

# Business Process Outsourcing and Legal Library Services: the Integreon Model – One Year On

**Abstract:** Within the legal library world “outsourcing” has become a hot topic, and not necessarily a welcome one. In the last 12 months there have been several law firms making the move to outsource their Information Services, so why is this happening and what are the options? Kate Stanfield, Vice President, Knowledge and Research at Integreon examines the issues. Her article is based on a presentation given at the BIAL Conference in June 2011.

**Keywords:** law libraries; law firm libraries; information services; outsourcing

## THE CHANGING LEGAL LANDSCAPE

The Legal Services Act is familiar to us all, but do we fully understand the alternative business structures that this enables? For many law firms this ability to look at how they structure some of their business services and their financial models differently, becomes more attractive as other pressures develop within the legal landscape.

Clients are no longer resigned to the ‘law firm chargeable hour’ rates and services. Facing their own pressures, clients demand a lot more from their legal advisers.

Primarily, these requirements are based around cost; fixed price deals, bulk discounts – and some innovative pricing deals! Clients also require added value, often to augment their administrative services which might have been cut back in-house. Tie this pressure into the need to accommodate globalisation, the demands for expertise in both new jurisdictions and topics, together with capability and service centres in different geographic locations and, again, a less costly model would be attractive.

The financial crisis of recent years brings these pressures into focus and senior management look at the overall costs of running a law firm with a keen eye on support costs. A clue is in the terminology commonly used for law firm staff; the lawyers are “fee earners” whereas the Business Services teams – finance, I.T., H.R., library are “support”.

While we, as librarians, may query the ability to provide excellent services in outsourced models, the Senior Management in most law firms are looking at the



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bigger picture; the pressures facing their growth, profits and partner drawings.

For the outsourcing of library services to work well in any scenario, it is crucial for professional librarians to be involved in the design and operation of an effective service within any new business structure, whether that is with a partner such as Integreon, or as an in-house service. Information Professionals are crucial to the success or failure of such services.

Several law firms have, in the last eighteen months, chosen to outsource their library services to Integreon,

including Morgan Cole, Farrer & Co and Thomas Eggar. In each of these cases the staff that transferred and the new client knowledge and processes have contributed to the growing Integreon library team of professionals. All of these firms utilise the “shared” library model, serviced by a shared Information Services team.

This team makes the best of various locations, whether on site at the law firm, onshore (mainly in Bristol and London) or offshore, to provide effective and cost efficient service. A common misconception is that “outsourcing” means carrying out all of the work offshore, for example in India. However, for outsourcing processes to be effective they have to be located in the most appropriate location and need to be carefully planned.

One large UK law firm development within the last twelve months has been the business process outsourcing of CMS Cameron McKenna LLP; and not just library services or other service lines such as IT, but a complete transfer of all Business Services provision for the firm.



Diagram 1: "The Changing Legal Landscape"

### CMS CAMERON MCKENNA AND INTEGREON

Several law firms have moved to various support solutions for Business Services provision over the last couple of years. Clifford Chance (CC) has created a "Captive" centre in India, dealing with only CC work. Allen & Overy are creating their base in Belfast. Freshfields have used EvaluateServe for their central library provision in London.

In May 2010 CMS Cameron McKenna announced that after exploring various alternatives the firm had decided

to carry out due diligence on a partnership with Integreon to provide Business Support functions.

Various factors influenced this decision; all of the factors described above, as well as a number of objectives:

- To deliver an enhanced service;
- To improve cost and service flexibility;
- To create an innovative business services platform capable of delivering services across multiple clients, offices and countries;
- To offer a stimulating new working environment and enhanced career opportunities for support professionals;
- To provide a service at the most efficient cost.

Several of these objectives required a shift in the technology platforms – the next generation of "Best In Class" technology at the most effective cost, and that is something that CMS Cameron McKenna gained by partnering with Integreon. These UBM (Universal Business Management) platforms are now being developed by Integreon using expertise from CMS and also across Integreon.

### DESIGNING THE FUTURE OPERATING MODEL

CMS Cameron McKenna spent twelve months looking at every process within Business Support Services, examining what elements were involved in each process, the competitive advantage and sensitivity, the location requirements, the process itself and how it might be improved.

At the end of this 'due diligence' it was clear which areas of service could utilise a "shared" service approach (with reduced cost and greater flexibility), which processes



Diagram 2: "Onshore, Offshore, Onsite"

had to be provided in a dedicated model, and which processes should be retained within CMS Cameron McKenna.

With regard to library services, a new model was constructed; a “hybrid model”. This model aims to make the best advantage of shared library services while allowing full utilisation of the confidential know-how and experience generated by CMS Cameron McKenna.

The need for a new model was, partly, because the library services at CMS Cameron McKenna had always been completely integrated into the growth of Knowledge Management within the firm, rather than being a separate department; making it difficult to separate out these processes without losing some benefits.

