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Contract Lifecycle Management

How lawyers are ranked

Every year we carry out thousands of in-depth interviews with clients in order to assess the reputations and expertise of business lawyers worldwide. The qualities we look for (and which determine

rankings) include technical legal ability, professional conduct, client service, commercial awareness/astuteness, diligence, commitment, and other qualities most valued by the client.

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CONTRACT LIFECYCLE MANAGEMENT: An Introduction to Global-Wide

Contributed by QuisLex

Impact of the Great Resignation on Legal Department Contract Workflows and Knowledge Management

Imagine this scenario: you are the General Counsel of a mid-sized public company. Today, immediately before your 2pm weekly meeting with the CEO, you receive an email from one of your senior lawyers with 15 years tenure at the company and another email from a more junior lawyer who only joined two years ago from a prestigious law firm – both announced that they are leaving the company for new opportunities. You are not overly surprised by these resignation notices, as you knew both lawyers were looking for salary increases to keep pace with the market, but are deeply disappointed that the company could not retain either of these individuals. The senior lawyer led all of the company's commercial contracting and was the key point of contact for large revenue-generating negotiations. The senior lawyer, while terrific at her work, did not follow many standardised processes and relied primarily on instinct and experience. The junior lawyer was just starting to organise the legal department, including standardising contract templates and documenting the company's risk profile and approach by producing its first contracts manual and playbooks. That is a lot of talent and institutional knowledge walking out the door! You know the CEO is going to ask you about these departures and now you are left scrambling trying to figure out how to replace these top performers.

Realisation quickly sets in that nearly all your focus as General Counsel over the past few years has been on reactively responding to the daily business needs and crisis after crisis. Your company has fortunately made it through a tumultuous two years yet you are consumed with the increased daily business demands and pressures your in-house legal team faces. You've spent the past few years scaling your team, hiring more senior lawyers and subject matter experts, but many of your lawyers seem overwhelmed with their workloads and, in addition, some are struggling with accepting returning to the office full-time and prefer the convenience of fully remote work.

You haven't spent as much time as you had hoped proactively building your legal team's workflows and processes, creating backup repositories, centralising learnings and best practices, creating succession plans, and implementing effective technology solutions. Many of your colleagues have encouraged you to hire a legal operations professional to help the department with these initiatives but you were resistant until now. Perhaps a professional with such operational skill sets would help you put processes in place to help offset the loss of legal talent in an environment of rapid inflation and a hot job market causing increased pressure on wage levels.

There are a multitude of external solutions available that could help this General Counsel as well. One such solution is retaining a temporary replacement lawyer from a placement firm. While this solution could undoubtedly help direct immediate resources at a vacant position, thus freeing up some bandwidth across other department resources that might be more stretched, it's a challenging long-term solution due to high costs and the impermanence of the staffing model used. Traditional law firms, while best adept at providing timely advice from subject matter experts, are also a challenging long-term solution given cost considerations for most companies that impede law firms' abilities to truly embed their practitioners alongside business units. Lastly, technology solutions vendors, such as AI-enabled contract lifecycle management tools, can be a fantastic resource if your legal department has the bandwidth to manage implementation of new systems and ongoing administration. These solutions, however, are fragmented across different practice areas and oftentimes require already overburdened legal departments to find the time to train AIs or update playbooks in order for the AI to review against to be most effective.

Retaining an alternative legal services provider (ALSP) is another solution this General Counsel could employ to help document and standardise her company's institutional knowledge thereby softening the blow of attrition. Implementing a sustainable solution to maintain and transfer a company's institutional knowledge should have a combination of staffing experienced legal professionals, developing processes and workflow capabilities, and utilising best-in-class technology solutions. ALSPs are able to offer a 'one-stop-shop' approach to meet these requirements, and do so with significant cost efficiencies using a combined onshore and offshore model.

Enhancing Contracts Workflows

ALSPs that are technology agnostic have the ability to test and select from a wide array of technology solutions that focus on contract lifecycle management (CLM), which are increasingly coming into focus as companies realise the cost and time savings that are possible. Having the ability to choose from dozens of competing AI-enabled contract abstraction and review tools, as an example, allows for the customisation of service offerings to potential clients, integration of third-party technology within in-house proprietary solutions, and enables seamless connectivity with clients' systems. ALSPs employ their own technologists, software engineers, and six sigma process experts that pair with legal professionals to deep-dive into a potential client's needs to build out workflow solutions for them.

The General Counsel in this hypothetical leads a legal department staffed with accomplished lawyers and subject matter

Contract Lifecycle Management

experts. The work they perform on a day-to-day basis surely is high-quality; however, unless this workflow has been analysed and captured, chances are what these lawyers do is highly manual in process. The ALSP business model is to take what is done manually and attempt to automate that workflow, thereby making knowledge less person-dependent. From setting escalation triggers for contract negotiations, or deploying an AI-enhanced technology solution for contract redlining and analysis, the model of embedding external legal professionals for several weeks or even months across client teams fosters a culture of learning and development that is hard to replicate. The end result is enhancing a legal department's productivity and minimising disruption caused by staff attrition.

