily. Without end-to-end integration, efficiency barriers can hinder the implementation phase.



There are other times where a firm has implemented only a portion of what the solution can do. Some platform technologies can be customised. Legal technology buyers may opt to roll out more features over time, as one Thomson Reuters HighQ client has noted:



We've been a client of HighQ for years but really only used it to its full potential since the pandemic! We use it for legal counsel and expert briefs, as it's secure and can be customised. When we are briefing counsel, we can easily create supplementary briefs just by uploading documents.

Experts are all immediately notified when documents are uploaded or if a user makes changes to a site. We've also enabled features like powerful searching for ease of use. It is very user friendly and we've had some fantastic feedback about that from clients.

Our corporate teams have always been high users of data rooms and HighQ platforms. At the height of the pandemic, I've found that many clients have been keen to hurry projects along.

Understandably, this was due to unforeseen circumstances of the current market. Clients did not know what would happen next. We spun up sites for them quickly, efficiently and securely, and I know it was really appreciated.

An internal working group at the firm that benefited from HighQ was one involved with reducing environmental waste. We were producing huge amounts of hard copy material plans in different formatted documents.

The firm has always been paper-centric, but we've been able to transform physical documents into e-briefs on HighQ. The changes we've made over these past few months will have lasting positive effects on the firm. They are ultimately of benefit to our clients.

Inez Russell, SmartLaw Director, HopgoodGanim



Tech stack fit for purpose

As COVID-19 pandemic rolled in, not all law firms were on equal footing when it came to their existing technology stack. Simply activating entirely virtual environments presented challenges to many.

There were also specific industries which thrived in pandemic market conditions, such as essential services and certain consumer brands. In effect, workload surges hit legal departments to handle demand. As mentioned earlier, General Counsel expected their law firm advisers to step up and provide more strategic guidance and support.

Empower and enable your lawyers

Firms with effective systems and processes in place are in a good position to provide timely legal advice in 2021. Workplaces with effective operations in place empower their lawyers to spend less time on administrative tasks and more on higher-value work.

Lawyers and legal counsel who actively champion innovation and digital transformation are well-placed to tackle the year ahead. The onus is on legal leaders to assess their current level of technology enablement. This will enable them to tap into their existing tech stack or build a business case for 2021 investment.

About Thomson Reuters HighQ

Thomson Reuters HighQ enables you to reimagine your legal and law firm operations. The unique platform is built to enable customisable document automation, client experiences, and much more. If you're gearing up for 2021 operations, consider partnering with Thomson Reuters.



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