



CONFERENCE REPORT

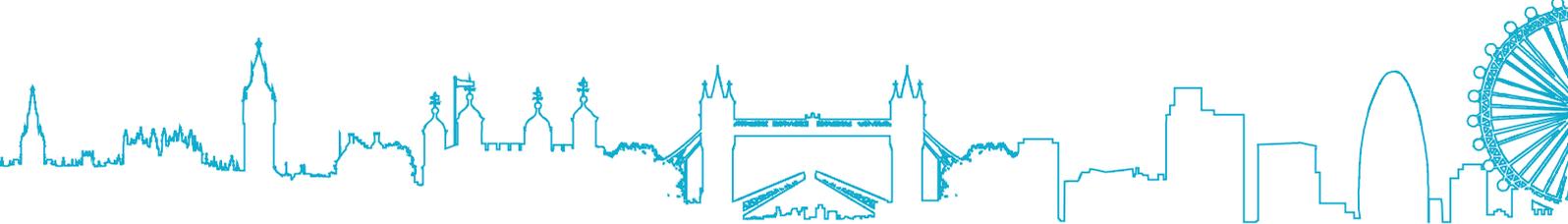
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OLD BILLINGSGATE • LONDON



— AN EVENT —
BY
 NetLawMedia

LONDON
LAW EXPO
2018
EUROPE'S LARGEST LAW EXPO



Moving with the times

New-style legal services were much in evidence at this year's London Law Expo. But with new working practices come new challenges, as Richard Parnham discovered

It's more than a decade since the UK Legal Services Act 2007 came into force, and this year's LLE featured presentations from the CEOs of two publicly traded law firms – Adrian Biles of Gordon Dadds PLC and David Beech of Knights PLC. Both are qualified lawyers, and both have led their firms through dramatic economic transformations.

Anyone listening to their talks on the conference floor were left in no doubt that floating a law firm is not something that can be done quickly, or easily. In the case of Gordon Dadds, the process began in 2013, with floatation taking place in August 2017, while at Knights, the journey started in 2012 and reached its end in June 2018. During this time, both firms corporatised their structure, altered their internal cultures, engaged in multiple mergers, and fundamentally changed their business proposition.

**Publicly
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example of
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is changing**

Perhaps one of the most surprising changes that occurred at Knights PLC pre-float was the scrapping of financial targets and measurements for most staff – the exact opposite of what might be expected of a listed company. Explaining this decision, Beech said it made no sense to set performance targets for 440 people – especially junior employees – when only around 40 senior staff members were responsible for bringing in the firm's work.

'I think you can trust a lawyer to try their hardest most of the time – they don't need a number to aspire to in order to work hard,' he said. 'If there isn't enough work for them to do to reach a number, that's not their problem. Instead, it's the responsibility of the business.' It is perhaps not surprising that Beech described the procedure new Knights employees go through

as a 'decontamination' process. 'We rehabilitate them, strip them down, get them to think normally – as they used to – before the law [firm] got them thinking just about me, me, me and my fees.'

New Law, Big Law

Publicly traded law firms are a highly-visible example of how the UK legal market is changing, but it is not the only one. Elsewhere at the LLE event, a fascinating debate was held on the subject of 'New Law versus Big Law'. What was clear from the discussion was that the distinction between these two types of legal practices is becoming less clear. A rather more useful distinction, suggested John Croft, president and co-founder of Elevate Services, is between those firms who offer new ways of delivering legal services, and those 'who have an undifferentiated value proposition' – in other words, 'they're still hoping that people are just going to give them work, done by the hour, and not ask any questions. That's not where the market's going.'

At several points in the conversation, speakers from both types of legal firms revealed that they were happy to collaborate with each other, where it makes sense to do so. Stephen Allen, global head of legal services delivery at Hogan Lovells, said that New Law providers are particularly useful in providing his firm with service delivery 'platforms', which would otherwise take his firm years to develop internally. He also called for the introduction of cross-firm platforms and standards that can drive sector-wide efficiency improvements. 'One of my bug-bears is task codes, which are completely unintelligible and negotiable,' he said. 'As soon as you give lawyers something to argue over, they do. It's just time and opportunity wasted.'

