



Legal IT landscapes

A GLOBAL SURVEY OF LEGAL IT PEOPLE ON THE TECHNOLOGY ISSUES AFFECTING LAW FIRMS IN 2011

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Rupert White, legalsupportnetwork.co.uk



What are law firms really doing with social media and tablet PCs? Who's properly getting to grips with their own numbers? And how do IT people feel about their prospects in the legal sector?

I wanted to know the answers to these questions and, if you're reading this, you probably do as well. We have those answers – though they may not all be what you were expecting.

This is LSN's first report, and I'm delighted that we've done it in conjunction with **Legal IT Professionals**. Working with LITP has meant we've reached a great spread of firms and a wide range of respondents on both sides of the Atlantic, and, in doing so, we've uncovered some genuinely interesting results.

The most striking results of the survey included the findings that even IT people think cloud computing remains saddled with risk issues, but that law firms are embracing social media and tablet computers more than I would have thought. This last is a refreshing, enlightened viewpoint.

More important is that, while legal IT people are confident their role is increasingly seen as equal to any other in today's firm, there's still a big status gap between IT and, say, finance or HR. Also important, in my opinion, is that business intelligence (BI) is becoming heavily adopted – I just wish this connection between technology and finance 'knocked on' to the status of IT in firm hierarchies.

But I'm proud that UK law firms lead the way in BI adoption. Gaining a deep understanding of the numbers behind any business is vital to its success, and this regional lead can only deliver growth and prosperity to the UK firms that 'get' BI.

I'm also happy to see that UK legal IT people are the most positive about their chosen role, and the least negative about its status.

Who said all Brits are whingers?

Rob Ameerun, Legal IT Professionals



I'm delighted to be able to bring this research to you in conjunction with **legalsupportnetwork**, and it brings up some very interesting results.

Not only are the results of the survey fascinating, but the fact that a large number of law firm IT staff in the US and UK took the time to take part is worth mentioning.

We have a great spread in law firm size and job titles, which made it possible to do good analysis of different groups – to my mind, this makes the report of great value to everybody working in the legal technology industry.

I guess what surprised me most is the enormous success of the tablet computer in legal in such a short time. Though we specifically approached the tablet question in a neutral way – not mentioning a specific brand, but I'm sure that we're currently talking about iPads – the rate of tablet adoption is astonishing. It's only a year ago that iPads hit the market, and now even a conservative sector like legal is considering them as a serious option.

Another result that struck me was the opinion about Microsoft SharePoint. It seems to me that reality is running ahead of the respondents' answers – many smaller firms are either seriously considering using SharePoint 2010 as an option for their new document management system, while others already use it, whereas the results in our survey appear more equivocal. And what about Clifford Chance's recent SharePoint move? It will be rolling out SharePoint 2010 across all its offices, real soon. If CC is serious about it, how can SharePoint 2010 not be ready for legal?

Lastly, we put a question in about possible Autonomy takeovers because so many people are gossiping about the future of this company – so it's curious to see that our survey suggests that the majority of the legal IT community doesn't have an opinion on this issue. Will this matter to Autonomy? Only time will tell...

Executive summary



What do legal IT people think of the challenges facing their firms? And what do they think of their own role, its status and its prospects?

This report covers research into some key issues on the legal IT chief's desk – cloud computing, tablet PCs, social media use, business intelligence (BI), document management and Microsoft SharePoint and desktop solutions – as well as how IT people see their role in terms of its status and its future.

How equal do legal IT people feel in today's law firm?

Despite the recession and the sector's notorious animosity to change, today's legal IT people are confident about their career possibilities and the status of their department in the hierarchy within their firms.

Very few (9%) said that the world of IT remains one in which the "firm's management loses interest, and this won't change".

Almost half (46%) of those we polled said partners in their firms are waking up to IT's importance and are open to more involvement by IT in determining strategy, while more than one in five thought their area has achieved parity with other back office departments in their firms.

The legal IT people most positive about their role are in the UK – while those in the US report less confidence in their role's equality.

Embracing social media and tablet computing

Law firms are more clued up than one might think – they, or at least their IT departments, are getting into social media and tablet computing, for example.

Three-quarters of respondents were positive towards using social media tools and platforms by law firm staff – saying that they're either going to develop their use further, want to, or are already doing so.

Executive summary cont.

One third of legal IT people we questioned said their firms were either “already planning to develop” use of social media tools in 2011, or are “already using social media tools internally”.

And there’s now a groundswell in the business around the possibilities tablets might bring. Those in charge in IT were very positive towards their use to bring value to their firms – 73% of CIOs/CTOs, 78% of IT managers and 82% of IT directors/heads of IT said their firms are either examining how to expand tablet use in 2011 or already planning to do more. CIOs/CTOs were most fully positive about them, which should almost guarantee real change in the form factor of devices used in the law firms of tomorrow.

By the numbers: The importance of management data

Law firms are now widely grasping the importance of business intelligence and management information and reporting. The UK leads both in adoption of BI and in the most sophisticated uses of it.

Six in 10 respondents reported that their firms use some form of BI, but when the results are split out between the US and the UK, the difference is marked: 70% of UK firms use some form of BI, whereas just 58% of US firms are data mining their businesses.

UK firms also lead on the most sophisticated use of BI we suggested – using it to report on costs and profitability, create forecasts and bind numbers to key performance indicators: 42% of UK respondents said their firms are doing this. This is much higher than their US counterparts.

Clouds ahead: SharePoint, cloud computing and Office

Legal IT people are reserved but positive about some key changes ahead: Microsoft SharePoint, cloud, Windows 7 and Office 2010.

A quarter of those polled said that the problem with moving ‘into the cloud’ is partner fear, not real issues – and they said that perhaps

Executive summary cont.

more success stories around cloud might help. More than a third of all respondents said they saw no real compliance issues in cloud.

