

# Buying and Building a Knowledge Management System: The Best Approach

*"An investment in knowledge pays the best interest."*

*Benjamin Franklin*

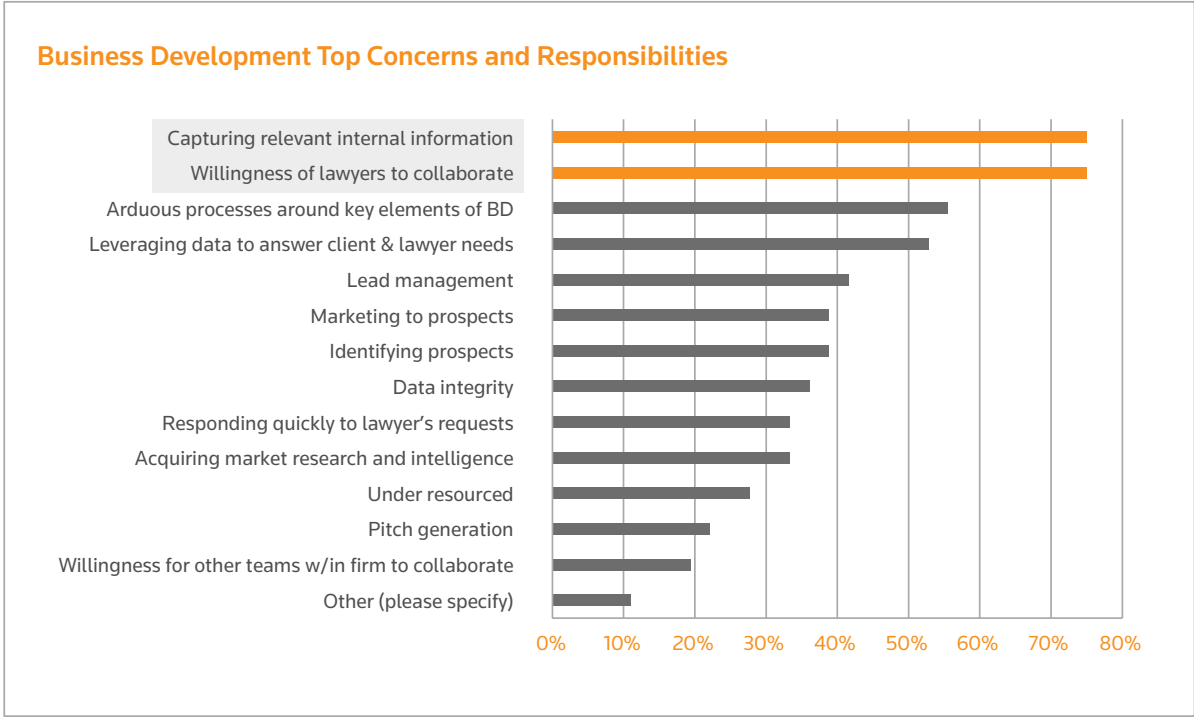
# The Value of Managing Knowledge

Knowledge Management (KM) systems continue to play an evolving role as law firms look for the best cost-efficient and cost-effective ways to capture and share their lawyers' accumulated knowledge. Lawyers rely on accessing prior work product – including deals, templates, precedent documents, legal know-how, and associate training – while constantly considering and evaluating changes in law and practice. All of this is accomplished while they are seeking efficiency to serve their clients' best interests.

**The most successful law firms are aware of the importance of using and investing in innovation to increase revenue growth.**

Legal strategic technology company [Intapp](#) surveyed 400 law firms in 2017 and examined their top concerns and responsibilities. One of the biggest business development concerns for 75 per cent of participants was data capture and the willingness of lawyers to collaborate with each other.

*One of Law Firms' biggest business development concerns is data capture and the willingness of lawyers to collaborate with each other.*



Only 58 per cent of the surveyed firms had centralized processes to collect, store, and analyze ongoing data efforts. Describing attempts to collect information as a “data scavenger hunt,” the survey described these efforts as involving “mass emails with a subject line ‘has anyone worked with [fill in the obscure experience you seek]’; next comes running around with clipboards and templates trying to catch lawyers between meetings; and lastly, an intricate collection of spreadsheets that require a serious effort from analysts to get the data to talk.”

Instead of dealing with such time-consuming efforts, a successful knowledge management system reduces the amount of time required to draft updated agreements and documents by modifying them to reflect current law and practice. Getting lawyers up to speed faster on unfamiliar areas of law lessens the time needed to complete legal analysis more quickly.

The best KM systems reduce reliance on memory when working on multistep transactions. But few large firms have mapped the documents to the process – that’s where the efficiency of using Thomson Reuters Practical Law Canada resources comes into play.