Today's C-Suite executives treat legal departments with the same scrutiny as business units, and the advent of the legal operations role over the past decade has undoubtedly been as a result of senior management looking to drive greater efficiencies from their teams of lawyers and staff professionals. The use of data analytics and KPIs in a modern legal department only serves to drive a greater focus on improving contract workflows. General Counsels can no longer ignore this data-driven approach and should instead embrace it to help identify strengths and weaknesses and drive sustained performance of their teams.

Formalising Knowledge Management

Having a senior lawyer with 15 years of institutional knowledge walk out the door can be daunting for any organisation. It is virtually impossible to hire or train a resource to step right into that person's shoes and have the same level of impact. Nevertheless, one way of mitigating the significant risk of knowledge loss is to formalise and document your legal department's institutional knowledge that has been developed over hundreds if not thousands of contract negotiations spanning commercial areas, procurement, IT agreements, software licensing, sales/marketing and distribution agreements, etc.

The challenge with capturing knowledge management is that it takes a proactive approach to do so, hardly a luxury many overburdened legal departments can spare the time for. When you are dealing with crisis after crisis and dedicating all your time to reactive advice, finding the time to undertake effective knowledge management can seem like an impossible task. ALSPs are in a unique position to help companies with capturing their knowledge in the form of searchable contract repositories, standardised contract templates across geographical regions, contracting playbooks, checklists and manuals, company-approved clause banks and fallback positions, and documenting other key risk parameters. Once this documentation is finalised, it can be shared with new joiners who will be able to ramp up faster than if they could only rely on scheduling handover calls with exiting staff or searching through their predecessor's email archive and files to get a sense of how things work. An obvious win-win for the company and the savvy forward-thinking General Counsel who took the decision to put it all in place.

Similar to the value add from enhancing contract workflows discussed earlier, formalising knowledge management helps automate the legal department's activities, thus allowing for less person-dependent decision-making. The Great Resignation has served as a catalyst for legal departments to face this reality head on, and increase their reliance on service providers such as ALSPs to help them build a more sustainable model for the future. Employing seasoned lawyers and staff professionals is a great start, but taking the time to build out technology-enabled contract workflows and document institutional knowledge is no longer a 'nice-to-have' initiative. It's a must-have for the modern legal department looking to thrive well beyond today's challenges, and instead anticipating what tomorrow may bring.

By: Shanil Vitarana, QuisLex Executive Director, Global M&A and Corporate Solutions

Contract Lifecycle Management Global-wide

Band 1

Cognia Law

What the team is known for With offices in London and Cape Town, alongside delivery centres in the UK, the US, South Africa and Hungary, Cognia Law is well placed to aid clients seeking outsourced legal capabilities across the contract lifecycle. Its traditional strengths in contract negotiation, review and analysis are complemented by significant expertise in the financial services field, alongside broader skills in the technology, life sciences, industrials and retail sectors.

Deloitte LLP

What the team is known for Deloitte's clients turn to its platform for initial contract strategy and implementation, processing and review services. Its AI-driven technology platform, dTrax, offers a suite of tools to aid in the negotiation and analysis

of contracts, as well as standardising templates.

Strengths

"The team is very knowledgeable – they share good insights around Contract Lifecycle Management and they have a broad experience in CLM implementation."

DWF Mindcrest (DWF)

What the team is known for Mindcrest provides contract management services to major clients across the US, Europe and the Middle East, notably those in the professional services, financial services and life sciences sectors, as well as international law firms. It has considerable experience in handling technically complex and volume-intensive reviews and analytics, including significant expertise in privacy and data security compliance issues.

Strengths

"DWF are an innovator."

Elevate

What the team is known for Elevate's contract services are utilised by in-house legal departments, in areas such as contract reviews, drafting, administration and template management. They also advise on wider contract issues arising in major corporate transactions, disputes work and compliance reviews. Clients also benefit from Elevate's internal contract technology platform, ConraxSuite, which uses AI tools to perform volume-intensive review and analysis tasks.

Strengths

"They have a wide bench of experience and an ability to support multiple areas of legal operations."

"They have a depth of knowledge as well as multiple resources skilled to discuss and handle any issue that came up."

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Global-wide
Leading Firms
Band 1
Cognia Law
Deloitte LLP
DWF Mindcrest (DWF)
Elevate
Exigent Group
EY
Integreon
QuisLex
UnitedLex
Band 2
DRS Alternative Legal Solutions
Factor
Herbert Smith Freehills
Kalexius
Konexo (Eversheds Sutherland)
KPMG International
LegalBase
Morae Global
PricewaterhouseCoopers LLP
<i>Alphabetical order within each band. Band 1 is highest.</i>

Exigent Group

What the team is known for Exigent Group utilises its bespoke contract lifecycle management tool to handle clients' document creation and contract review requirements, drawing upon the company's broader resources to offer additional services such as contract optimisation and data and performance analytics. Its clients include leading law firms and corporates in a range of industry sectors.

EY

What the team is known for EY Law's contract lifecycle management service covers contract assembly, review and management, transactional due diligence, AI-powered contract analysis and contract template design work, among others. The firm's CLM clients include law firms and corporate clients in a wide range of industry sectors, including financial services firms, healthcare and insurance companies, tech businesses and energy companies.

Strengths

"EY are a big player in this market."

Integreon

What the team is known for Integreon assists leading corporates with contract negotiation, drafting, review and analysis. Its delivery centres, including locations in the UK, the US, India and the Philippines, directly support clients and act in partnership with law firms to provide contract services. The centres house multilingual expertise and significant experience in third-party CLM software.