But half of those polled said cloud computing “has serious compliance issues” that need to be addressed when moving to the ether, so law firms are far from the tipping point.

They’re also far from moving over to Microsoft SharePoint for document management, despite being very positive about its potential. Six in 10 respondents had a positive view of SharePoint’s value to law firms, and one in 10 said “the latest version of SharePoint is very suitable for law firms of all sizes”. However, SharePoint is not winning the votes of the smaller firms in the numbers one might expect, and CIOs/CTOs were the roles least positive towards it.

When it comes to upgrading to Windows 7 and/or Office 2010, compatibility with existing applications was overwhelmingly the biggest challenge to implementation, said our respondents. But, on the plus side (for Microsoft, at least), CIOs/CTOs were far more confident than the other IT roles that upcoming roll-outs will be trouble-free.

Read the full report to find much more detail on these results, including breakdowns by geographical region, firm size band and role level – as well as comment from leading legal IT people from the UK and the US.

Questions were answered over the last two weeks of January 2011 in an online survey that garnered 712 worldwide responses. More detail on methodology and results can be found on page 24 in the Appendix.

Contact details can be found on page 26 under ‘About the report’s publishers’

1

Social media use in law firms for knowledge sharing and collaboration

“Is social media just for marketing and business development? Or can your law firm do more internally and externally with social media tools?”

The worlds of social media and the legal sector don't often make the easiest bedfellows, mainly because there's still a lot of resistance among lawyers to engage online. But many firms are grasping the opportunities of using social media tools and websites to work in a more collaborative and efficient way.

This means, of course, that IT has to learn to love (and support) these tools and work modes – and our research shows this is happening, in a significant way.

Responses to this question were overwhelmingly positive – only 25% of respondents said social media is “just something they support”.

Slightly more than a fifth of respondents said they know social media is a good idea for law firms (it'll provide more and better collaboration) but don't know how it will work in their businesses.

A third of respondents said their firms are either already using social media tools to enable information sharing and collaboration, or are looking to develop this capability in 2011.

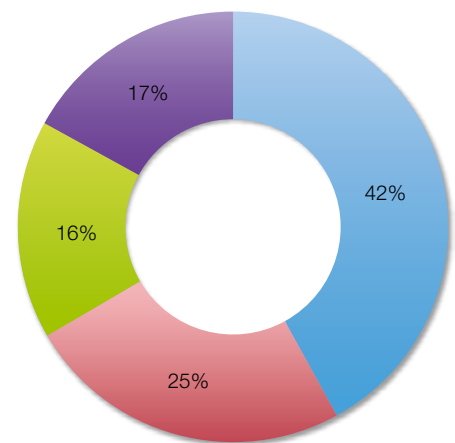
In all, three quarters of respondents were positive towards IT's relationship with social media to help their firms function better and to deliver more efficiency – so social media is not just about marketing.

All of this indicates that social media use by a law firm, whatever the firm is up to, is seen by the IT side of the business as a tool that can apply across the whole business, and it's something for IT to be involved in.

However, an analysis by role type gives a clearer picture on where firms are in the adoption cycle: senior IT management are more in the 'developing' than the 'doing' camp (roughly twice as many said they are

75%

of respondents were positive towards using social media to deliver value to their law firms



- Social media tools will provide more and better collaboration in law firms, but we're not sure how in our firm
- Social media tools are for marketing and BD to exploit – IT just helps them
- We're already planning to develop our use of social media tools in 2011
- We're already using social media tools internally to enable collaboration and knowledge sharing

“Social media will make its mark on communication in the same way that mobile phones and email have made theirs.”

Stephen Brown, IT director, Higgs & Sons, UK

1

Social media use in law firms for knowledge sharing and collaboration

“planning to develop” use of social media tools than said they’re “already using”), though IT managers reported they’re using social media tools internally much more than they’re “planning to develop” (21.7% vs 15.3% respectively).

This echoes a survey-wide occasional disconnect between the tiers in IT management, but one that’s more regularly found between the very top (C-level) and everyone below that role.

41%

of IT people in >1,000 fee-earner firms said social media tools are “already in use” at their firm

1.1 Which firms really care about social media?

By size, IT people in the largest law firms were most likely to say that social media is either “already in use” or that they are “planning to develop” the uptake of social media (41% total in the >1,000 fee-earner size bracket).

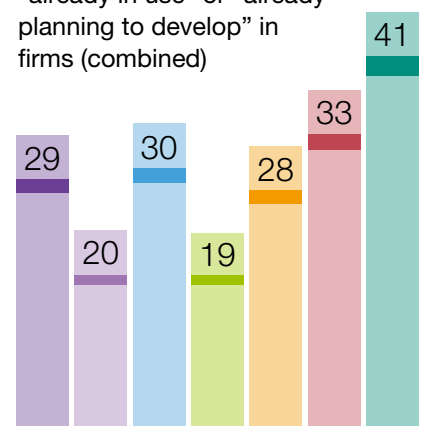
Firms the bracket just below them (501-1,000 fee-earners) were the second most likely to tick the “in use” or “planning” boxes (33.3% total) – but this doesn’t scale neatly downward into the smaller firms.

Fewer than one in five (19.4%) of IT people in firms with 251-500 fee-earners reported their firm is either using or developing internal social media use – roughly the same uptake as within firms one tenth their size.

This 251-500 fee-earner bracket is, economically, the ‘pressed middle’ of the law firm market, so perhaps there’s been the most pressure in this segment on revenue over IT investment – sidelining social media spend in favour of more ‘traditional’ IT investment.