### THE “HYBRID” MODEL

The workflow, data access and governance of the hybrid service were carefully worked out, with CMS Cameron McKenna consulting the expertise of the SRA (Solicitor’s Regulation Authority).

This model, like the shared model, is reliant upon a “gatekeeper” function, monitoring and allocating work across the team, safeguarding confidentiality.

Unlike the full shared model, the “hybrid” team are then limited in what work they can carry out for other Integreon clients. The end result being that access to the confidential know-how for CMS Cameron McKenna can only be utilised by the hybrid team, and not by staff working on other client accounts.

Shared work, without any sensitivity, would include searching commercial databases and much of the typical library information retrieval. Only the work which involves utilising CMS client data, and know-how generation, is at a dedicated level. The flow chart (Diagram 4) shows the basic steps. Again the team consists of professionally qualified and experienced librarians, as well as library assistants with training and development opportunities throughout the shared and hybrid Integreon team.

### CAN A FULL LIBRARY SERVICE BE OUTSOURCED?

There are many fears about the effectiveness of outsourced library services, such as confidentiality, flexibility

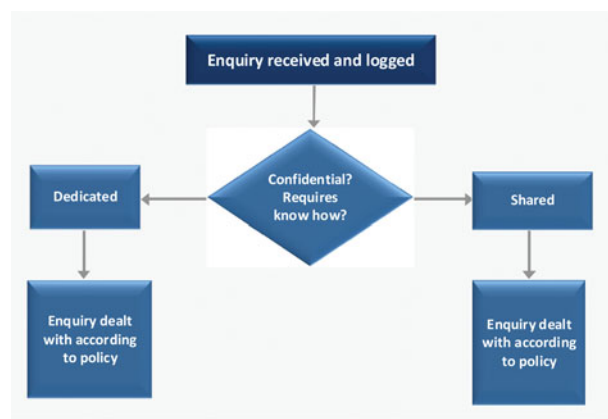


Diagram 4: The “Hybrid” Model

and speed of response, quality of research, loss of competitive advantage and governance issues with regard to access to privileged information.

All of these things can be worked out in a well planned service, and again this is why experienced Information Professionals are crucial to make these services successful. Any outsourced service needs to have carefully planned Service Level Agreements, both qualitative and quantitative. These should cover both the speed and quality of the work carried out; but the quality is very difficult to measure and can be very subjective. For example, if a trainee asks for a case that covers a certain issue, and such a case does not exist, the client (the trainee) may give a low quality mark for that piece of work, despite the work being done well and accurately. Response rates can be low, as busy fee earners do not always have the time to spend or feel the need to respond in feedback mechanisms, surveys or quick “voting buttons” to say how well, or otherwise, that piece of work was done. There is no replacement for face-to-face feedback, and it is important to continue a presence at practice team meetings occasionally, to gauge how well the service is performing.

Training and development for the outsourced library team is essential. This can actually be easier to achieve, with more opportunities to learn from peers, and perhaps more regular training within a larger team. Systems have to be developed and altered as new requirements come along and that work can be interesting and challenging.

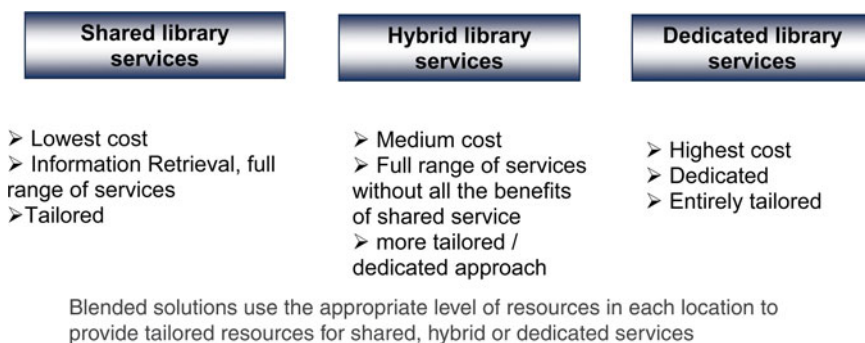


Diagram 3: Library models



Diagram 5: Issues to plan for when outsourcing a library function

Integreon utilises a blended solution, with appropriate work being carried out onsite, within the client’s offices, onshore, or offshore as appropriate, all of which needs careful documentation, procedures and policies, as well as the SLA reporting; all of which contribute to successful solutions.

Diagram 5 illustrates some of the most common issues of concern that should be planned for when outsourcing a library function.

Service Level Agreements are crucial, as already mentioned, not just quantitative ones, but as qualitative measures. It is relatively easy to set up measures of whether work was delivered within a certain timescale; the number of enquiries, book orders, etc. but the service success depends upon how well the enquiry was carried out. Was the answer what was needed? Did the work go beyond the basic level of information provision? Always difficult to measure.