Several law firm innovation leaders were happy to share their experiences at LLE

Innovation leaders

Another market development much in evidence at the LLE event is the rise of the law firm innovation leader. At least three speakers at the event had 'innovation' as part of their job title, while several more said that they undertake this role on a regular basis. They were happy to share their experiences, including the somewhat startling admission by Stuart Whittle, Weightmans' business services and innovation director, that he was 'making stuff up as he went along' and 'had no idea' whether some of his firm's innovation plans would work.

For any firm considering establishing an innovation committee, Whittle offered this useful suggestion: try to ensure it includes at least one senior equity partner, ideally one who is well-liked within the firm. This can help facilitate access to the company's senior legal experts, whose support will be required to roll out any innovation initiatives. He admitted that he relies on equity partner Rob Williams for this because, 'frankly, he's much nicer than me. He's much better able to talk to other equity partners, and steal their time.'

Speaking later in the day, Adam Hembury, director of innovation at DLA Piper, also stressed the importance of one-to-one relationships when driving innovation forward within law firms. His practice has an online crowdsourcing platform to share and evaluate innovation ideas. However, in his view, he has only been able to successfully drive change, at either an office or practice area level, by sitting down and working closely with key stakeholders on an almost one-to-one basis. 'That's a painful thing to say when you're in an organisation of 4,000 lawyers,' he said.

Hembury further explained that this highly personal approach is needed because most law firms are not yet under severe enough competitive pressures to change their ways – at least in comparison with other sectors.

‘For partners, everything you’re putting forward is a “nice to have” – it certainly isn’t a must have.’ He feels this may change in the future, but, at the moment, ‘the burning platform isn’t even smouldering.’

A slightly different approach to ensuring the success of firm’s innovation efforts was suggested at another talk, led by Rachel Roberts, head of business solutions at Burges Salmon. She warned that innovation projects should be aligned to the firm’s strategy and aim to deliver clear business outcomes. She offered the example of her firm’s Compulsory Purchase Online service, which had been developed with the specific aim of growing this practice area. ‘There wasn’t an issue getting the project off the ground because we were immediately connecting it to a strategic objective. We knew what it was for, and where we trying to take it,’ she said.

For Roberts, another good way to help focus firms’ innovation efforts is to simply brainstorm a particular scenario that requires improvement – an approach that has the potential to inspire some truly left-field thinking. Recalling an innovation event at Marks & Spencer, one solution to a ‘gentleman in the rain’ scenario was a waterproof suit. She admitted that the law firm equivalent of ‘pulling the due diligence report together at 11 o’clock at night’ isn’t quite as pithy as the M&S example. Nevertheless, it still clarifies the problem any innovation project should aim to solve.

New challenges

Underpinning much of the innovation being embraced by law firms is novel legal technology, and the focus on LegalTech is leading to the emergence of new law-related roles including, among others, legal data scientists and legal technology engagement managers. However, as a result, a previously-hidden problem has become more apparent: the huge gender gap that already exists in many law firms’ IT functions. In a frank debate about diversity

Innovation projects should be aligned to the firm’s overall business strategy

management, Thereza Snyman, a consultant at Baskerville Drummond Consulting, did not pull her punches: the current LegalTech diversity situation is ‘lamentable’, she said. Reinforcing this point, representatives from two law firms then revealed the gender gap within their own practice’s IT functions. Just 20 per cent of her team are female, admitted Fieldfisher’s IT director, Mabel Evans; and, David Fazakerley, CIO at MW Solicitors, confirmed that his firm’s IT department is made up of only 15 per cent women.

Diversity challenges also exist at the granular level within legal IT functions, said Evans, highlighting that at Fieldfisher, women typically apply for training and business analyst roles, while the vast majority of applicants for apprenticeship positions are male. The one positive to come out of this situation is that there’s a growing recognition of the lack of diversity in law firms’ support functions – which requires constructive action to improve.

That said, there’s no easy solution to this problem, as one panellist revealed. Karen Jacks, Bird & Bird IT director, recalled how she had attempted to engage with a group of teen girls at a talk at her daughters’ school, in bid to encourage them to consider tech-related careers. It didn’t go very well. ‘The issue is that they just don’t see themselves in technology. They see it as a boy’s thing, and all a bit geeky and nerdy.’ Snyman agreed, saying, ‘The girls are simply not engaged in technology, other than from the perspective of what apps are on their phones.’