Social media adoption by firm size

% of responses in each firm size band saying social media tools “already in use” or “already planning to develop” in firms (combined)



- Fewer than 20 fee-earners
- Between 21-50 fee-earners
- Between 51-100 fee-earners
- Between 101-250 fee-earners
- Between 251-500 fee-earners
- Between 501-1,000 fee-earners
- More than 1,000 fee-earners

1

Social media use in law firms for knowledge sharing and collaboration

1.2 What the legal IT people say

Stuart Whittle, IS and operations director,
Weightmans LLP, UK

"The survey reflects our own approach to social media, although our focus at this point is more external than internal."

"We're finding our lawyers are becoming increasingly interested in it and dipping their toes in the water, in particular in relation to LinkedIn."

"We are now looking at how we can capitalise on the interest of individual lawyers and build that interest into our overall marketing strategy. In particular, we're looking now to find the balance between what our individual lawyers are doing and ensuring we maintain a 'corporate' approach to our brand and marketing activity."

Stephen Brown, IT director, Higgs & Sons, UK

"Social media will make its mark on communication in the same way that mobile phones and email have made theirs."

"Two pressures on the legal market are probably preventing a quicker adoption rate: the recession, and the conservatism of our market."

"These pressures will reduce over time, and those firms that have begun developing social media strategies will be ahead of the adoption curve – and stand to win new business from a different type of client that wants to communicate via their native channel, ie online."

"I agree with the results – social media is a business tool, and an opportunity for IT departments to get up close and personal with the rest of the firm."

"We're looking to find the balance between what our individual lawyers are doing and ensuring we maintain a 'corporate' approach to our brand and marketing activity."

Stuart Whittle, IS and operations director
Weightmans LLP

2

Tablet computing in law firms: Fad, or finally here to stay?

The iPad has become a cool tool for tech-savvy partners – whether IT wants them to use them or not.

But though legal IT people grumble about tablets today, there appears to be a groundswell of positive opinion about how they can add value to the firm of tomorrow. This is the case across all firm sizes and roles; it's not just at the 'consumer level' of legal IT.

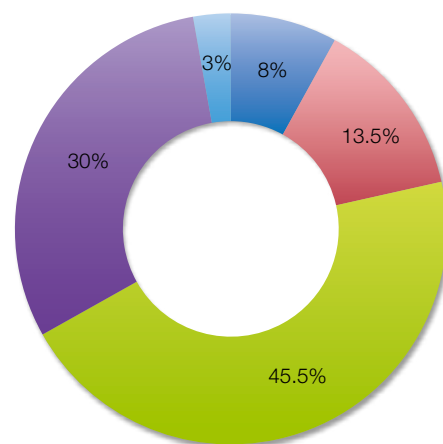
Three quarters (73.6%) of CIO/CTOs said their firm is either "examining how to expand" tablet use or "planning how we can do more with them in 2011". This view was shared by those at director and manager level, with IT directors the highest at over 82%.

Those at CIO/CTO level were also the most positive about tablets – 37.7% of them chose the response: "Tablets are a great way of working outside the office. We are planning how we can do more with them in 2011."

Whether this positivity will trickle down to mass tablet use in law firms in 2011 is, of course, another matter. But senior legal IT people were not as negative about supporting tablets as many report – only just over 13% said they don't want to have to support or develop for them, but they do. This is a representative average across all the senior roles, and across all the firm sizes.

82%

IT directors said they were either examining how to expand use of or planning to do more with tablets



2.1 The view from the IT director's desk

David Bason, IS director, Shoosmiths, UK

"We should embrace [tablet] technology and what it can do for our users. They can always be connected and access information at the point of need."

"Our lawyers and client account managers will be able to display information professionally in client meetings and communicate immediately any actions arising and obtain answers in real time. All this is made possible by an easy-to-use interface, and always-on technology."

- iPads, etc are consumer machines and have no place in enterprise IT
- I don't want to support or develop for them, but I'm going to have to because lawyers want them
- Our firm is examining how to expand the use of tablets in 2011, but we're not sure they're mature enough
- Tablets are a great way of working outside the office – we're planning how to do more with them in 2011
- Did not answer

3

What's stopping law firms from moving into the cloud?

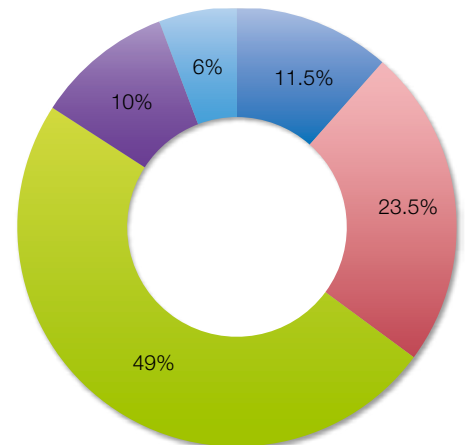
Cloud is one of the most-touted IT futures for legal – but law firms are still reluctant to adopt it in any significant way. Why is this?

Anecdotally, it's because of partners' fear of the risk associated with corporate cloud use. But we decided to find out if the anecdotal evidence was true.

More than a third of respondents said they see no "real" compliance issues behind using cloud services – they either see "no risks" to cloud, provided it is treated properly like any other implementation, or they see the real problem in adopting cloud as convincing partners.

That second possible answer, that partners' fears were the issue and more case studies might help, gained nearly a quarter (24.5%) of respondents' agreement.

But half of those polled said cloud has "serious compliance issues", which shows beyond doubt that cloud's risk perception is a big problem in adopting such services. This doesn't mean that these respondents aren't seriously considering the cloud, but it does show that IT vendors have a mountain to climb in convincing the market – when the cloud vendors aren't convincing the partners, they're having to convince the partners *and* the IT people.