Strengths

"They are one of the bigger names in the market."

QuisLex

What the team is known for QuisLex's contract management capabilities include contract review, analysis, drafting and negotiation, and its more than 1,000 lawyers work with clients on a global basis. Its clients include AmLaw 100 law firms

and Fortune 500 companies. QuisLex also uses AI technology in its contract analysis process.

Strengths

"The team consists of experts from a broad range of fields at various levels, each of whom is exceedingly professional."

"QuisLex has an ability to ramp up an experienced team to handle very complex transactional, compliance, litigation and operational matters. The team from the front-line contributor up through the executive leadership is incredibly responsive and works proactively with us to make sure our needs are met. QuisLex is a true business partner and extension of our in-house legal team. QuisLex is rigorous in terms of budget management and very focused on delivering value. We have regular discussions where we review both and have open and direct conversations to ensure expectations are clear for both teams."

"QuisLex lent a high degree of sophistication in international arrangements to our effort, handling multiple jurisdictions with ease. QuisLex rates as the smartest, fastest, highest calibre team you can find to amplify your resources in large-scale contract review efforts, seamlessly matching human and AI capabilities."

UnitedLex

What the team is known for Industry leader UnitedLex has a longstanding reputation in the legal outsourcing sector, principally for contentious work but also for contract services. Its core strengths include advising on contract templates and drafting, reviews and remediation, with particular expertise in handling diligence and compliance-related tasks. Notable areas of sectoral expertise include financial services and technology.

Strengths

"They are massive in the US."

Band 2

DRS Alternative Legal Solutions

What the team is known for DRS has a notable focus on the financial services industry. Based in London and Newcastle, the company offers a range of solutions such as regulatory repapering, drafting, negotiation and general day-to-day management. Clients also benefit from the DRS data extraction service, which provides risk and compliance insights.

Factor

What the team is known for Factor has over 600 lawyers and contracts specialists in the United States and Europe. Their services range from short-term regulatory repapering projects to longer managed services, and consulting on improving processes.

Herbert Smith Freehills

What the team is known for Herbert Smith Freehills Alternate Legal Services advises on day-to-day contract matters for a variety of prominent companies and financial institutions. HSF Alternate Legal Services also has a global network, with offices across Asia-Pacific, Europe and the

US.

Kalexius

What the team is known for Swiss-based Kalexius focuses on acting for clients in the financial services sector, including several high-profile European banks and investment firms, who rely on it for contract negotiation, renewal and remediation tasks. The firm also offers outsourced company secretarial and legal entity management services.

Strengths

"Kalexius are keen to provide a good service. They are organised and they keep the client in the loop at each stage in the process."

"Kalexius has built broad, competent teams in locations that can offer services in several different languages, notably English, French and Spanish."

"Kalexius can handle large volumes of documents and can adapt its organisation to handle changes or difficulties at the client side. It is strong in project management."

Konexo (Eversheds Sutherland)

What the team is known for Konexo offers flexible resourcing, managed services, and legal operations services, among others. It has around 170 full-time staff and many more legal professionals available on an interim staffing basis. The firm's legal managed service arm handles over 25,000 contracts per year and its real estate team over 23,000 more.

Strengths

"I believe the most sophisticated part of the exercise is to understand how our business works. Konexo was certainly up to the task and wasn't afraid in spending all necessary time and effort in gaining that understanding. The Konexo team are true professionals in terms of client-care. Couldn't ask for more."

"Eversheds have an experienced legal and technical team supporting our mortgage requirements and in exceptional circumstances can draw upon the knowledge across the wider Eversheds business."

KPMG International

What the team is known for In 2020, KPMG launched its global Legal Operations Transformation Services. As part of its managed services offering, KPMG also offers its own bespoke software platform to draft and organise documents, as well as handling risk and compliance issues.

LegalBase

What the team is known for LegalBase serves an international client base with a particular focus on the Middle East market. It offers considerable expertise in corporate and commercial contracts work, particularly involving intellectual property and brand protection issues. Its clients include law firms and domestic and international businesses, active in sectors including professional services, healthcare, real estate and retail.

Strengths

"The LegalBase team are very sharp, proactive and have deep domain knowledge and expertise. They always provide practical and commercial forward-thinking solutions to any issues we have to deal with. The wider team have real depth and

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are always able to support us fast – they are great at working to our very tight deadlines. The team are very responsive and attentive to any requests or correspondence. They are always available – even outside normal business hours whenever we require. LegalBase provide fixed fees for most work. This gives us the cost certainty we need. They are fantastic value for money – rates are substantially lower than all other providers we have used in the past coupled with much better quality of work and service.”

“Excellent service and quality. LegalBase have a great and experienced team. They are able to cover all our bases. They have deep knowledge and expertise throughout the team. They respond fast

and always meet our tight deadlines. Outstanding value. Significantly lower rates than on the ground and law firms while matching quality.”
“LegalBase has a team of highly experienced and knowledgeable experts able to handle complex legal issues.”

Morae Global

What the team is known for Legal services provider Morae Global has a strong reputation for its contract management platform. Alongside traditional services across the document lifecycle, it also calls upon its multidisciplinary team to counsel clients on strategy and implementation issues.

