



BTI's Client Opportunities and Impacts of Information Technology for Law Firms

2002

prepared by ◆

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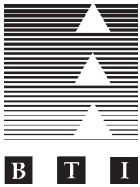


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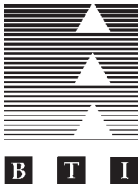


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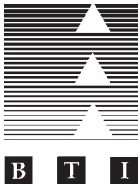


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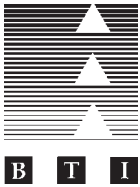


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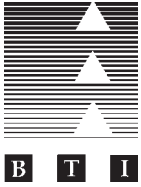


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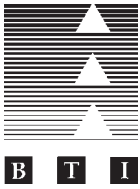
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Introduction

About Client Opportunities and Impacts of Information Technology for Law Firms

BTI's *Client Opportunities and Impacts of Information Technology for Law Firms* is the definitive guide to client-based insight about the opportunities and impact of information technology on service delivery and relationships between Fortune 1000 companies and their outside law firms.

Key Drivers Behind Information Technology Opportunities for Law Firms

Corporate counsel tell us that they are facing increasing pressure to improve the performance of their departments, streamline the management of the function, and reduce costs. The pressure mounts despite a projected 11% increase in Fortune 1000 clients' case load (see BTI's *Survey of Corporate Counsel Management Strategies, Tactics and Practice 2002* under separate cover for details.) Clients also tell us that they are increasingly looking for information technology tools and systems to help them with this challenge as clients see productivity and quality gains as the major benefits.

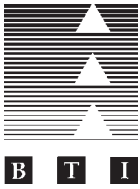
Information technology and extranets offer law firms an extraordinary opportunity to stake out truly quantifiable advantage while boosting client satisfaction and increasing the business they perform for clients. At the same time, law firms can use the same information technology tools to lower the cost of service delivery.

What Clients Want in Extranets and Information Technology

This report presents corporate counsel's goals, needs, priorities and the benefits they see as result of extranets and information technology. It provides critical information on the key features of information management that clients say drive improved performance and better control, and on how law firms can take advantage of this potential to improve their own client relationships.

Use the information in this report to:

- Target your IT and Extranet investments directly at client needs and priorities
- Develop an Extranet that builds impenetrable bonds with existing clients *and* attracts new clients
- Learn exactly what clients want in their law firm's website
- Anticipate the 6 overarching impacts of information technology on client relationships
- Tap into the benefits your clients are looking for from information technology
- Evaluate the 37 attributes and functions clients seek in an information management system—and which functions are the most strategic for improving performance
- Benefit from proven, yet innovative, recommendations
- See why 49% of the Fortune 1000 are still looking for their outside law firm to provide an Extranet - and why it's such a compelling opportunity



Introduction

Critical Information to Improve Your Client Relationships by Leveraging Information Technology and Extranets

This report contains nine key sections, designed to help you understand what your clients seek, how information technology will impact service delivery, and what you can do to increase client satisfaction. We discuss each section below.

How Clients Use Information Technology Now

Get a first-hand, unbiased look at how clients manage legal information now, and where the areas are to help clients improve. Use this section to understand why clients find data management a burden, how it plays a key role in service delivery and what you can do to lighten the load.

Using the Web for Service Delivery

Learn the key ways clients want to use the web for service delivery. Extranets (collaborative websites created by an organization to provide information and services to external clients or collaborators) are a great source of potential value for law firms willing to provide the service. Learn why 49% of clients still want an extranet from their outside law firm but do not have one.

What Clients Want in Law Firm Websites

Websites have become a standard tool for shaping a law firm's image and refining its message. Many law firms are spending a lot of time and money on these websites, yet many corporate clients are passing by their law firms' websites. Use this section to understand the enduring perceptions that are formed as clients point and click their way through your website, and what clients want to see when they get there.

The Best Way to Help Clients Improve Their Performance Without Cutting Your Fees

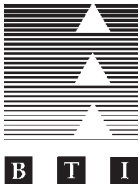
Apart from rates, see why your clients say that the most important way their law firms can help them improve their performance is through information sharing. Find out how to leverage this potential to improve client service—and make clients happier.

