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Legal Processing Outsourcing: What works?

The 2012 World Masters of Law Firm Management
Legal Process Outsourcing

11 October 2012

Beth Patterson
Applied Legal Technology Director
Allens

Allens is an independent partnership operating in alliance with Linklaters LLP.

> Overview

- Why Law Firms Need an LPO Strategy
- Developing an LPO Strategy: Lessons Learned
- The Devil is in the Detail: Working with an LPO

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› Why Law Firms Need an LPO Strategy

Outsourcing LPO work growing trend

PUBLISHED: 13 MAY 2011 07:45:05 | UPDATED: 13 MAY 2011 07:45:05 Australian Financial Review

[LPO's Have Become Legal Project Outplacement Firms: They Are Outplacing Legal Work from Traditional Law Firms](#)

Posted on October 12, 2011 by kowalskiandassociates

Big fee firms may lose their patrons

PUBLISHED: 02 SEP 2011 00:35:14 | UPDATED: 02 SEP 2011 04:12:37 Australian Financial Review

The elephant in the room: Starting the conversation on legal process outsourcing

12 May, 2011 Lawyers Weekly 0 comments

LPO movement gains momentum at ACLA conference

By Olivia Collings | Tuesday, 29 November 2011 Australasian Legal Business

Governments waking up to LPO

8 December, 2011 Lawyers Weekly 0 comments

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› Client Driven

COST

vs

Risk



RIO TINTO

JPMorgan



CREDIT SUISSE



BRITISH AMERICAN TOBACCO

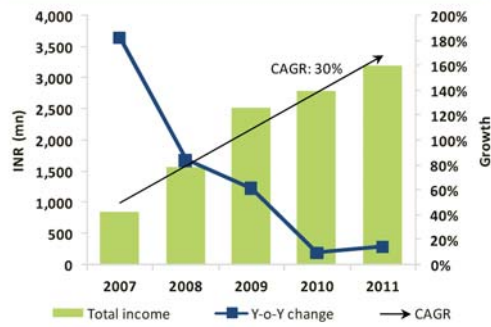


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› LPO Market

| | 2007 | 2008 | 2009 | 2010 | 2011 |
|-----------------------|------|-------|-------|-------|-------|
| Total income (INR mn) | 849 | 1,564 | 2,533 | 2,787 | 3,202 |
| Y-O-Y change | | 82% | 62% | 10% | 15% |



Source: MCA filings; ValueNotes analysis

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› LPO Market



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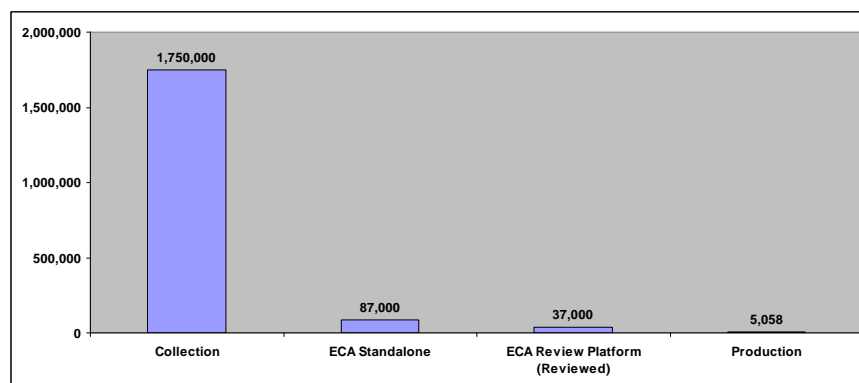
› Drivers of Change in the LPO Market

- Australia vs US markets
- Cost Differential Narrowing
- Courts
- Technology

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› Case Study – Technology Reduces Volumes



Reduction of approx 97.9%

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› Developing an LPO Strategy: Lessons Learned

- Define Objectives
- Develop Strategy & Stakeholder Buy-in
- NOT One Size Fits All
 - Client inhouse team
 - Traditional legal team
 - Low cost inhouse document review team
 - LPO
- LPO Selection: Do Your Due Diligence

› The Devil is in the Detail: Working with an LPO

- Engagement Model Drives Decision Making
- Type of work
- Pricing
- Identifying & Managing Risk
- Responsibilities: Reporting, Change Management, Q/A
- Technology: Usability, Performance, Reliability, Security
- Relationships: Communication, Supervision, Alignment

› Any Questions

Beth Patterson
Director Applied Legal Technology Allens
Email: beth.patterson@allens.com.au



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