- There are no real risks in the cloud. It's no different to running IT internally if you do it properly
- Real risk isn't the problem – it's how partners perceive it. We just need more case studies to change their minds
- Cloud has serious compliance issues – where data is and who's running applications is vitally important and must be considered
- Cloud is a myth – law firms need to know their applications and data are handled by known entities, which isn't 'cloud' at all
- Did not answer

3.1 Cloud perception differences: By region and size

Reservations about the cloud aren't spread equally round the globe, however.

The UK was (marginally) friendliest towards cloud – 38% of respondents answered either "there are no real risks in the cloud..." or "real risk is not the problem, it is how partners perceive it" – with the US very close behind on 37% combined 'positive' responses.

Mainland European legal IT people, however, were significantly more negative – only 29% of respondents gave one of the 'positive' responses, while 58% said it

3

What's stopping law firms from moving into the cloud?

has “serious compliance issues”.

Perhaps unsurprisingly, big firms were most negative towards cloud – 60% of those in firms with over 501 fee-earners said the cloud has “serious compliance issues” – while the smallest firms were most positive.

But there's an opportunity in the market as well as a fear: the size of firm that was most positive, after the smallest, was not the second smallest segment – it was the 251-500 fee-earner firm. This may indicate a hidden sweet spot for cloud service companies.

The research even shows up the right people vendors should be seeking out to convert: the CIO/CTO level. This is not just because they are the decision makers – it's because they are also significantly more friendly towards cloud, with 43% giving the ‘positive’ answers in our survey. They were also very much less likely to say that cloud has “serious compliance issues”.

3.2 What the people say

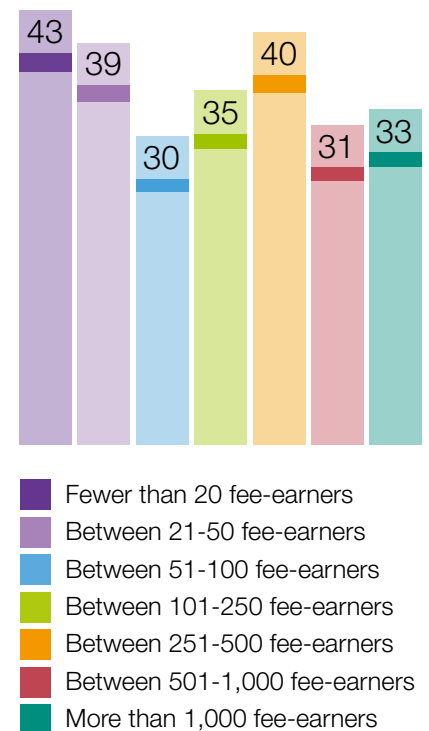
Eric Hunter, KM and technology director,
Bradford & Barthel LLP, US

“Risks are present when moving to the cloud. But business always requires competitive risk taking.

“Relative lack of case law regarding privacy, compliance, evidence and records retention, depending on the global region, make it vitally important for firms to specifically negotiate their contracts with their hosted vendors.

“Cloud vendors targeting law firms should focus on business aspects to balance people's privacy concerns: What are the immediate cost savings in licensing, outsourcing and workflow within evolving enterprise-level hosted collaboration systems? How will the business model shift in this environment? And how will firm culture evolve?”

Cloud attitudes by firm size
% of respondents in each firm size band giving positive responses towards cloud



43%

of respondents at CIO or CTO level were positive towards the risk perception of the cloud

4

Business intelligence: Now the norm, or still just for the ‘clever’ firms?

Of the firms that are using BI tools, it seems a healthy number are using it in a strategic manner.

Almost 60% of respondents said their firms are using some form of BI. Over half (51.5%) said their firm is using BI to do more than just reporting on costs, and almost one third (30%) said their firm is binding the use of BI to KPIs in their firm.

Binding BI to KPIs is a strategic and clever use of the technology, as **Stuart Whittle**, IS and operations director of Weightmans LLP explains:

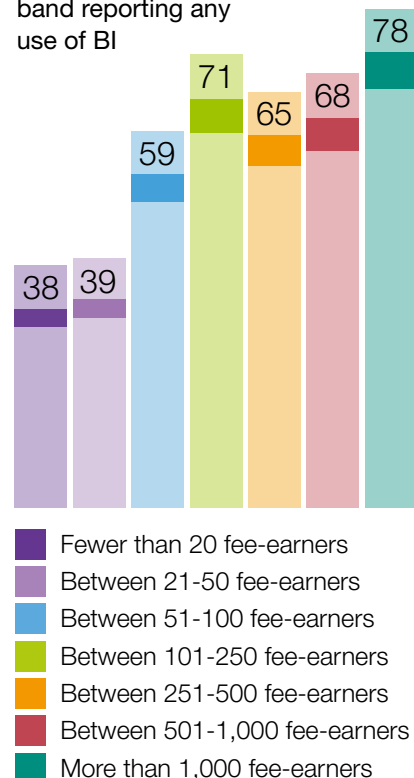
“What gets measured gets done. Business information is the lifeblood of what we do [and it helps] us demonstrate value to clients and ensure our teams are doing those things that our clients tell us they value.”

“The challenge for us now is to go beyond what it is we can do for individual clients and take a ‘corporate’ view of management information. We at Weightmans are looking to move beyond simply the normal financial KPIs, which we have used for over a decade, to a balanced scorecard approach that can be applied consistently across the firm.”

70%
VS
58%

Percentage of UK vs US law firms that use business intelligence

BI adoption by firm size
% of people in each firm size band reporting any use of BI



1.1 BI adoption by region and firm size

Globally, however, there is a significant disparity in adoption of BI.