PricewaterhouseCoopers LLP

What the team is known for PwC’s NewLaw practice includes an impressive contract lifecycle management offering. The team assists with multi-jurisdictional CLM projects for financial institutions and global corporates, including contract reviews, process and template-setting, CLM training to client teams and outsourced contract management. As well as financial services, the team has expertise in working with healthcare and pharmaceuticals businesses, tech companies, manufacturers and consumer goods businesses, and transport and infrastructure providers.

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Flexible Legal Staffing

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Band 1
Axiom Law
Elevate
Konexo (Eversheds Sutherland)
LawFlex
LOD
Peerpoint (Allen & Overy)
Band 2
Cognia Law
FLEX by Fenwick (Fenwick)
Obelisk Legal Support
Pinsent Masons
Band 3
AMBAR
Herbert Smith Freehills
KPMG
PricewaterhouseCoopers LLP

Alphabetical order within each band. Band 1 is highest.

Band 1

Axiom Law

What the team is known for Axiom is one of the leading providers in the flexible legal staffing market, with an array of leading corporates using its services – including half of the Fortune 100. Its talent pool comprises over 6,500 lawyers and legal professionals based across Europe, North America and Asia, specialising in areas ranging from mergers and acquisitions and contracts law to disputes work and regulatory compliance.

Strengths

“Axiom Law was really impressive this year. They have great expertise and a deep bench in the USA.”

Elevate

What the team is known for Elevate’s flexible resourcing service, ElevateFlex, draws from a group of lawyers with high-level private practice and in-house legal experience, with the network’s sectoral capabilities and jurisdictional reach. Its clients include law firms and corporates.

Strengths

“They are founders of this industry. They are my favourite of all of the Flexible Legal Staffing providers. I really like their vision.”

“They have a depth of knowledge as well as multiple resources skilled to discuss and handle any issue that came up.”

“They met the deadlines we set, which were often challenging. There was responsive and open communication; it felt like a genuine partnership working with them.”

Konexo (Eversheds Sutherland)

What the team is known for Eversheds Sutherland’s resourcing business, Konexo, has over 1,200 interim lawyers working on projects for large banks, other financial services businesses and corporates. The company has a notable presence across the UK and US, as well as Malaysia, Hong Kong and Singapore.

LawFlex

What the team is known for LawFlex now has a network of offices and delivery centres that includes France, Chile and Germany. Its client roster spans a mix of law firms, tech and retail companies and consultancies. The firm has a growing pool of contract lawyers, with around 700 available for projects around the world, with particularly strong representation in tech, privacy regulation, litigation and e-discovery, as well as corporate M&A.

Strengths

“Not only does LawFlex have a range of lawyers with various different areas of expertise, including employment, commercial, corporate and litigation, but their team are also qualified in many jurisdictions, which has been particularly helpful.”

“They have a good range of attorneys with varied skill sets.”

“Their professionals usually have abundant in house experience and understand the time and budget constraints of the in-house lawyer. They also understand the need to work with the business and close deals and not only provide legal advice.”

LOD

What the team is known for LOD’s 4,500-strong team of lawyers, paralegals and other legal professionals work with clients in the financial services, industrials and technology sectors and with public sector institutions. LOD provides legal services to clients in over 20 countries across the UK, Europe, Australasia, Asia, the Middle East and the US. Their flexible solutions include on-demand legal advisory, scalable managed teams, and legal operations and tech consulting.

Peerpoint (Allen & Overy)

What the team is known for Peerpoint provides leading financial entities, investors and corporations with flexible legal staffing solutions tailored to their individual needs across a broad range of practice areas including M&A, data privacy, IP, document review and eDiscovery. Peerpoint has a broad international presence with offices in London, Sydney, Perth, Hong Kong, and Singapore, as well as New York and Dubai.

Strengths

“Peerpoint have a good understanding of our needs and consistently provide candidates of high calibre.”

Band 2

Cognia Law

What the team is known for With offices in London, Johannesburg and Cape Town, and additional delivery centres in the UK, the US, South Africa and Hungary, Cognia Law’s ALSP offering includes flexible legal staffing solutions. Cognia has more than 200 high-quality lawyers on its permanent books and has access to more than 4,500 specialists.

Strengths

“Their offshore talent pool provides excellent overall value.”

“Cognia understand the commercial challenges of the issue at hand and have a range of solutions that are both well thought out and effectively executed.”

“The core team is very strong with excellent continuity of personnel, and it’s able to scale quickly beyond that through access to a flexible talent pool.”

FLEX by Fenwick (Fenwick)

What the team is known for California law firm Fenwick & West’s captive staffing platform, FLEX, offers temporary and temp-to-perm lawyers to its largely entrepreneurial client base, relying on the firm’s signature strengths in working with early-stage technology and life sciences businesses. Its clients range from start-ups seeking their first in-house lawyer to larger businesses needing assistance on volume-intensive legal projects. Its legal professionals advise on matters including commercial agreements, M&A, privacy and data security, litigation and employment law.

Obelisk Legal Support

What the team is known for Obelisk Support has grown its talent pool to over 2,000 lawyers, whose expertise encompasses banking, commercial property, employment and IP, among other areas. Its client base is equally broad, with the firm handling resourcing for telecom companies and retailers, alongside its established financial services expertise.