Despite the gender diversity challenge, the LLE was otherwise an overwhelmingly upbeat event. And, the event organiser Netlaw Media, has recently launched DELTAS – Diversity & Excellence in Legal Technology and Security. Now more than ever, it seems, an industry-wide drive is needed to ensure that law firm support functions don’t take a backwards step in relation to diversity, just as the issue is becoming resolved among their qualified lawyer counterparts. ■

Making tomorrow's leaders today

True leaders aren't bullies or autocrats, a former NATO commander told the London Law Expo. Rather, they learn, listen – and delegate

As the legal profession continues through a period of large-scale change, the need for high-quality leadership has never been more urgent. But what makes a good leader? In the first of two keynote sessions of the day, attendees of this year's London Law Expo (LLE) heard from Admiral Sir Trevor Soar, a professional whose extensive leadership experience has involved real-world, life-and-death decisions. Not only has he previously served as the commander in chief of the Royal Navy and Royal Marines, he is also a former NATO maritime commander.

For Sir Trevor, good leadership is like the wind: invisible to the naked eye, yet having a clear and direct impact. But, just because it's intangible, doesn't mean that it can't be taught, assessed, observed and built on at every stage of a person's career. Leadership is best developed, 'not by sending people on a week's onward bound course, but via a properly-funded leadership development programme,' he said.

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Delegate until you feel uncomfortable, and then delegate some more

Everyone's a winner

While leadership training may sound like an unaffordable luxury for some law firms, Sir Trevor had a counter-argument to justify the investment: poor leadership by line managers is the single most common reason why employees leave their jobs, he said, citing a large-scale study. By contrast, in the armed services, where investment in leadership training has been the norm for more than two centuries, barely two per cent of personnel cite this as the reason for their departure.

Although the military is well-known for its reliance on the chain of command, Sir Trevor was keen to point out that good leadership and autocracy are not the same thing. Recalling how he had once taken command of a submarine following the departure of a 'classic bully', he had quickly discovered the shortcomings of this domineering approach – in the middle of an operational safety review. While his crew were perfectly capable of responding to well-known problems

professionally, they were far less able to cope with situations where individual judgement or teamwork was required. Far too often management decisions had been referred upwards to the captain, which had inhibited creative thinking.

So, after failing the operational safety review, Sir Trevor adopted a radically different approach to his new captaincy. Rather than micromanaging, he encouraged his crew to 'think like a captain, and take on my responsibilities,' including making their own judgement calls and operational risk assessments. 'I guided them and helped them explore their options, but I went out of my way to make sure I didn't tell them what to do,' he said. Eventually, the crew began to relish their new-found confidence, abilities and responsibilities, and the submarine passed its operational safety review at a second attempt. 'Over time, we became the most operational submarine in the fleet,' Sir Trevor added, with obvious pride. 'When difficult and complex operations were needed, we became the go-to submarine. All this happened without [my having to] sack people.'

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Leadership can be taught, assessed, observed and built on at every stage of any career

Life lessons

Sir Trevor offered the assembled LLE audience three key pieces of 'lessons learned' advice. Firstly, 'true' leadership involves having a clear mission, which gives everyone a unity of purpose. Secondly, in order to deliver on that mission, employees should be told what to deliver, not how to deliver it – and be trusted to make their own operational decisions. 'Delegate until you feel uncomfortable, and then delegate some more,' he said. 'People will always surprise you, and delight you with their loyalty, if they feel respected by you, their leader.'

Finally, Sir Trevor warned that leaders should make a positive commitment to spend time with their staff, 'and really listen to what they have to say.' This doesn't have to be a significant time burden, perhaps just a few minutes talking to people at the start or end of each day. 'This will make a real difference,' he emphasised. 'Quite often, it's the little things that make people appreciate your leadership.' ■

BRITISH LEGAL TECHNOLOGY FORUM '19

12th March 2019 - Old Billingsgate • London

Let's make the future brilliant

In the final keynote address of the day, Baroness Martha Lane Fox outlined her vision of how to build a “vast, brilliant digital society”

The final keynote of the London Law Expo (LLE) gave delegates much to think about. Focusing on the positive and negative impacts of new technology and how it is reshaping the world around them, the address was delivered by Baroness Martha Lane Fox CBE. Perhaps best known as a co-founder of Lastminute.com, Lane Fox was more recently appointed to the board of Twitter - a social media platform, she declared to LLE delegates, was currently grappling with significant abuse and personal safety challenges.