Learn What Clients Want and Target Client Priorities

Clients rank 37 information system functions and applications by priority and the value they expect. Target the areas that clients view as their top priority and the biggest sources of value. Use this information to design your client service delivery strategies and target your IT investment to clients' top priorities.

50% of Clients See Productivity Gains as the Biggest Benefit

Fully 50% of clients state the biggest benefit of using information technology is improved productivity. In this day and age of cost pressures learn how to boost productivity and lower the cost of service delivery.



Introduction

Clients' Ideal Information Management System—The Vision

Corporate counsel define their ideal legal information management system, and what it should be able to accomplish. Find out which 3 key components dominate clients' ideal system, and what other components clients consider as important.

The Impacts of Technology on Services and Service Delivery

Information technology will have wide-ranging impacts on legal services and legal service delivery. Anticipate the 6 overarching impacts on client relationships that law firms can expect. Use this exclusive analysis to understand how information technology will affect your service delivery and your client relationships and anticipate changes now.

Recommendations to Improve Client Relationships through Information Technology

In this final section, benefit from proven yet innovative recommendations you can implement now. Use these recommendations individually or together to improve service delivery and build your client relationships through information management and Extranets.

The Only Industry Analysis Based on Client Data

BTI's *Client Opportunities and Impacts of Information Technology for Law Firms* is the only analysis of corporate counsel and the impact of information technology on service delivery that is based on in-depth client research. Our report is packed with objective research about how clients presently use technology to communicate and collaborate with outside counsel and how this will impact service delivery in the future. Drawing on more than ten years of meticulous research on how Fortune 1000 companies acquire professional services and manage their service providers, BTI's analysis draws on the most extensive continuing research effort in any professional services market. This gives you direct insight into how your clients are thinking, what things are changing now, and more importantly, how they are going to change.

Open Ended Unaided Responses Ensure that Clients Drive Conclusions

BTI's *Client Opportunities and Impacts of Information Technology for Law Firms* is based on almost 100 in-depth interviews with corporate counsel, including General Counsel, Assistant General Counsel, and others at Fortune 1000 companies. Our research included key industry sectors, including financial services, retail, high tech (hardware, software, services), insurance, telecommunications, chemical and pharmaceutical.

We conduct all of our interviews encouraging unaided and open-ended responses to capture and help catalyze client thinking and insights.

Our interview team has an average of over 10 years of experience in unstructured interviewing techniques. We analyze the data using proprietary techniques and conduct confirming interviews to check our conclusions and observations.

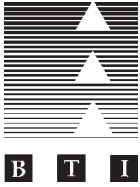


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Forming a Weighted Decision Matrix, Tested with Clients

The unaided responses can be used as a weighted decision matrix that helps the user distinguish decisive factors from other less important factors. Tactically, we look for two or three categories that are decisive, i.e., 51%, to increase focus on getting decisions made in your favor. This approach enables you to devote your resources to the factors that can impact the outcome of decisions and bring strategic value and benefit.



Introduction

The BTI Consulting Group, Inc.—Who We Are

The BTI Consulting Group (BTI) is a Boston-based market research and management consulting firm for the buyers and sellers of professional services. With over 20 years of experience, The BTI Consulting Group offers the most compelling research, analysis, benchmarking and consulting to help two primary sets of related clients:

- Professional services firms
- People within large companies that acquire and manage large scale, big ticket, professional services

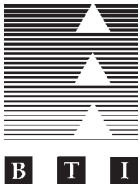
BTI boasts the largest independent knowledge base of how companies acquire big ticket and complex professional services and how these companies manage and interact with their service providers. BTI's insight is based on more than 5,000 interviews with key buyers of professional services at the world's largest and best run companies.

BTI prides itself on a direct, no-nonsense delivery of critical, high-impact information and recommendations that allow its clients to thrive in the face of brutal competition and maturing markets.

BTI conducts and analyzes more market research than any other firm remotely related to the professional services industries, professions and practices. We have talked to more than 5,000 buyers and key managers in professional services and we use that data to help our clients and subscribers. We conduct research for our own databases, as well as conduct client-specific custom research designed to meet our clients' individual needs.