Pinsent Masons

What the team is known for Pinsent Masons’ flexible lawyer platform Vario allows clients to call upon a range of legal professionals, including freelance lawyers, legal project managers and paralegals. Vario currently offers clients around 800 professionals skilled in sectors including

energy and natural resources, construction, real estate and financial services.

Band 3

AMBAR

What the team is known for Launched in 2020 by former Latham & Watkins lawyers, AMBAR is a significant force in the Spanish ALSP market. It can supply lawyers versed in a range of practice areas, including trade marks, estate planning, civil litigation and commercial contracts. AMBAR has also developed an alliance with Axiom Law to increase its foothold in Latin America and Spain.

Strengths

“AMBAR are very responsive and offer a quick turnaround time to find the right candidates.”

“AMBAR’s flexible structure as a company gives us

the ability to structure our legal teams on demand and flexibly with teams of lawyers with the right fit of seniority, industry expertise and practice area knowledge to solve complex projects requiring niche-type expertise.”

“Very responsive and quick turnaround to find the right candidates, who have worked effectively as members of the legal team.”

Herbert Smith Freehills

What the team is known for Herbert Smith Freehills Alternate Legal Services’ flexible staffing arm has a strong presence in Australia and the UK, handling interim staffing needs for a diverse range of clients. While well known for its expertise in staffing major disputes, the company also regularly handles a wide variety of transactional projects.

KPMG

What the team is known for KPMG offers clients a diverse pool of contract legal specialists. Its contract lawyers handle work across banking and finance, general commercial, corporate, data protection and intellectual property work.

PricewaterhouseCoopers LLP

What the team is known for PwC’s flexible staffing arm, Flexible Legal Resources, boasts legal and compliance contract talent across a range of different practice areas. It offers remote or internal lawyers on a temporary basis for clients requiring assistance both on commoditised work and on more technically complex legal mandates.

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Law Firm LPO

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LAW FIRM LPO: An Introduction to Global-Wide

Contributed by DWF Mindcrest (DWF)

ALSPs are the vanguard of legal services innovation

The legal industry has been undergoing a substantial change over the past few years and the speed of this transformation has been further expedited by the COVID-19 pandemic. Legal teams can no longer escape corporate efficiency drives and must be seen to be doing their bit. Clients are demanding more for less from their providers and the skills required to create new delivery models are many and varied. Work can be (and often now is) completed remotely. Hours are flexible, as long as the work gets done, and the war on talent is intense.

The legal industry is dominated by four main groups: law firms, internal legal departments, Alternative Legal Service Providers and law schools. The ALSPs are the disruptors and the driving force in bringing change to the legal industry by providing career paths for attorneys and non-attorneys outside the traditional model. This has prompted law firms and inhouse teams to reflect and refine their ways of work and law schools to review their curriculum and offer more practical courses on subjects such as data analytics, design thinking, process engineering and technology.

As all groups learn how to operate to meet the new challenges of increased cost of talent and workloads, they will have to re-evaluate their delivery and business models and learn how to effectively work differently. Many are choosing to collaborate with ALSPs – either through partnerships with independent ALSPs or by creating their own captive functions in order to stay ahead of the game. As law firms are finding out, many sophisticated procurers of legal work are expecting them to collaborate with alternative providers such as legal tech vendors and low cost operations which can perform process efficiencies at scale.

Models for Alternative Legal Service Providers

There are three main models in which ALSPs operate: Independent, Captive and Non-Traditional providers. The Independent ALSPs are just that: independent. They maintain their own client relationships, pursue their own work and operate individually or as an autonomous subsidiary. This is the largest segment of the ALSP industry and they have usually been developed by lawyers who were to an extent embarrassed by the way the rest of the profession operated. As Mindcrest's own Commercial Director (previously a traditional lawyer) has observed:

"Historically the law firms owned the delivery model and could to an extent determine how legal services are delivered and, to an extent, at what price. The disruptors in the market, the Alternatives, are helping clients take back control in terms of how the work is resourced and performed. Everything still needs to be of the right quality and underpinned by a deep understanding of law, but not everything needs to be performed by a qualified lawyer based in London and checked by a partner – no one starting afresh would design the ser-

vice that way."

Captive ALSPs are another innovation within this group. They are ALSPs owned and operated by law firms and produce work for the clients of the firm. This is a way for law firms to get in on the game while still maintaining control. However, the costs associated with starting and operating this spin-off can be substantial and take time to recoup through increased work. Arguably a better model is for ALSPs to have a captive law firm to escalate matters to and to support the build of the service in the first place. The law firm lawyers can help frame the advice and design what needs to be done with the ALSP controlling the production line and quality checks.

Additionally, the Non-Traditional providers such as the accounting firms have also started to provide a wide range of ALSP-type services. As established entities through accounting and consulting practices, they have been able to make quick inroads into the ALSP market over the past few years (according to a Thomson Reuters report, 2022 State of the UK Legal Market). The general thinking is that if they make material investments into lawyers and legal teams then they will be a real threat to both law firms and ALSPs despite the fact that legal services is still not a core service for them. Whether the conflicts they encounter prohibit that kind of growth to a greater or lesser extent is yet to be fully appreciated.

Going Global

While previously an innovation originally driven from the United States (due to the regulatory backdrop there), other regions of the world have started to embrace the ALSP model. The United Kingdom, Canada and Australia have seen significant growth recently in law firms and other organisations partnering with ALSPs. These services have also started to grow in EU countries such as Germany, Spain and France, and many other regions are employing ALSPs to manage cross-border litigation, regulatory review and other ALSP services.