Here to stay

Kicking off her talk, Lane Fox illustrated just how much society has changed since the launch of Lastminute.com, more than two decades ago. ‘It’s hard to remember now that, back in 1998, the internet wasn’t necessarily a goer,’ she said. ‘I remember having endless conversations with venture capitalists, airline channel suppliers and hotel managers, saying, “I promise you that people are going to buy things on the internet”, and them looking at me like I had just arrived from another planet.’

Having spent the day promoting their cutting-edge solutions to non-technical lawyers, LegalTech solutions vendors listening in on Lane Fox’s talk may have some sympathy with this statement...

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“Without the internet our productivity and export levels are lower than they could be”

Perhaps the most inspiring part of Lane Fox’s speech was her assertion that the rise of the internet has helped unleash a huge wave of entrepreneurship – especially micro entrepreneurship. Here, she offered the example of a former heroin addict from Sheffield, whom she had met while campaigning to improve digital literacy across the UK in the early 2010s. In this man’s opinion, the internet had literally saved his life, because it had given him a platform for learning new skills and developing his own DJ business.

‘I believe that, if we put the internet at the heart of our thinking in this country, we could have thousands more entrepreneurs like this young man,’ she said.

Diverse voices

However, Lane Fox also highlighted what she described as a ‘shocking statistic’, that, even today, 70 per cent of small- and medium-sized enterprises currently do not use the internet to buy or sell their services. ‘That means that our productivity and export levels are way down from where they could be. I think we haven’t even scratched the surface of what’s possible,’ she said. This was a pointed message to make to an audience of legal professionals, many of whom still don’t promote and sell their own services online.

Next, she outlined what she regards as one of the key shortcomings of the technology sector: its acute lack of diversity. Just 16 per cent of the sector's workforce are women, she said, adding, 'It's worse when you look at where the power and the money lie.' Barely two per cent of partners at venture capital firms are women and just four per cent are software coders. 'If you believe, as I do, that tech is the organising principle of our age, then it really does matter profoundly that it's being built, managed and financed by such a small and un-diverse group of people.' It's worth noting that the majority of audience members listening to the baroness's presentation were male.

A diversity of voices is vital to product development, said Lane Fox, because the make-up of the development team can directly impact on the solution that is ultimately built. She highlighted the example of Apple's health-tracking app, HealthKit, which launched in 2014 - minus the ability to track women's periods. Why? 'Because there was not one single woman on the app development team,' she said. As a result of this debacle, Apple was forced to relaunch the app - with additional female-friendly functionality - after enduring months of worldwide ridicule. To avoid these types of mishaps in future, 'We need to ensure we have a more diverse workforce.'

Cause and effect

Lane Fox then turned her gaze on what she described as the importance of 'responsibility and digital understanding' when developing new technology solutions. Essentially, she wants to encourage developers to consider the potentially unintended consequences of their actions. She revealed that at Lastminute.com, the company's Fast Buy function had inadvertently tracked relationship infidelities, because it retained details of past holidays, including the illicit ones. On a more serious note, the rise of Facebook has enabled Russia to interfere in democratic

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“A diversity of voices is vital to product development”

elections, while Twitter has adversely affected the whole nature of public debate. None of these outcomes had been intentional, but had occurred anyway.

Drawing her presentation to a close, Lane Fox said she remains optimistic about the future, despite the huge societal challenges posed by new technology. On a personal level, she has made it her individual mission to 'leave the entire British establishment with a better understanding of the internet.' This process of education, she said, would help regulators to better respond to new tech-related problems as they arise.

Baroness Lane-Fox also called on the LLE audience to play their part in helping to improve the way that technology impacts on society. This might involve improving the diversity of their own technology development teams, or being more mindful of the possible adverse impacts of the solutions they're developing. Whatever role they play in this process, the objective should be the same: to 'do what you can to build a vast, brilliant digital society.'

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Netlaw Media's 20th sold out Law Event in succession