Specifically, we help clients benchmark customer satisfaction, improve penetration of their client base, support new market entry and development, and map out concrete steps to seize new opportunities. We also help large companies learn about best practices and how to manage their relationships with consultants, law firms, accounting firms, and others.

In addition, we help professional services firms with strategic planning, national account and key account programs, and developing and improving all aspects of the client and business development process. Specifically, we help define the steps you can take to improve your client service on the front line and develop ways to grow relationships. BTI benchmarks all of our client-specific research against our national database, offering unique insights into especially effective marketing tactics. BTI also provides broad-based strategic advice on positioning, repositioning, and strategies and tactics to help firms thrive.



Introduction

For 12 years, BTI has been, and continues to be, the only market research firm to continuously track Fortune 1000 companies' needs, priorities, spending, hiring criteria and overall decision-making relative to professional services. We also track market share performance and business strategies of more than 400 professional services firms. Our clients use this data as an early warning system to detect new service opportunities and critical changes in the market.

BTI publishes the highly-acclaimed *Strategic Review and Outlook for the Legal Services Industry*. This definitive guide to the legal services industry reveals subtle and not-so-subtle shifts in management strategies, decision-making processes and organizational structures. Based on more than 170 interviews at Fortune 1000 companies, the *Strategic Review and Outlook* provides a bird's-eye perspective of the entire legal services industry—analyzing what the market wants, identifying how customers pick and manage their vendors, and highlighting key changes in the market...before they happen.

How BTI Helps Professional Services Providers

BTI is a trusted advisor to the Managing Partners, CEO's, Chairman and other senior executives on any and all issues related to revenue acquisition, client development, and business development. Specifically, our client relationships include a series of overlapping services including:

- Strategic Planning and Business Strategy
- Practice Development
- Customer Satisfaction Research
- Client Development Strategies, Tactics, Training and Tools
- Processes and Protocols that Drive Client Focus
- Market Research
- E-Strategies for Client Development and Retention
- E-Business for Sharing Work Processes with Clients
- Client Education Tools and Knowledge Platforms
- Client Development and Sales Training for Experienced Professionals
- Coaching for Executives in Charge of Sales and Business Development

How BTI Helps People within Large Companies that Acquire and Manage Large Scale, Big Ticket Professional Services

BTI brings its research and experience to help companies implement strategic sourcing programs, get more value from their service providers, benchmark their departments' management practices and performance, and evaluate service providers and management strategy. Our clients purchase professional services in the range of \$3 million to more than \$90 million annually.



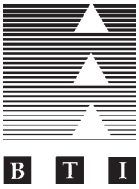
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Specifically, we provide clients with the following:

- Strategies for Strategic Sourcing and Vendor Consolidation Programs
- Information Management Strategies
- Improving Management Performance
- E-strategies for Management
- Benchmarking
- Best Practices
- Total Cost of Service Analysis – Creating Business Value through Professional Services Management

For further information on how BTI can help you through our research, sales training or consulting, please contact Roanne Neuwirth, Principal at (617) 439-0333, or visit our website at www.bticonsulting.com.



BTI's Client Opportunities and Impacts of Information Technology for Law Firms

Learn What Clients Want and Target Client Priorities

Clients Rank 37 Uses of Information Technology

Target your investment dollars and goals to the areas and activities that are the most important to clients. Clients rank 37 individual and specific uses of information technology in their work. Target client priorities and lower the costs of service delivery while boosting client satisfaction and meeting more of your clients needs.

Increase Your Value Added;

83% of Clients See Value in Extranets

Clients overwhelmingly see value in their outside law firms providing extranets. It is hard to find a client that doesn't see the benefit. See how and learn why and build the value into your strategy and extranet.

50% of Clients See Information Technology Boosting Productivity

Fully 50% of clients state the biggest benefit of using information technology is improved productivity. In this day and age of cost pressures see how to boost productivity and lower the cost of service delivery.