Increase in Sophistication

By creating a niche in the legal industry, ALSPs have often been at the forefront of legal technology innovations. For ALSPs specialising in compliance or contracts management matters, using legal tech to increase efficiency and production levels also drives down total costs and delivery times. This has already happened in litigation where eDiscovery platforms reduce the number of documents requiring review through de-duplication and de-threading and the deletion of irrelevant materials before making it very easy for low cost teams of managed document review professions to perform their task. It is very normal now for the first pass of any document review to be performed entirely by non-lawyers in

a different geographical location with documents being tagged, commented on and redacted as required for the lawyers running the case.

This type of technology has grown far more sophisticated in the past decade. Supercharged by digital support, legal professionals using these tools are now able to operate far more efficiently than ever before while maintaining or enhancing the quality levels necessary for the job. From a labour perspective, this also prevents burnout as lawyers are able to operate at a higher level of review, and are able to apply their skills on more critical matters.

Retention

Like many businesses around the globe, law firms are struggling to retain their talent, particularly non-partner talent. A report issued by the Center on Ethics and the Legal Profession at the Georgetown University Law Center and the Thomson Reuters Institute found that on average US law firms lost nearly a quarter of their associates in 2021 and similar levels of attrition have been identified in the UK and Australia.

For traditional firms, retaining talent is going to mean more than simply offering larger salaries and signing bonuses. The report highlighted that simply showering talent with increased compensation has not stemmed the tide of attrition. Lawyers, particularly junior talent, are more focused on other career factors such as work/life balance, non-compensatory recognition and appreciation, as well as overall better physical and mental well-being. Whilst this is refreshing it is causing a huge headache for those

still practising the “old law” in the old ways with long hours and personal sacrifice expected as a matter of course.

ALSPs are again able to influence change by freeing up associate time to allow them and legal team members to focus on what is “important” and valued. The services offered by ALSPs largely alleviate time-consuming and therefore costly work previously performed by lawyers. Growth in usage of ALSPs allows firms and legal departments to focus on more strategic matters while assisting clients and other stakeholders. When lawyers are able to focus on high-value matters instead of being bogged down in “the weeds” (lower value, lower risk work that could be completed by a non-lawyer following a process with appropriate guardrails), there is an increase in productivity all around which the Georgetown report records as a key factor in employee retention.

Conclusion

Law firms and legal departments are quickly finding out that ALSPs are not the enemy but rather they are potential partners and collaborators in delivering results to clients. ALSPs have shown that there is room for flexibility and innovation in the legal industry, and firms have benefited from these partnerships with increased efficiency and labour costs without compromising on the quality of the outputs. As lawyers are demanding flexibility within their working environments and firms are looking to attract the next generation of law students, partnering with ALSPs can be the saving grace to retaining talent and improving the way things are done.

Law Firm LPO Global-wide

Law Firm LPO
Global-wide
Leading Firms
Band 1
Ashurst Advance (Ashurst)
DWF Mindcrest (DWF)
Konexo (Eversheds Sutherland)
Band 2
Advanced Delivery and Solutions (Allen & Overy)
Condor ALS (Fieldfisher)
FLEX by Fenwick (Fenwick & West)
GravityStack (Reed Smith)
Herbert Smith Freehills
Pinsent Masons
Re.link (Linklaters)
<i>Alphabetical order within each band. Band 1 is highest.</i>

Band 1

Ashurst Advance (Ashurst)

What the team is known for Ashurst Advance offers a range of ALSP services, including legal project management and legal process design. The firm offers clients data- and AI-based eDiscovery services, is able to provide document review, due diligence, contract and transactional assistance, and can give clients access to ESG, legal privilege and dawn raid response tools.

DWF Mindcrest (DWF)

What the team is known for Mindcrest was acquired in early 2020 by UK law firm DWF. It provides contract management and document review and eDiscovery services to major clients across the US, Europe and the Middle East, notably those in the professional services, financial services and life sciences sectors. Its teams, based in the US, Europe and India, are experienced in assisting clients with a range of contentious and non-contentious mandates, including significant expertise in privacy and data security compliance matters.

Strengths

“Their service levels were exceptional. From partner through to junior legal technologist, the responsiveness and availability was top-tier. They have taken the very best (from a client perspective) of law firm attentiveness and brought that into the consulting/tech delivery world. This is clearly a huge strength and feather in their cap.”

“They have handled very complicated issues with many hundreds of thousands and even millions of documents.”

Konexo (Eversheds Sutherland)

What the team is known for Eversheds Sutherland’s Konexo operation was established in July 2019. It offers legal managed services and

resourcing, corporate secretarial/HR solutions and financial services compliance support. Its managed services offering includes contract lifecycle management, tech-based sublease management and banking documentation assistance.

Strengths

“We act for a lot of big clients and we see Konexo everywhere. We see them regularly.”

Band 2

Advanced Delivery and Solutions (Allen & Overy)

What the team is known for Allen & Overy provides a wealth of resources from its Belfast-based Legal Services Centre, which allows clients of the firm to access experienced, high-quality legal resources for contentious and non-contentious matters in a more cost-effective way. The LSC lawyers have experience using technology to handle document-intensive tasks, including international litigation and regulatory investigations.