Most large firms have a KM system, including a collection of prior work undertaken by the firm and an occasional collection of marquee documents, but unfortunately, these are not always maintained or used. Practical Law, on the other hand, presents access to organized and maintained marquee documents.

*Collecting Information Is Like a “Data Scavenger Hunt”*

*Getting lawyers up to speed faster on unfamiliar areas of law lessens the time needed to complete legal analysis more quickly.*

### Build or Buy?

Firms have traditionally faced the challenge of choosing between building or buying a KM system. Certainly, there are pros and cons to each approach. Building one takes months of work, not to mention the upfront costs, and it must be maintained and updated on an ongoing basis. But the ability to retain control and ownership over its own unique system can be a huge source of pride to a firm. A home-grown KM system has its merits, but it's not benchmarked and can be limited in scope since it merely reflects a firm's own intellectual property.

Buying a KM system, on the other hand, will create a system that's the same as in other firms and can be expensive, but it will be maintained without daily interruptions. Outsourcing companies, which are in the business of implementing strategic transformation, provide services that are non-core to other businesses but are core to them. Outsourcers provide a higher level of service at a lower cost, all while minimizing and managing risk.

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### Build + Buy Benefits

Building or buying a KM system are both excellent choices. But what if there was a way to both buy and build? There is: Practical Law is used in most instances in conjunction with firms' existing Knowledge Management offerings and their lawyers' resources. Used by more than 140,000 lawyers around the world, Practical Law is a know-how service as opposed to a comprehensive KM system. It supports firms by leveraging technology and tools, in particular document drafting and benchmarking documents.

By giving lawyers the ability to benchmark to the market, Practical Law ensures clients have the highest-quality service and practice with minimal effort and cost. More than merely a research service, it provides an investment in the enhancement of a firm's client service and practice efficiency.

Practical Law keeps all documents current, helps associates get up to speed, and also integrates into a firm's existing KM platform or knowledge-sharing mosaic. Opting for the build-and-buy approach to a KM system provides an immediate increase in the size, value, depth, and breadth of a firm's KM resources and instills greater buy-in to its system since there is a consistency of one style and one voice throughout.

Practical Law provides analytical resources, not just more unannotated precedents. And lawyers appreciate the fact that less of their own time and effort is spent on generating and maintaining KM resources. A KM system can be elevated with resources not replicated, such as Practical Law, and insight into existing precedents can be leveraged with the depth of annotations.

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## Thomson Reuters Practical Law: The Leading Solution

As the leading legal practice solution, Practical Law provides a service and a practice management tool that enables the completion of transactions with annotated standard documents, practice notes, checklists, and toolkits that are created and maintained by our [expert team of in-house lawyer-editors](#).

**Practical Law provides a market point of view, as opposed to the views of individual lawyers, and also furnishes exclusive content and senior-level guidance to provide up-to-date, expertly drafted documents with in-depth annotation.**

Practical Law's competitive advantage allows firms to deliver a broad range of legal services to clients more efficiently and with greater cost certainty. It reduces non-billable time by minimizing the length of time it takes to get up to speed on unfamiliar legal issues. Instead of drafting a document from scratch, Practical Law resources can be modified for specific purposes, reducing the amount of time needed to draft agreements and documents. Adding Practical Law's strategic insights of annotations in your documents will better advance your clients' interests.

Practical Law has been embraced by some of the largest and most sophisticated law firms in Canada, the U.K., and the U.S. They use it to train associates and to stay ahead of their competition by being more efficient and providing better, faster, and high-quality service to their clients.

### Practical Law Works Effectively with Existing Systems

**Practical Law can be implemented if a firm has no KM system in place and, if a system already exists, Practical Law can easily complement it.** In fact, in most cases, it is used in conjunction with a firm's existing KM system and works to build its level of insight and proprietary knowledge. The benefits of using Practical Law with an existing system include an immediate increase in the size and breadth of the firm's KM resources

Practical Law provides consistency throughout KM documents, with a market point of view that's in one style and one voice, as opposed to many contributions that have a mix of contributions from various sources. Unique resources include Practice Note and Practice Note Overviews, Toolkits, and Checklists.

Practical Law Canada enables firms to deliver a broad range of services to clients more efficiently and with greater cost certainty. That's the kind of knowledge that lawyers can consistently rely on, equipping them with a distinct competitive advantage

### The Build + Buy Scenario

Many firms are amalgamating content from Practical Law with their own KM platforms by mapping Practical Law resources with their own KM hierarchy in specific areas of practice. O'Melveny & Myers in the U.S., a multi-disciplinary firm with approximately 700 lawyers in 15 offices worldwide, has successfully elevated its KM game by incorporating Practical Law into its existing litigation KM platform rather than choosing one over the other.