## THE WORKING ENVIRONMENT

One of the issues often overlooked by those without experience of outsourcing is the benefit of belonging to an organisation where your service is the primary product. We are all used to the fact that often the library is “just” a support function. We may argue that it is a crucial support function, but is that always 100% supported by the parent organisation? When it comes to saving money in times of economic recession we have all seen the effects of cuts in library expenditure and cuts in staff numbers.

Within law firms the terminology shows us to be “non fee-earners”, and in the financial model, a library is an overhead, however necessary it may be.

Within a professional services provider such as Integreon, we are providing the end product to our clients, the law firms. There are bigger teams of professionally qualified and experienced staff, trained both internally and externally. There is the opportunity to develop and perhaps take on more senior roles or to specialise in one or two areas without having to move to another organisation.

I joined Integreon in April 2011 as part of the CMS Cameron McKenna transfer, and that has meant a steep learning curve for work that I had not experienced before, but it has provided the ability to tap into other areas of expertise within the organisation.

There are still many opportunities as this service area grows and develops.

Integreon, 12 months on, has grown and developed, as have other outsourcing companies. One of its strengths and one of the reasons that CMS Cameron McKenna chose to partner with Integreon is that there are three related divisions that provide expertise and complementary skill sets, as illustrated below (Diagram 6).

## IN CONCLUSION

To conclude, BPO has developed considerably within the last 12 months, not just within Integreon. There are many advantages and many pitfalls, and the professional librarian has a role here, more than ever.

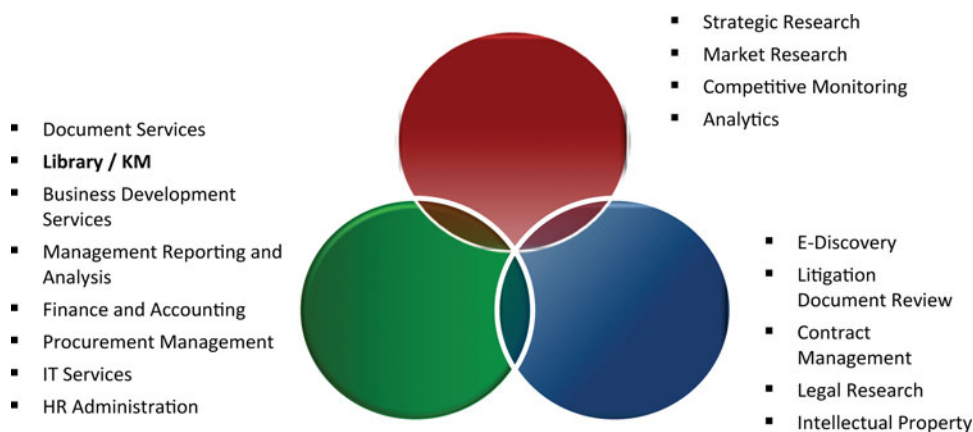


Diagram 6: Integreon capabilities



## Biography

Kate Stanfield is currently VP of Knowledge and Research at Integreon, the largest and highest impact provider of integrated legal, research, discovery and business solutions to professionals. Kate has overall responsibility for Information Services within Integreon, building blended delivery solutions for legal and business research within the Integreon portfolio. Prior to joining Integreon in April 2011, Kate was the Head of Knowledge Management at CMS Cameron McKenna LLP, a leading European law firm advising businesses, financial institutions, public sector bodies and governments.

Kate has implemented several knowledge systems, collaborative systems, and other solutions, and believes firmly in tailored provision. She has helped corporate clients and law firms with knowledge and information services, from knowledge sharing audits, helping to create a knowledge strategy, through to developing knowledge systems, improving intranets and developing taxonomy for the business.

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# Knowledge Process Outsourcing and the Legal Sector: the Evalueserve Approach

**Abstract:** Edward Gill discusses the concept and issues surrounding knowledge process outsourcing and provides an insight into the business model of, and services offered by, the company, Evalueserve.

**Keywords:** business management; knowledge management; law firms; outsourcing

## KNOWLEDGE PROCESS OUTSOURCING EXPLAINED

### What is Knowledge Process Outsourcing?

In a nutshell, Knowledge Process Outsourcing (or KPO, as it is commonly known) is the delivery of high-value knowledge and information processes by an outside supplier. The processes are provided by the supplier through a dedicated team and may be for internal as well as external use. KPO services typically require specialised skills, domain knowledge and expertise, and may include business research, analytics and Legal Support



Edward Gill

Services (also known as LPO). To deliver these services, KPO providers typically employ a highly educated workforce, with a significant proportion of staff having tertiary and professional qualifications, including MBAs, CFAs, PhDs, engineers and lawyers.

### A potted history of KPO

KPO is a relatively new form of outsourcing. While the term itself was coined much later, many trace the origins of the industry to 1999 with the establishment of the McKinsey Knowledge Centre in Gurgaon, just outside of New Delhi, India. The centre was developed to provide rapid