Strengths

“They are a full-service, high-quality law firm LPO.”

Condor ALS (Fieldfisher)

What the team is known for Fieldfisher's Condor operation offers clients a wide range of outsourcing, tech and project services. It handles contract lifecycle management, document negotiation and KYC assistance, and can also help with managed document review and eDiscovery matters. Condor also provides flexible legal staffing through its resourcing facility.

FLEX by Fenwick (Fenwick & West)

What the team is known for FLEX by Fenwick has grown to encompass a wide variety of staffing needs, from large-volume project work to covering for absences. The firm has substantial expertise in M&A support, data privacy, IP and patent prosecution and employment.

GravityStack (Reed Smith)

What the team is known for GravityStack separated from Reed Smith in 2018. The firm offers LawTech services including AI-driven project and contract management tools, implementation services for in-house support systems, and the firm's bespoke Periscope platform for KPI metrics relating to eDiscovery.

Herbert Smith Freehills

What the team is known for Herbert Smith Freehills' Alternate Legal Services has an especially strong presence in Melbourne and Belfast in addition to offices in ten other cities across Asia-Pacific, South Africa, the Middle East, the US and the UK. Its services range from eDiscovery document review and claims management to lease manage-

ment commercial contracts and transactional support.

Pinsent Masons

What the team is known for Vario, of Pinsent Masons, offers a range of services including project management, flexible legal staffing solutions and consultancy, and has a wide international presence with operations in Africa, APAC, Europe and the Middle East.

Strengths

"I think that they're innovative—they have a range of consulting, tech and legal services."

Re:link (Linklaters)

What the team is known for Linklaters launched its Re:link flexible lawyering service in 2019. It allows the firm to serve its clients in their most demanding legal challenges with greater efficiency by providing immediate staffing solutions. Focused primarily on the UK, Re:link's network of lawyers centres on the agile provision of practice area-specific expertise, including for project support and interim cover, backed by the professional infrastructure of the wider firm.

Chambers

Alternative Legal Service Providers
2022

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Litigation Services

How lawyers are ranked

Every year we carry out thousands of in-depth interviews with clients in order to assess the reputations and expertise of business lawyers worldwide. The qualities we look for (and which determine rankings) include technical legal ability, professional conduct, client service, commercial awareness/astuteness, diligence, commitment, and other qualities most valued by the client.

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LITIGATION SERVICES: An Introduction to Global-Wide

Contributed by QuisLex

Litigation Services: Evolution Accelerated

As COVID-19 restrictions lighten, many are calling for the return to normal. Yet, it's not a return to pre-pandemic conditions. Rather, 2022 has signalled the beginning of a new normal. Necessity was truly the mother of invention and the litigation services industry, and specifically alternative legal service providers (ALSPs), are evaluating how changes accelerated by the pandemic inform the way forward. It is unclear when the pandemic may truly "end", but it has indelibly changed how we work. It was the tinder for widespread acceptance of distributed work environments, new technologies, and cloud-based solutions. This evolution has created an environment that aligns perfectly with the goals of ALSPs: 1) improving productivity; 2) mitigating risk; and 3) driving cost efficiency.

The following examines expected themes in the litigation services landscape in 2022 and as we look out to the near future. First, we explore the challenges and complexities of increasing data volumes, particularly from collaboration and chat applications. We then assess the industry's call for ediscovery expertise and the role of ALSPs in data reduction efforts. Finally, we highlight areas poised for increased litigation and regulatory activity given the rampant growth of security threats and technology across industries.

Data Volumes Increasing in Size and Complexity

The increase in remote and hybrid work has led to widespread use of collaboration tools, cloud-based platforms, and bring-your-own-device (BYOD) policies. While these aid in the completion of daily work, they also create significant amounts of discoverable data. Data volumes are increasing at a staggering pace. An estimated 2.5 quintillion bytes of data are created daily and 79 zetta-bytes of data were generated in 2021 alone. A 2020 report from the IDC observed that "[t]he amount of data created over the next three years will be more than the data created over the past 30 years, and the world will create more than three times the data over the next five years than it did in the previous five."

Not only is the sheer volume of data challenging, the sources of data present new complexities. Businesses have increased their use of collaboration and chat-based platforms, such as Slack and Microsoft Teams, and virtual meeting platforms like Zoom and GoToMeeting. On average, an organisation may use 110 different SaaS applications (Vailshery, Statista, "Average number of software as a service (SaaS) applications used by organisations worldwide from 2015 to 2021"). Additionally, BYOD policies increase the number of devices through which these platforms are accessed.

Practically, communication previously occurring via email or telephone calls is now happening in these collaborative applica-

tions. The byproduct is the creation of new sources of discoverable data. Unlike during the rise of email data, when it was initially set aside in favour of hard copy information, we should expect ESI protocols and production requests to routinely request collaboration and chat data. The courts also have affirmed its discoverability, recognising the crucial role these data sources play in corporate communications. Further, regulatory agencies are focusing enforcement efforts on the preservation and retention of chat and text communications on both personal and corporate devices.

