

To ALSP or Not. It's Just Part of the Question

By [Carla Landry](#) on December 16, 2020

This post originally appeared December 14, 2020 in [Legal Administrator Daily](#).

Everything is a process, even, as the pandemic reminds us, hand hygiene. [\[ALSPs and Hygiene\]](#) We use a myriad of processes in our work, some good, some not so good. The best processes are efficient, predictable, even lucrative. The worst? They create problems for clients and drain the coffers of law firms.

So when ALSPs spotted the opportunity to do processes better, faster, cheaper, they were ready and willing to profit from the work that law firms often fumble. Even after the inroads made by these legal companies, it can be difficult to get lawyers to put energy toward process improvement.

We started this series with a look at all the hoopla surrounding ALSPs. The next three articles focused on how to engage lawyers in process improvement initiatives [\[Herding Cats\]](#) in their firms, as well as how to use the commonalities identified among lawyer personalities to effect change. [\[Personalities Part1, Part2\]](#)

Now we'll consider the moose on the table: Should your firm consider working with an ALSP?

Above all, the choice should be a strategic one. Be wary of any shoot-from-the-hip advice that you really should outsource some element of your business. You must examine holistically your work processes. But before you do anything at all, follow a systematic approach to figure out the best course of action.

Know Your Clients

First, start with your clients. Do not assume that you know what your clients really want. If you asked them a year ago, that's old information. If you asked them five years ago, you're clueless. Push down on the answers they give because your client may not actually know the answer themselves.

You may have assumed your clients are concerned with the cost when what they really want is greater predictability or a higher level of consistency in the outcomes. Or perhaps they just want a little more love, i.e., more face time and better communication, regardless of cost.

Run their responses through additional filters. Be sure that the matter teams understand:

- Who do your clients serve, both internally and externally?
- What pressures do they face?
- What are their pain points?
- What are their price points?
- How has the competitive landscape changed?
- What challenges do they anticipate in the future?

Analyze Your Processes

You may prefer a root canal over root cause analysis of your process inefficiencies. But do it anyway. If you don't figure out where the profitability leaks are, you could be caught in an endless game of Whac-A-Mole: the problem will eventually resurface. Understand what you do best and what you should outsource so that you can use ALSPs strategically rather than as a bandage.

Examine Your Internal Resources

You never want to outsource what you should do in-house. Allocate resources according to your core competencies and your in-house capabilities. If outsourcing undermines your value proposition, you are better served by fixing your internal processes and retaining the work. Make sure that if and when you outsource, you free up your lawyers for the higher value work.

Answer the ALSP Question with Care

If you've looked at your processes and decide that you should go with an ALSP after all, carefully select one that will be an extension of your firm. Enlist input from firm partners and trusted advisors. Your goal is to engage the ALSP in a meaningful way. This means, again, do the process work. Both your lawyers and your clients deserve seamless interoperability so that the day-to-day business continues undisturbed.

Don't Relinquish Total Control

You must avoid becoming a casualty of delegation, as was the case with the now-defunct LeClairRyan. The law firm gave ALSP, UnitedLex, "unprecedented control" over much of its legal operations, according to [bankruptcy trustee Lynn Tavenner](#). The already struggling firm became even more so.

Of course, we hope that your firm is not in Chapter 11. However, this example illustrates that even an established ALSP can misinterpret your vision if you over-delegate. You must be involved, and you must understand the work and regularly communicate and manage to your expectations.

The Final Takeaway

Process work is challenging, and they don't teach this stuff in law school. But it's necessary before you outsource work. Bring in objective outside resources, if needed. That odd handful of people who enjoy process work really do love it and will give it the attention it requires.

So, here's the bottom line. Do not outsource to get rid of messy processes that you feel you can no longer control. Rather, outsource only if it helps each matter or client team to:

- Focus on its core business;
- Deliver value to its clients;
- Deliver more for less;
- Reduce risk, where possible; and
- Manage capacity amidst rising complexities.

Do your due diligence prior to outsourcing the work, and you will greatly increase your control and your law firm's profitability.