The UK leads in BI adoption by a large margin – seven in 10 respondents in UK firms said their firm uses BI, compared to just under six in 10 in mainland Europe and even fewer in the US, which reported just 58% adoption.

UK firms also lead on the most sophisticated use of BI we asked about – using BI to report on costs and profitability, create forecasts and bind numbers to key performance indicators (42% of UK respondents).

4

Business intelligence: Now the norm, or still just for the ‘clever’ firms?

This isn't completely surprising – US firms have for some time run in a less ‘corporate’ way than UK firms, and are also behind the curve when it comes to adopting practice/case management systems, which are now basic equipment for a lot of UK firms. Nonetheless, this is a disparity that cannot help US firms compete against their UK counterparts.

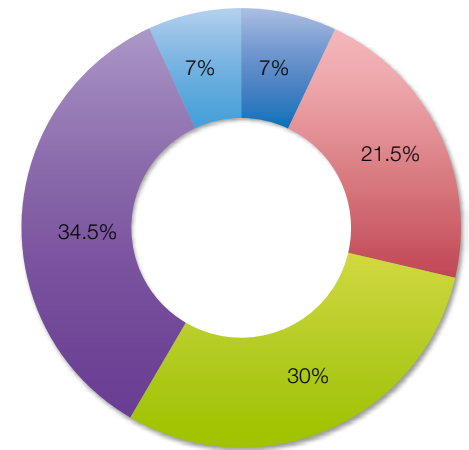
Adoption by firm size is almost entirely predictable, with more adoption of BI in the larger firms. But our research brought up three interesting results relating to firm size...

First, BI use in law firms with fewer than 50 fee-earners seems surprisingly good, with 38% of people in firms of this size reporting its use.

Second, BI use in firms with 101-250 fee-earners (71%) is stronger than in the larger law firm size brackets, until one reaches the >1,000 fee-earner point (77.8%). Perhaps vendors could leverage the adoption of BI in this size point to create case studies to encourage further adoption in the 250-500 and 500-1,000 fee-earner brackets.

The third anomaly is the most difficult to pin down: far fewer CIO/CTOs reported that their firms use BI for KPI-led reporting – 22.6% vs 36% of IT directors and 36% of IT managers. However, these roles report roughly similar overall adoption. Something's amiss, though who is ‘wrong’ is unclear.

Perhaps those at the very top of the legal IT tree know that, though law firms think they do BI really well, in reality they don't...



- We use Bi mainly to report on costs
- We use BI to report on costs and profitability and create forecasts
- We use BI to report on costs and profitability and create forecasts, and bind these to KPIs in the firm
- We don't use any BI solutions, just basic reporting tools within our PMS
- Did not answer

“What gets measured gets done. Business information is the lifeblood of what we do, and it helps demonstrate value to clients and ensure our teams are doing what our clients tell us they value.”

Stuart Whittle, IS and operations director
Weightmans LLP

5

Document management: Is SharePoint finally ready to take on the world?

This was a question on which the legal market seems deeply split. Just under a third of respondents – the majority verdict, which shows how split the market is – said that Microsoft SharePoint isn't quite ready for mass adoption in legal for document management (DM), though they can see the potential.

The good news is that if one bundles all 'positive' responses together (SharePoint "has potential", "is already competitive for smaller firms" and "is very suitable for firms of all sizes"), 60% of people in legal IT have a positive view of SharePoint, with just over one in 10 saying that "the latest version of SharePoint is very suitable [as a DM system] for law firms of all sizes".

This shows good progress for SharePoint, bearing in mind that not long ago the idea of using it in a law firm of any size to do DM would have been almost immediately dismissed. But a more granular view of the responses tells another, more complex story.

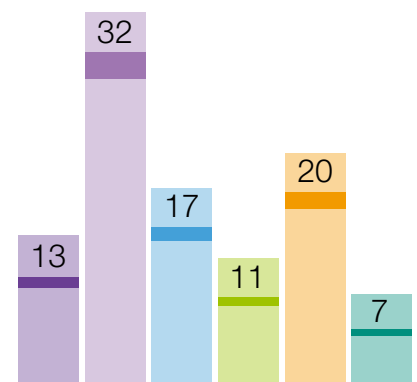
Where SharePoint perhaps should be making a dent in the legal IT market, it isn't. Not even those in the small firms in our survey said that it's fully ready for their businesses (just one in five respondents in firms of fewer than 50 fee-earners think SharePoint is "already a competitive solution worth considering for smaller firms"). Microsoft should, one would think, already be winning in this size bracket.

When it comes to the larger firms, another problem for Microsoft arises: CIO/CTO level legal IT people were the least positive towards SharePoint, compared to IT directors and managers, who see the potential in SharePoint more than their 'superiors' in legal IT.

Perhaps the news at the top of 2011 from Clifford Chance, which has built its own SharePoint DM solution that will be sold into the legal market, will help push SharePoint into law firms of all sizes, though it appears there's still a long road ahead of the Redmond software giant. Right now, it's all about potential, and Microsoft has yet to turn that into market share.

60%

of respondents have a positive view of Microsoft SharePoint's value to law firms



- Traditional DMSs are here to stay for at least the next five years
- Though not there yet, SharePoint has the potential to become a competitor
- For smaller firms, SharePoint is already a competitive alternative
- The latest version of SharePoint is very suitable as a DMS for firms of all sizes
- Don't have an opinion
- Did not answer

5

Document management: Is SharePoint finally ready to take on the world?

