

Before You Go ALSP, Assess What's Broken

By [Carla Landry](#) on April 10, 2021

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They are looming, bolder than ever, ready to either take your lunch money or swap your cupcake for a tuna sandwich. ALSPs have a seat at the table, and they're not going away. According to the 2021 study by the Thomson Reuters Institute, nearly 80 percent of firms and 71 percent of law departments have used ALSPs at one time or another. Although the primary revenue generator is e-discovery, according to the survey, ALSPs have evolved to offer a wide range of services.

This article is a series on what law firms should consider as they make the strategic decision to outsource work to an ALSP. In Part 1, we'll consider broken processes. ALSPs gained a foothold in the legal industry by doing processes better, faster, and cheaper. That doesn't mean, however, that you should completely abdicate total responsibility. Although you don't have to, in general, you'll want to assess your processes before you outsource. Here's why.

What Should You Do with a Broken Model

It's easy enough to identify processes that are truly broken. They're the ones that create unhappy clients, frustrated grumbling among the legal professionals, and uncomfortable billing discussions. When the collaboration ends and the ball-dropping begins, the process is broken. Also, don't forget about the processes that are lame, though not broken. These processes include the undocumented, the unclaimed, or those that are re-created by every matter team.

While it may be tempting to take all of your messy, wasteful processes and make them someone else's problem, there are several reasons why you may want to assess them first. There are many strategic reasons to use ALSPs. But offloading your broken processes isn't particularly effective or strategic.

Based on my experience working with matter teams trying to enhance the delivery of their services, here are three things you should consider in making the best decision on how and when to use an ALSP:

1. Law Firms Should Own Their Processes

You can outsource the operation of a process. But someone in your firm should still take responsibility for its effectiveness and its overall success. If there is infighting over who owns the process, how it functions, and its handoff and integration, shipping out the work will still not give you the end-to-end seamless solution you want. In order for managers to maintain control, all parts must work. When you outsource a broken process, the ALSP will do its best (and they have mastered the process). But your process may remain broken. Who owns and manages the process for the firm? Determining that is an essential part of optimizing processes.

2. Law Firms Should Claim the Results Promised by ALSPs

The ALSP's promised efficiencies assume that what you're currently doing works, albeit inefficiently. Let's say your current process is seamlessly executed most of the time. The ALSP promises to deliver an automated solution that will increase output by 50 percent. Will your firm achieve the results anticipated? It's not an exact science, but we can assure you the numbers are not there. That promised 50 percent is largely based on your process functioning in the first place.

When the process doesn't work, it may reduce your promised efficiency gain.

3. It's All About the Business Model

According to the Thomson Reuter's study, ALSP's are increasingly providing e-discovery, legal research, litigation support, and more. These processes comprise critical components of the law firm's traditional business model. Once you farm any of these processes out to an ALSP, you'll have a more difficult time repairing what's broken.

When law firms neglect to assess their processes, they may forego an important opportunity to reimagine their business models. Optimally, your business model is a deliberate plan; not one cobbled together by outsourcing dysfunctional pieces to an ALSP.

But, there may be an even bigger reason to assess your processes first. Upon close examination, you may discover better ways to:

- Deliver exceptional client services
- Leverage staff more intelligently
- Ensure flexibility for future expansion
- Integrate existing or available technologies
- Enhance employee satisfaction and productivity
- Drive profitability

Building the Firm's Sustainability

A quote often attributed to Henry Ford is: "If I had asked people what they wanted, they would have said faster horses." In today's tough environment, if you want to inspire innovation and bolster agility in your firm, you'll need to do more than build a better horse and buggy. Sustainable innovation starts with solving a client need, one they may not even recognize. It may, indeed, end with the disruption of an entire industry.

As with every rule, there is no one-size-fits-all. There are legitimate reasons why your firm may not want to tackle its broken processes. The firm may lack the bandwidth, or there may be political opposition to change. If this describes your situation, that's okay. Just make sure that the decision to use an ALSP is made within the context of a grand strategy. Stay involved and maintain control as the ALSPs are both collaborators and competitors. Your goal is not to enhance the competitive position of ALSPs. Your goal is to create seamless integration so that your clients experience enhanced overall delivery.

When you fix your broken processes, ALSPs can most likely improve them even more. But how do you gain the support to move to ALSP services? That's the topic of Part 2 of this series. Join us again soon.