O'Melveny's internally developed KM system, OMMLit, equips lawyers with a central database that researches hundreds of common litigation tasks. It provides information and tips on how to deal with tasks based on the firm's records.

As [Jeff Rovner](#), O'Melveny's managing director of information, told [Big Law Business](#) in an August 2017 article, the project "required us to really do a thorough analysis of all our library resources to work out an arrangement with Practical Law and marry their resources on information with our list of tasks."

### A Proven Track Record

As a lawyer in the Capital Markets and Mergers & Acquisitions practice group at Shearman & Sterling in New York for more than six years, Chris Roehrig had access to “a small army of junior associates, librarians, and some of the best U.S. securities law partners in the world.” When he subsequently moved to Torys’ New York office, he became one of only a handful of U.S. securities law attorneys in the entire firm, and he found that he needed to adapt quickly as the types of transactions on which he was staffed were very different. He discovered Practical Law at Torys “and the way that I used it grew exponentially over the three-and-a-half years I was at the firm.”

Moving from a large law firm with no access to Practical Law to a smaller firm that did have Practical Law gave Roehrig a unique perspective. He went from using Practical Law once a week to “using it on an almost hourly basis in almost every way imaginable just to help me on a substantive level, but also to help to make my practice more efficient on a daily basis.”

In three-and-a-half years at Torys, with fewer resources but with access to Practical Law, he worked on almost five times as many deals as he did during his more than six years at Shearman & Sterling.

Describing the system as “very user-friendly,” he said, “the primary benefits of Practical Law are both substantive and efficient in nature.” He added that subscribers to Practical Law can tailor their substantive research to suit their needs through the modular structure of its resources, which consists of links to resources focused on more granular topics.

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**Christopher Roehrig** joined Practical Law from Torys LLP, where he was a senior associate in the corporate and capital markets practice groups. Previously he was an associate in the capital markets and mergers and acquisitions practice groups at Shearman & Sterling LLP.



## In Praise of Practical Law

*"I love Practical Law. The quality of the work product as presented by Practical Law is absolutely superior. Practical Law's editorial work on material I drafted was really good. It was clear their attorneys knew their stuff, and were able to add significant value to my original contribution. In particular, Practical Law's high-quality precedents add a valuable dimension to our own resources. To me, their precedents are a real differentiator."*

**– Alan Berkeley, Partner, K&L Gates LLP**

*"Practical Law complements our practice approach by providing our transactional lawyers relevant, current, and highly functional tools and information. ...It is an excellent partner for a smaller firm that regularly negotiates complex transactions."*

**– Charles P. Carter, Partner & CFO,  
Summit Law Group PLLC**

*"Practical Law delivers information that practicing attorneys need in an efficient, targeted, comprehensive and highly organized fashion. Practical Law's What's Market is an attorney favorite which helps us and our clients determine preferred negotiating or drafting approaches to key issues. This is a powerful tool that complements Practical Law's steady coverage of current deal developments and hot issues. Our attorneys use Practical Law not only in negotiating transactions and drafting base documents, but also in cross checking their own preferred draft agreements against Practical Law's materials on particular issues. And our associates have found it to be helpful in their training and development. In summary, Practical Law provides tools that help to enhance our ability to deliver the high quality legal services that our clients demand."*

**– Tom Buchanan, Shareholder,  
Buchanan Ingersoll & Rooney PC**

*"As an M&A lawyer in a mid-sized, regional law firm, I feel that Practical Law provides me resources that are comparable to those available to practitioners at the largest national and international firms. I have come to rely on Practical Law's Corporate and Securities e-mail alerts as my primary means of staying current with recent M&A developments...I have found that these Practical Law services accurately report recent developments better and faster than other on-line services and, certainly, much more rapidly than the various reporters and journals that tend to accumulate on a corner of my credenza. I also appreciate the "linking" functionality of Practical Law's website, which allows one to easily drill down on a particular issue through news summaries, in-depth articles, underlying case law and contractual provisions. Practical Law also is a valuable tool for younger lawyers. It is an efficient means for them to understand the reasons for and history of various contractual provisions. I ask the young lawyers in our practice group to compare our form documents and checklists against those available on Practical Law. I believe that our forms have improved as a result. As with most technological improvements, it is hard to imagine how I could have effectively and efficiently practiced without the resources that now are available through Practical Law."*

**– Robert Cattaneo, Partner, Miles & Stockbridge PC**

### ABOUT PRACTICAL LAW CANADA

Practical Law Canada helps lawyers increase efficiency, serve business partners more effectively, tackle unfamiliar topics and keep up with legal developments. Our expert team of lawyer-editors creates and maintains up-to-date, practical resources that reflect the latest law and practice. Learn more and request a free trial at [www.thomsonreuters.ca/practicallawcanada](http://www.thomsonreuters.ca/practicallawcanada) or call 1-844-717-4488.