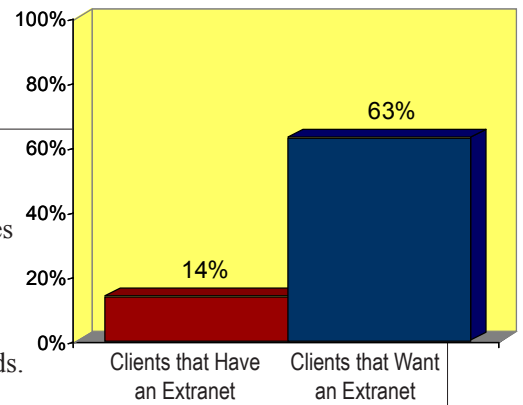
49% of Clients Want Their Law Firms to Provide an Extranet

Our research shows 63% of clients want an extranet with their outside law firm — and only 14% use or have one. 49% of clients are still waiting for a solution. This means almost half of all clients have a clear need and motivation to use an extranet. This makes law firm's use of extranets a client development tool as well as a client retention and productivity tool.

Best Way to Improve the Client's Performance Without Cutting Fees

Corporate counsel see information sharing as the best way law firms can help them improve their own performance, without cutting fees. Use extranets and information technology to help clients enjoy the range of benefits clients believe they will receive.

Drawn from almost 100 interviews with corporate counsel at Fortune 1000 companies, combined with our 12 years of research and experience, BTI's *Client Opportunities and Impacts of Information Technology for Law Firms* offers a combination of fact-based insight and experience that immediately helps you develop happier, loyal clients—and improves your service delivery at the same time.



Source: BTI's Client Opportunities and Impacts of Information Technology for Law Firms

What Clients Want in Their Law Firm's Website

Clients develop quick and lasting opinions about their law firms based on their web experience. User friendly means good client service; rich content means value added. Learn what clients want in your website and use your website to enrich your client's experience.

Special Analysis: The 6 Impacts of Information Technology

Our research, experience and insight show information technology will have 6 major impacts. We analyze and present the implications in each of the areas of impact:

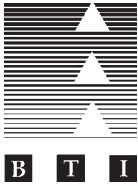
- ◆ New roles, responsibilities and expectations for law firms
- ◆ Expanded definition of the services law firms provide
- ◆ Changes in the cost of service delivery
- ◆ Actual work process
- ◆ How work gets done with clients
- ◆ Nature of client relationships

Anticipate and take advantage of these trends and impacts. Position yourself for a leadership role.

Key Recommendations to Anticipate and Take Advantage of the Impacts of Information Technology

Learn from success and what clients want. We present you with a host of recommendations based on what works for both law firms and other professional service firms. See how to turn your extranets and information technology into lower costs, happier clients and more business.





BTI's Client Opportunities and Impacts of Information Technology for Law Firms

BTI's *Client Opportunities and Impacts of Information Technology for Law Firms* defines the opportunities created by information technology and extranets provided by law firms. You also get insight into the 6 far-reaching impacts of information technology on service delivery and client relationships. Based on almost 100 interviews with Corporate Counsel at Fortune 1000 companies, this is your opportunity to get client-driven facts on how clients want to use information technology and how it impacts you.

Key Impacts of Information Technology and Extranets on Clients and Service Delivery

Information technology and extranets provided to clients are having a number of strategic impacts on how law firms interact with clients. Some impacts are clear, while others are subtle and will occur over time. However, each set of changes is profound and can define new, unprecedented client opportunities. Use the insights in BTI's exclusive report to:

- ◆ Target your efforts and investment to specific client priorities
- ◆ Boost client satisfaction
- ◆ Improve quality
- ◆ Lower costs
- ◆ Streamline service delivery
- ◆ Improve the payback on your information technology and extranet investments
- ◆ Attract new clients
- ◆ Build more loyal bonds with clients

Your research comes with full, unlimited telephone support

Your report includes full, unlimited telephone support. Call us to talk through the research, insights or recommendations. We will help you place it in the context of your specific clients and issues, or engage with you in a dialogue. Our goal is to help you get the maximum benefit from this report. Please call us at (617) 439-0333 or send us an email at info@bticonsulting.com. You'll find us responsive, helpful and to-the-point.

Your satisfaction is guaranteed. If BTI's *Client Opportunities and Impacts of Information Technology for Law Firms* does not exceed your highest expectations return it for a full refund—no questions asked.



YES! I want to better understand and take advantage of client opportunities and impacts. Send me BTI's exclusive *Client Opportunities and Impacts of Information Technology for Law Firms* for \$1,600 plus shipping.

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