



Industry groups: natural fit for knowledge mgmt.

By pulling expertise from across practices, firms can focus institutional knowledge on an industry.

BY CAROLYN J. BULLER

Combining more traditional client services such as industry groups with new tactics such as business-process improvement, knowledge management or project management can improve client service and deepen client relationships. The challenge is to know how to use existing systems to capture industry information and to leverage that information into knowledge that is useful and valuable to the client.

Law firm industry groups are a natural fit for knowledge management, a value tactic that has gained ground in the legal industry during the recent downturn as clients pay even more close attention to the cost and benefit of legal services. Firms that want to establish industry groups or improve existing groups benefit by thinking of industry focus as a simple but essential application of knowledge management tactics.

With an industry-group orientation, a firm organizes its attorneys along their experience in a specific industry—health care, hospitality, telecommunications—rather than solely in terms of traditional practice areas or geographic regions. By pulling expertise from across practices and regions, firms concentrate institutional knowledge on a specific industry. By sharing that knowledge with clients, firms both showcase strengths in a given industry and gain a more complete understanding of clients.

Knowledge management is about providing meaningful access to information. At the practice group level, law firms generally excel in developing systems that streamline managing documents, form files and legal research. These everyday knowledge management systems allow broad and search-friendly access to the huge stores of information maintained by nearly every law firm.

An industry-group focus relies on basic knowledge management tools to capture and maintain firmwide expertise in any given number of industries and uses that repository to clients' benefit. Successful industry groups have taken knowledge management tactics a step further. They scan existing database content with fresh eyes and ideas, winnowing through content in search of new connections, insight and understanding.

This second step depends on a high level of collaboration not just among members of the industry group team, but among the group's clients.

CAPTURING THE KNOWLEDGE

For industry groups, knowledge management comes into play when groups are created. Take, for example, the routine step of reorganizing client lists by industry codes or some other proxy for industry. The results can be at once surprising, enlighten-

ing and sobering. This first step can reveal unsuspected depth of experience in some industries that could result in an entirely new client development opportunity. On the other hand, such searches also indicate those industries in which the firm does not have extensive expertise and resources and, as a result, helps law firms prioritize industry group support and outreach.

This same industry process can be accomplished with other firm databases using any number of search tactics such as industry keyword searches in contact files and within matter narratives.

Knowledge management tactics should continue even after a specific industry group is identified, populated and formally launched. There are myriad opportunities to extract industry acumen. Industry groups should scour firm databases for existing pleadings, forms and documents and put that material through an industry-specific sieve. Again, the results could range from "nice to know" to "client needs to know now" material. For example, a new toxic tort matter in the chemical industry group can leverage off the electronic databases and the pleadings in similar litigation against chemical companies. Similarly, an energy industry group with ready access to the past 10 power purchase agreements completed in the industry will bring greater insight and predictive analysis to its client.

While collecting and collating data is necessary and valuable, the industry focus approach brings best value to clients when the approach puts equal emphasis on connecting people with one another. Industry groups armed with detailed information that connects the dots between databases can help clients gain new insight about a given issue or challenge. For example, scanning new case filings and verdicts in industry-specific litigation can spotlight new issues or new takes on old issues. Clients appreciate that being forewarned means they are forearmed, particularly when it comes to litigation in which it might be to their advantage to join an appellate proceeding.

The result is a give-and-take of information that inevitably leads to a more comprehensive relationship with the client and the oppor-

tunity to consistently share with clients the sophisticated industry analysis and creative thinking that makes for strong and lasting partnerships.

A caveat about collaboration: It can be a challenge to obtain commitments of time and energy from busy colleagues. Industry groups that make best use of knowledge management tactics meet regularly to review information, talk over general trends and discuss specific industry client activity.

For industry groups, this can be a case

of less is more. A group with as few as five members is large enough to produce powerful results, provided the lawyers are engaged and motivated and they routinely work together in connection with the specific industry.

INVESTMENT IN THE CLIENT

Understanding of client concerns and by helping clients create professional connections. An industry matrix that makes full use of knowledge management and brings real value to clients requires meaningful law firm investment in terms of information and time. There is a significant cost to collecting, managing, analyzing and understanding industry knowledge, and it's a cost



of less is more. A group with as few as five members is large enough to produce powerful results, provided the lawyers are engaged and motivated and they routinely work together in connection with the specific industry.

Collaborating with clients in a structured setting such as a high-level roundtable is a creative example of knowledge management in action.

Another application of collaborative knowledge management is sponsoring an industry roundtable. A roundtable with clear rules on competitive information brings general counsel together away from their offices and into an environment where they can openly discuss shared concerns. This type of event helps participants create their own dynamic forum. Participants benefit from knowing they are not alone when it comes to wrestling with a particular problem, even if the group conversation does not result in immediate solutions. The industry group benefits by having a better

that cannot be passed on to the client.

But an industry matrix supported by sophisticated knowledge management is well worth the investment. Nothing does more to help lawyers understand their clients, their clients' industry environment and their clients' needs.

Investing in knowledge management bring industry groups to a new level that present clients with a strong value proposition that can make all the difference in a tough, competitive business development environment.

Carolyn J. Buller is the firmwide industry coordinator at Squire, Sanders & Dempsey and is based in the Cleveland office. The firm's industry groups are active participants in its Partnering for Worldwide Value initiative, which uses knowledge management, business process and project management to improve client service.