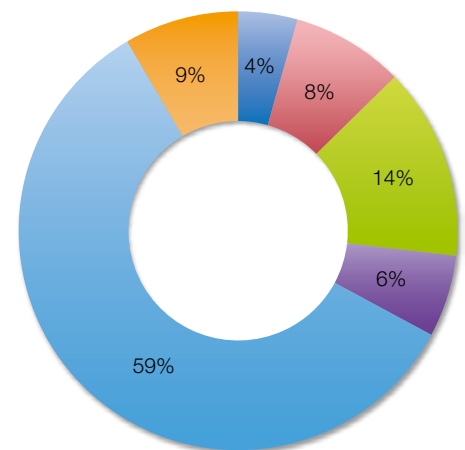
5.1 Autonomy: What you thought of its future

The legal market cares less about the future of the most popular DM vendor than one might think – six out of 10 people surveyed had no opinion either way about recent rumours that Autonomy would need to follow a merger route to more market success.

Very few people thought Autonomy would buy another big DM company (there are, it has to be said, very few of those left), or thought that Autonomy need not buy anyone, or that Autonomy would itself be bought.

The only (small) majority verdict on takeover rumours was that Autonomy may well buy some smaller companies to gain share, though this opinion was not widely held (13% of respondents).

What does this mean? Possibly nothing, and if anything at all, only time will tell, but if 60% of the market is feeling good about SharePoint at the moment, Autonomy may be losing mindshare faster than market share – and, usually, market share loss isn't far behind in that situation.



- Autonomy won't be doing any buys – it's got more than enough to deal with right now
- Autonomy will buy another big DM company, such as Open Text
- Autonomy will buy a couple of smaller companies, but nothing as big as rumours suggest
- Autonomy is in the firing line – by the end of 2011, it will be part of Microsoft or Oracle
- I don't have an opinion
- Did not answer

6

Changing up to Windows 7 and Office 2010: Challenges and opportunities

We know that law firms are now looking to adopt the latest Microsoft desktop software – after all, where would law firms be without Office? – especially as the traditionally dangerous early adopter period for Windows 7 and Office 2010 is now over.

But what do legal IT people think the big issues will be when these new technologies are rolled out in their firms?

Only slightly more than one in 10 respondents said they saw “no obstacles” and that users will take “small issues in their stride”. It’s impossible to know whether, in retrospect, those people will feel vindicated or spectacularly optimistic, but we wish them all the best in their implementations.

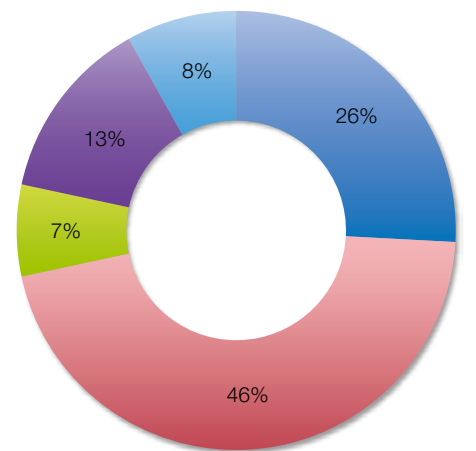
The biggest challenge reported, by quite a margin, is compatibility with existing applications – nearly half of respondents named this as the top issue (46%). Below that, the next biggest challenge identified was “training fee-earners and secretaries because of the time involved”... perhaps this means that back office staff ‘get’ Office more than the legal people.

This hierarchy of the challenges is constant across almost all role types – legal IT certainly seems to be thinking as one on the ease (or not) of Microsoft upgrades. But there is one exception – CIO/CTOs appear to be much more confident that Windows 7/ Office 2010 implementations will be smooth affairs than any role below them (30% confident compared to just around 13% in roles below CIO/CTO).

Have CIOs and CTOs been given some magic Microsoft insider info? Or – perish the thought – do they think Microsoft implementations are always easier than the reality IT workers experience?

46%

of respondents said that “compatibility with existing applications” was the biggest challenge to implementing Windows 7 and Office 2010 in law firms



- Time taken training fee-earners
- Compatibility with existing applications
- Performance issues from existing hardware
- There won't be any obstacles – users will welcome the move
- Did not answer

Legal IT people: How do they feel about their role, and is it valued?

If our survey has anything to tell us about the current status of legal IT people, it's that they are generally positive about their status – but there's still a long way to go before IT reaches the same level of status of, say, finance or HR in law firms.

Overall, nearly a half of the legal IT people we questioned (46%) said that “partners are gradually recognising that IT plays an increasingly important role and are open to more IT involvement in determining the firm’s strategy”, and more than a fifth (22%) felt that “on the board, we have a level playing field with all the other business services departments”.

Fewer than one in 10 respondents said: “When it comes to technology, the firm’s management loses interest, and this will not change”, which is positive, but shows how much is left to do.

But overall only 15% said 2011 would see more CIOs and IT directors becoming part of law firm management boards in 2011 – so while respondents were positive about upwards mobility, they feared it won't happen in a concrete way in the near future.

7.1 IT chiefs: The global perspective

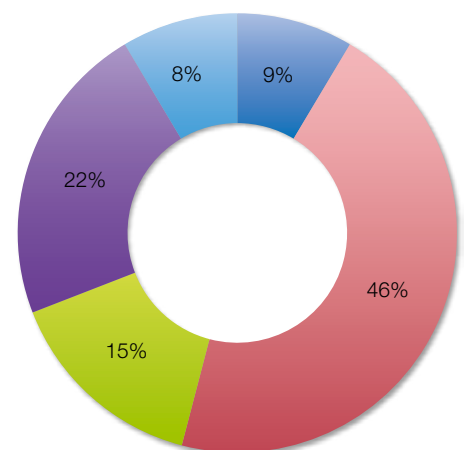
Regionally, the UK was the most positive and the least negative about the legal IT career.

The UK had the highest number of respondents who said IT is on a “level playing field with all the other business services departments”, with over a quarter (27.6%) of respondents feeling this confident about their role, and it had the lowest number of people who said that management just doesn't care (8.9%).

