

An Introduction to Knowledge Management

By Paul Sullivan

Knowledge management is one of the fastest growing areas of information technology, and law firms have every reason to apply its principles. If the data generated every day in a law firm could be stored, managed, and reused, it would make everyone in the firm more effective, more efficient, and more productive. You don't have to be a big firm to take advantage of this concept – in fact, getting it up and running is probably easier if you're smaller.

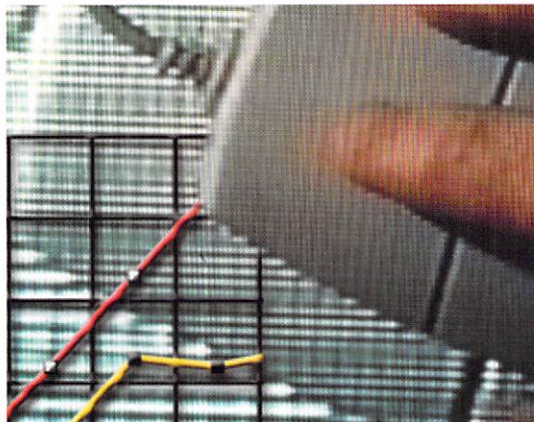
What is knowledge management?

Knowledge is information in a more refined form. Computers can store and retrieve information, but people must develop and put it there.

The University of Texas at Austin's *Knowledge Management Server* <<http://www.bus.utexas.edu/kman/>> defines "knowledge" as follows: "The ideas or understandings which an entity possesses that are used to take effective action to achieve the entity's goal(s). This knowledge is specific to the entity which created it."

Thus, the information is generated through formal education, on-the-job experience, or other methods. As it is passed from one person to another – partner to associate, legal secretary to entry level employee, lawyer to client – it is transformed from mere information to knowledge.

But as long as it remains in someone's memory rather than in retrievable form, such as in a shared computer database, this knowledge remains fragile and subject to loss. The partner retires or dies and takes years of knowledge that would be priceless to colleagues. The long-time secretary moves on and is replaced by someone less experienced. The knowledge is in her head, and now it's lost. Knowledge



You've heard the buzzwords, but what is "knowledge management" and what can it do for you? Read on.

management is the orderly capturing of this priceless information in a format where it can be easily retrieved by anyone in the organization authorized to access the information.

Where do I start?

This concept has taken life because of advances in technology. While you can analyze information without computers, you can't do as much as quickly. The best place to start is to imagine what a large firm with all its resources would do in implementing such a program. Small firms can look at that model and implement something on a smaller scale.

A large law firm would approach this project by first defining the information it wanted to make available. Undoubtedly someone at the firm is working on something that has already been done by another member of the firm, but there may be no easy way to find that information. Reinventing the wheel certainly isn't productive.

The large firm might develop an orderly electronic storage of the firm's best documents in a case from beginning to end – i.e., from initial client contact to final judgment and appeals. Additional information, such as contacts, skills of specific employees, and specific expertise for each person, could be catalogued. Additional databases of pleadings, forms, and memoranda would help new associates get up to speed more quickly than would the traditional "draft and revise" method. The biggest payoff is for the client

who recognizes an organization that can work as a team and get his or her work done more efficiently.

For the small firm, the starting place is to identify what information would be most useful and organize it into an easily retrievable format. As you start to organize, keep in mind the three basic types of information: (1) internal operations (policies and procedures), (2) product (documents and results), and (3) relationship management (clients, suppliers, and interoffice relationships).

Internal operations

If you don't have a policies and procedures manual, now is the time to develop one. Some attorneys avoid them because if they're improperly prepared and distributed without the proper disclaimer information, these manuals themselves can be interpreted as contracts of employment and override the "employee at will" concept.

Assuming you can overcome that resistance, putting your procedures in a form where your employees (particularly new ones) can review them as needed drastically reduces the learning curve. These days, employee manuals often take an electronic rather than a hard copy form. Having procedures defined makes your operation more pro-

ductive because people don't have to ask the same questions again and again.

Product

A lawyer produces documents and delivers results to clients. If the documents are organized using either document management systems or standardized naming conventions, this information becomes easy to find and use again. Other databases, such as brief banks, pleading banks, and forms banks, make everyone more efficient, because reviewing something that has already been created eliminates the design process.

Case management systems track the progress of a matter and provide easy access to all necessary documents. They not only keep lawyers on top of current files, they allow easy access to past events that could give your firm members a distinct edge over the opposing side.

Knowledge-management resources for lawyers

St. Louis-based lawyer and technology consultant Dennis Kennedy has posted a *Knowledge Management for Lawyers Resource Center* on the Web at <<http://www.denniskennedy.com/kmlaw.htm>>. He notes that law-specific knowledge management information is available on the Net, but "it is scattered in a variety of places and it can be difficult to track down comprehensive sets of information." His collection "aims to collect those resources in one convenient place," and lists more than two dozen Web sites.

Kennedy also recommends the following books.

The Knowledge Management Toolkit: Practical Techniques for Building a Knowledge Management System, by Amrit Tiwana (Prentice Hall 1999).

Enabling Knowledge Creation: How to Unlock the Mystery of Tacit Knowledge and Release the Power of Innovation, by Georg Von Krogh (Oxford University Press 2000).

The Knowledge Management Yearbook, by James W. Cortada (Butterworth-Heinemann).

Relationship management

There's no better marketing tool than a complete database on each client. Having access to more than just accounting data may enable you to offer your client more products than he or she is using – or it may help you develop a closer relationship. Tracking your contacts with a client and keeping a "marketing journal" will help you review your marketing strategy client by client. Likewise, tracking clients by certain demographic categories could open up marketing opportunities to others with similar profiles.

A small firm's employee-expertise database may not have the same value as a large firm's, but you still have knowledge worth keeping. Something as simple as keeping a list of every file you've handled, along with the results and some notes about the matter, may jog your memory in the future. And any information, such as benefits administration, that you make accessible to employees saves you answering the same questions over and over.

In a law firm, a "suppliers" database could be a list of experts, along with their CVs information available and constantly updated comments about their effectiveness or lack thereof. The possibilities are endless.

What products might I now have that can get me going?

You probably have in your office right now many products that can give you a good start on developing a knowledge management system. If you don't have the ability to share files either through a LAN or a peer to peer network, then develop that ability. Changing the way you store documents in your computer files can be the first step in a document management system. There are proprietary document management programs, but it may be enough that everyone in the office can find something quickly and knows how the system works.

Likewise, there are many database programs on the market, but you may already have one that will work. All a database does is allow you to create custom fields for each record and enter information into those fields. Once the data is entered, all you need is the ability to sort by certain fields and print or display the information. As your knowledge base grows and you decide to in-

stall a product specifically designed for collaboration between multiple users, you can usually import the old data into the new program.

The knowledge you glean is constantly being changed, updated, and enhanced. Unless you put it in a format where it can be readily retrieved by all who need it and provide a way to update it as it changes, you are missing one of the biggest opportunities that today's technology can offer. Start thinking how you can implement some of these ideas now, because other lawyers are doing it. If you can't be effective, efficient, and productive, you can't be competitive, either. ■

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