

2011 CIO ROUNDTABLE RETREAT

Architecting Our Future

March 6 – 8, 2011

The Arizona Biltmore
Phoenix, Arizona

eSentio
Technologies



Knowledge Management Trends

Presented by Rudy DeFelice

eSentio
Technologies



Overview

- KM entering a new phase, brought about by
 - A changing audience
 - New areas of focus
 - A changing business climate
- This discussion
 - Outlines these changing forces
 - Raises questions about where firm leaders can have most impact in steering KM activities



Forces Driving KM

- Evolution of KM driven by 3 forces

Web Penetration

- Pervasive growth and rapid changes on web have created a new generation of users, creating new demands

Value Chain

- Transition from raw materials to process focus, being driven by KM evolutionary phase and firm needs

Business Model

- Changing economic models present need for KM approach to at least part of the response






A New KM Audience



Web changing everything (and everyone)

Often examined in generational terms*:

<p>Baby Boomers (born 1946-1964)</p>	<p>The hi-fi generation</p> 
<p>Gen Xers (born 1965-1979)</p>	<p>The sci-fi generation</p> 
<p>Millennials or Gen Yers (born 1980+)</p>	<p>The wi-fi generation</p> 

Alternate view: It's the new generation of the web, not of users, that matters.

Or - we're all different now.

* Chart thanks to J. Rovner, O. Benamram, M. Mills, B. Miller, Chief Information & Technology Officers Forum, February 2-3, 2010



Your information world 10 years ago

- Pre-Google, Facebook, LinkedIn, Wikipedia, Evernote, Blogs, Quora, etc.
- Your benchmark technology experience was Lexis/Westlaw (for lawyers)
- Web was a one way experience (primarily commerce & news)
 - Infrastructure dramatically different
 - Low bandwidth
 - No touch screens
 - No mobile web
 - Virtually no cloud
 - Virtually no community video



Your World Today

- Web is your main lens to universe (rather than Lexis & West)
 - Particularly, interactive web (multi-party, graphical, social)
 - Little regard for information hierarchy or branded information (rely on Twitter as much as CNN for news)
 - What does that mean for best practices collections, ratings, social tagging?
- Expect interfaces to be intuitive (no training – many lawyers more savvy than trainers)
- Increasing disregard in organizational walls



Results of Web-centric user base

- *Demanding* information different ways
 - Research from many sources, travel in/out of firewall, desire for peer ratings/social proof
 - Firms can control that for a while (but shouldn't)
- *Creating* information in different ways
 - Probably can't control
 - Blogging, Social Media posts, offsite storage & backup, heavy use of instantaneous communication (SMS), mobile devices, cloud



Meaning For KM

- Need to embrace breakdown of organizational walls



Meaning for KM

- Recognize that top down won't work
 - Mistrust (or disregard) for
 - Vetted document collections
 - Firm-designated best practices
 - Paternalism in all its forms
 - Demand that firms trust the marketplace of ideas and bottom up learning



Meaning For KM

- Product design & training
 - Sit down training dead, if not buried
 - Interaction in YouTube time
 - UX trending towards the physical, analog world
 - Touch screen, gaming as perfect examples



Issues

- Firm cultures distrust open information, preferring committee-think
- Egos and status tied up in peer-to-peer guidance
- Back room v. front room dynamic
- Firm leadership will need to reconcile culture and modern demands



KM Moving Up The Value Chain



KM's Change of Focus

- First phase was foundational
 - “Organize my stuff” (search, precedent, best practices)
 - Focus on the ‘raw materials’ of production
 - Required understanding of what lawyers used
- Why a next phase?
 - Foundational stuff addressed. (Either handled or diminishing returns)
 - Organizing information no longer the ‘low hanging fruit’
- Next phase – Production process
 - Understanding of how lawyers use things
 - What are steps for various products (document creation, client service, etc.)
 - Analyzing steps and reorganizing



How to address

- Deconstructing the process
 - Start with clean slate, consider
 - What is being produced
 - How is it being produced
- Staffing (anecdotal to experience based)
 - Experience at task, not subject matter level
- Streamlining repetitive tasks
- Appropriate use of leverage (including paraprofessionals & outsourcing)



Issues

- Lawyers think they're unique (nothing can be systematized or controlled)
 - Don't buy manufacturing analogy
- Culture
 - Staffing based on relationships
 - Disinterest in uniformity
 - Laterals introduce different approach
- Compensation structure
 - Not conducive to cooperation, appropriate leverage



Changing Economic Models



Time to embrace a new economic reality

- Firms can't unring the bell on alternative fee structures
- Change likely to be incremental rather than disruptive, despite some alarmist media coverage
- Presents an economic opportunity for lawyers, and a new challenge for KM



Implementing AFA's

- Major issues include:
 - Marketing – Using AFA's to attract/retain clients
 - Pricing – How to price engagements
 - Types of engagements that are conducive to AFA's
 - Data mining to support establishing price
 - Operations
 - Staffing, comp, technology, PM, Process engineering



KM's Role

- Core competency of KM discipline is creating systems to capture and organize information
- With respect to AFA's that includes
 - Task categorization and recognition
 - Performance metrics
 - Financial data



Data Mining Challenge

- Data exists, just not usable for this purpose
 - Not coded properly when created
- Sounds familiar? Is DM issue, writ large
 - major focus of KM's first phase
- Similar approach and expertise must be employed in data mining for new business models



Process Management

- Probably beyond the core competency of KM organizations based upon historical focus, but likely to be a direction where KM professionals migrate as discussed previously.
- Firm commitment to this discipline – common in just about any other 21st century industry, will be driven by inside and outside forces.



Process Management

- Probably beyond the core competency of KM organizations based upon historical focus, but likely to be a direction where KM professionals migrate as discussed previously.
- Firm commitment to this discipline – common in just about any other 21st century industry, will be driven by inside and outside forces.



Discussion