Continental Europe is more diffident – it was less confident but also less negative, with over half of respondents saying that “partners are gradually recognising” IT's vital role (56%) and the lowest number of respondents saying that IT people will reach

22%

of legal IT people think their area is seen as equal to any other business services department in the firm



- When it comes to IT, the firm's management loses interest, and this won't change
- Partners are gradually recognising that IT plays an increasingly important role
- More CIOs and IT directors will make it to the board this year
- We are already on a level playing field on the board with other departments
- Did not answer

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Legal IT people: How do they feel about their role, and is it valued?

board level this year (11.5%) – though as with other responses, the very small sample size we gained for European firms compared to US and UK firms should be considered here.

American legal IT people were the least confident that parity between IT and other business services departments has been reached (22.6% felt they occupied a “level playing field with all the other business services departments”), and were most negative (10%) about whether management will ever care about IT.

However, Americans were most confident that IT people will reach the most senior positions on offer in 2011, with almost one in five US respondents (19%) saying “more CIOs and IT directors will become part of law firm management boards this year”.

Though the UK had the least number of people saying their management doesn’t care, this is still a poor result for IT heads, says **Jan Durant, director of IT and operations at Lewis Silkin, UK:**

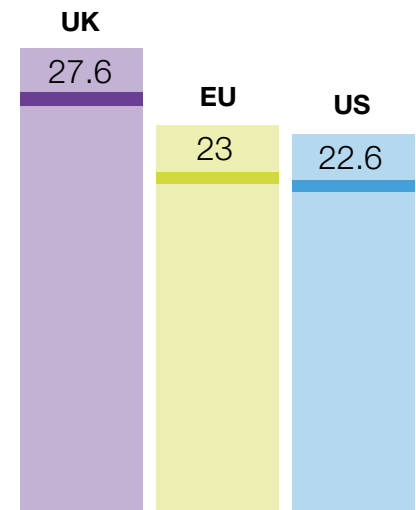
“I am astonished that 9% of [UK] respondents believe that the firm’s management loses interest when it comes to technology.

“Technology underpins everything which happens in a law firm, and can and does save precious lawyer chargeable hours. In the firms where the CIO is not on the management board – a person who, by the way, is spending a significant percentage of the firm’s turnover – there is something badly wrong!

“Saying that, it is for the IT director to take technology to the partners/board in ‘non-geek speak’ – that is a major part of our role: to identify the need, identify the product, negotiate a price, and get buy-in from the business.”

Legal IT attitudes by region

% of people in each region who said “on the board in my firm, IT is on a level playing field with the other departments”



“I am perplexed that so many US and UK firms are struggling with this issue. If IT is not seen as important by such firms, then perhaps they need to reconsider their firm leadership structure, and quickly.”

Michael Donnelly, CIO,
Simpson Thacher & Bartlett LLP

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Legal IT people: How do they feel about their role, and is it valued?

7.2 Role play: How does the hierarchy feel?

But what do the IT people think of their careers if you break them out by their place in the hierarchy?

CIO/CTOs were by far the most positive about IT's current standing in law firms (32% said there is already a level playing field) and were the most confident that they will attain their firm's board this year (19%).

IT directors were more split about their role's status. They were almost as confident as CIOs/CTOs about IT being on a par with other support roles (just under 32%), but they were also the most negative of all role types about whether firm management cares about IT (11%). IT directors were, however, quite confident about IT people reaching the board in 2011 (16%) – so perhaps there's a little more positivity in the legal IT world than meets the eye.

And what do tomorrow's IT leaders – those below IT manager level – think of the role of the IT worker in law firms?

It would appear that they're refreshingly positive about their future: they were the least negative about how law firms see IT of all the hierarchical levels, with only just under 8% of them falling into the fully negative outlook camp. Over a fifth of them (21.5%) saw IT on a par with other business services in their firms, and almost as many (19%) thought more CIOs and IT directors will be on boards this year.

In the round, our survey paints a pleasantly positive picture about how IT people see their future in law firms compared, anecdotally at least, to five or 10 years ago. And, if today's IT worker bees feel confident that one day they may make it to the board (once they attain the dizzy heights of CIO or IT director), there's every reason to believe they'll stay in the industry long enough to plough a great deal of benefit into the firms that employ them.

32%

of C-level legal IT professionals said they feel there is a parity at board level between IT and the other departments – making them by far the most upbeat role in legal IT

“Technology underpins everything which happens in a law firm, and can and does save precious chargeable hours. In the firms where the CIO is not on the management board, there is something badly wrong.”

Jan Durant, director of IT and ops, Lewis Silkin

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Legal IT people: How do they feel about their role, and is it valued?

7.3 IT futures: What do the leaders say?

Michael Donnelly, chief information officer,
Simpson Thacher & Bartlett LLP, US

“At many major US law firms, IT is most definitely on the same level as that of finance and human resources. At STB, that is definitely the case. I rarely receive resistance when introducing new technologies to our constituency or instituting upgrades for existing systems.

“While technology itself may not necessarily be seen as a competitive advantage, the act of not maintaining and advancing IT systems can prove detrimental – once you fall behind, it is very difficult to catch up.

“I am a bit perplexed that so many US and UK firms are struggling with this issue. If IT is not seen as important by such firms, then perhaps they need to reconsider their firm leadership structure, quickly.”

David Bason, IS director, Shoosmiths, UK

“IT is seen as a key contributor to our business and is core to the firm’s strategy.

“The number of users who do not understand or appreciate the value of IT is diminishing each year. Young solicitors joining the firm bring an increased awareness of IT – expectations are high – and in turn they place a greater demand on IT to perform.

“IT needs to create/maintain a distinction between ‘keeping the lights on’ and innovation, and it is the responsibility of those in IT help the firm understand what is possible with IT, and drive change and product and service development.”

“IT is seen as a key contributor to our business and is core to the firm’s strategy. The number of users who do not understand or appreciate the value of IT is diminishing each year.”

David Bason, IS director, Shoosmiths

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Legal IT people: How do they feel about their role, and is it valued?

7.3 IT futures: What do the leaders say?

Stephen Brown, IT director, Higgs & Sons, UK

"For IT to deliver exceptional results it needs a symbiotic relationship with the firm, management and support departments. For the relationship to work there needs to be mutual respect between each of the parties."

"If the management team is switching off, maybe it's because IT departments are not saying anything of interest to the business. Creating links between the ones and zeros and the firm's goals is vital if the 'IT bees' want to progress."

"I am extremely positive about the role IT plays, and will continue to play, in the future of delivering legal services."

"If the management team is switching off, maybe it's because IT departments are not saying anything of interest to the business. Creating links between the ones and zeros and the firm's goals is vital if the 'IT bees' want to progress."

Stephen Brown, IT director, Higgs & Sons

Appendix

A short explanation of the survey

We conducted the survey between 13-28 January 2011, using the hosted solution **SurveyMonkey**.

We gained **712 responses worldwide**, with the bulk of responses (80%) coming from the UK, US and mainland Europe (35%, 38% and 7% respectively).

All non-geographic percentages cited in this report are **global numbers**, ie percentages of all responses received, including from those who did not specify their region (12% of all respondents).

Because the responses gained from South America, Australasia, India, China, Africa, Canada or 'other' geographic areas only amounted to 8% of responses combined, fewer than 'not specified', we chose not use these in any geographic representation of opinion.

We chose to represent mainland Europe in our geographic comparisons, despite responses representing 7% of total responses, because the 52 European responses represent one in 10 of US+UK responses, and a response pool a fifth of the size of each of the US and UK response pools. We felt this was large enough to be useful to readers to compare European opinions with US and UK opinions, though the pool is less representative in size, and should be treated as such.

The spread of law firm sizes was well represented in our survey: globally, each firm size we offered as a 'band' (<20 fee-earners; 21-50; 51-100; 101-250; 251-500; 501-1,000; >1,000) was fairly evenly represented. **Most responses were gained from the largest firm size (>1,000 = 17%), with the three groupings below that also well represented at 14-15% apiece.** Other size bands represented around 10% each of responses.

Management in legal IT was also well represented in the survey: **22% of respondents are in senior**

712

worldwide respondents – 80% of whom gave their region as the UK, the US or mainland Europe

38%

of respondents are based in the US – just ahead of the UK's 35% of respondents

49%

of respondents represented IT management in law firms – at CIO, CTO, IT director or IT manager level

Appendix

A short explanation of the report and survey cont.

management (CIO/CTO or IT director level) and **49% of respondents are at management level** (senior management plus IT manager level).

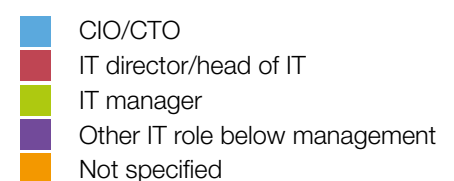
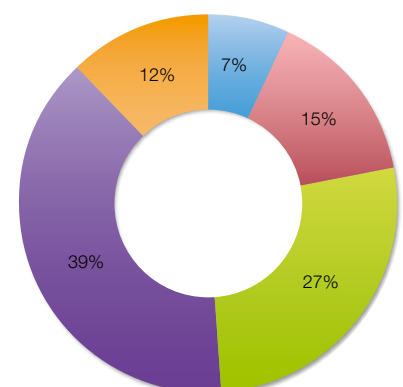
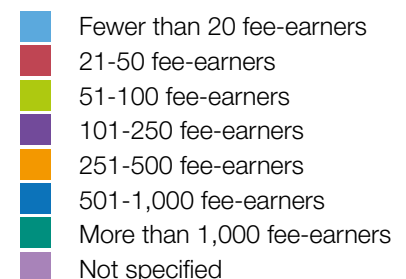
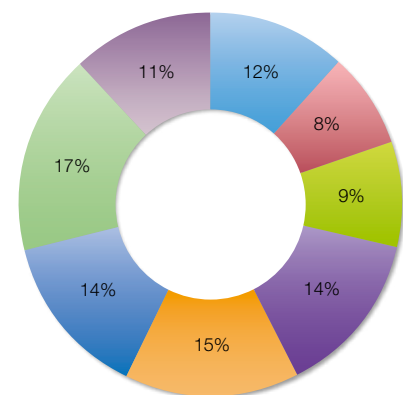
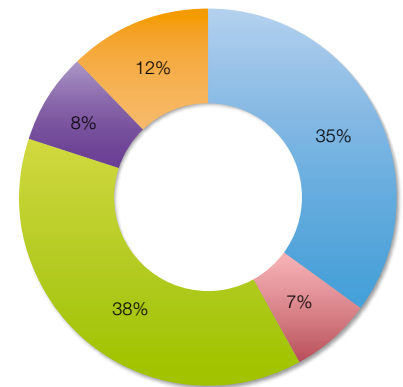
To encourage responses only from those working in law firms, we offered an incentive to complete the survey (an iPad) that could only be won by someone working in information services within a law firm, or equivalent. The iPad was won by a staffer in information services (library) at Clifford Chance.

If you would like to know more about our survey, or sponsor future surveys and their reports, please contact us – just click on my name, below, or find the contact details for LSN and LITP on the following page.

I hope you find this report useful, and I look forward to hearing any feedback you might have.

Rupert White

report editor and head of content
and community for **legalsupportnetwork**



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