In turn, legal service providers must be ready to support the integration of this data into ediscovery workflows. Technical vendors must overcome challenges for collecting, processing, and rendering the data. Managed review providers must analyse how this data fits into existing workflows and what accommodations are needed for successful review. One specific area of focus is how AI and machine learning can identify conceptual themes, similar and related language, conversation participant relationships, and sentiment. Increased reviewer vigilance also is required to understand context, colloquialisms, and monitor for personal information. The ability to quickly derive contextual aspects is crucial, particularly for HR matters such as pandemic-related employment litigation and regulatory investigations.

The Need for Ediscovery Expertise

With data volumes growing in both size and complexity, leveraging technology and innovative processes continues to be critical to ediscovery success. A resounding call in the litigation sector has been the need for experts in ediscovery process and defensibility — a call that ALSPs have heard loud and clear. Gone are the days of rote processing and order taking. Providers are leveraging their subject matter expertise and command of technical tools to provide comprehensive support. ALSPs task themselves with being lifelong learners. This entails vetting and understanding new technologies, continuously evaluating workflows, and keeping pace with industry best practices. Yet, most important, is monitoring the development of legal precedent to ensure defensible work product.

Historically, legal precedent has lagged behind technical innovation. However, as technology infiltrates nearly all aspects of legal practice, the judiciary is commenting on these areas more frequently. Holdings were issued in the last year regarding what constitutes a reasonable inquiry into sources of ESI, the preservation and production of ephemeral data, applying proportionality factors under FRCP 26(b)(1), and the need for more comprehensive validation procedures in certain TAR workflows, among others. Staying abreast of current case law positions ALSPs to help mitigate ediscovery risks by engaging in well-documented and defensible processes.

Data Reduction Through Litigation Preparedness and ECA

Efforts to reduce data volumes also have become an industry focal point. As inflation increases and businesses struggle to regain their footing after the pandemic's financial impacts, the need to control costs persists. Concentrated data reduction efforts are a prime way to reduce ediscovery spend. Data reduction is a battle that can be fought on two fronts—pre-litigation preparedness and the use of early case assessment and technology.

Corporations should proactively review their information governance policies and perform data mapping. ALSPs can support in-house legal and IT teams in performing these activities. The goal is to understand what data is being retained, the reason for its retention, how long it must be retained, and where it is kept. This exercise is often enlightening. It can uncover unknown data on corporate systems or identify data that can be purged defensibly. Retaining only necessary data coupled with an accurate data map creates benefits should litigation occur. It streamlines the issuance of legal holds, expedites collections, and reduces the volume of data for processing and review, resulting in time and cost efficiencies.

Once a matter is initiated and data is collected, reduction efforts shift to performing early case assessment (ECA). During ECA, ALSPs collaborate with counsel to refine search terms, assess collection contents, and understand the review goals. Then, through leveraging subject matter expertise and advanced analytics, ALSPs quickly triage collections and identify data eligible for culling. Reductions can be further achieved through the application of TAR when appropriate.

Legal and Regulatory Trends

Turning to substantive trends in the legal and regulatory landscape, there are several areas poised for increased activity in 2022. First, COVID-19 related litigations are expected to persist. As businesses resume operations, contract litigations are likely to increase. Of particular note in these matters will be the courts' consideration of force majeure clauses as we cross the two-year mark of the pandemic. Employers are also expected to face increased workplace-related litigation as a result of mask and vaccine mandates, requests for accommodations, and the status of long-haul COVID as a disability.

Data privacy also continues to be a heated area. The increasing number of collaborative and chat-based platforms, along with devices being used to gain access to these applications, create more entry points for potential data breaches. In 2021, a record 1,862 breaches took place, and it is anticipated that this number will increase in 2022 (Identity Theft Resource Center, 2021 Data Breach Report). Further, we are seeing the development of new domestic state and international privacy laws. This necessitates proactive compliance, but also foreshadows an increase in privacy-related enforcement actions. When offering services related to personal

data, ALSPs must continue to be vigilant in implementing security controls to minimise the introduction of vulnerabilities.

A final expected trend is increased regulatory monitoring of cryptocurrencies and decentralised finance. While President Biden's executive order on digital assets called for further study of cryptocurrencies before regulatory action is taken, federal entities are readying for enforcement efforts. SEC statements identified cryptocurrency as an area of interest, and the agency is exercising increased scrutiny over whether this asset class constitutes dealing in securities. The DOJ has created a cryptocurrency enforcement team and the FBI has formed a new cryptocurrency unit, both poised to handle cryptocurrency-related offences. The CFTC also is targeting cryptocurrency platforms for potential unlawful commodity transactions. With cryptocurrency's reliance on anonymity and encrypted wallets, we can expect challenges in identifying and collecting ESI. However, once that data is unlocked and imaged, it will be interesting to explore how we can leverage AI and machine learning in cryptocurrency-related matters.

Readying for What's Next

As we enter the new normal, we need to embrace the creativity that was required and the lessons learned during the pandemic to continue to innovate in the litigation services industry. We have learned that our industry is adaptable and resilient in the face of challenges. Adversity continues to inspire innovation. New ways of working are here to stay. While there will inevitably be some growing pains with balancing between pre- and post-pandemic operations, the industry's focus should always be on supporting clients to create low risk, highly efficient, and cost-effective work environments.

The evolving nature of workflows requires handling large volumes of data from complex data sources. Each new data type brings opportunities to rethink existing approaches and develop new processes. Collaboration data is a key example of this as more cases hinge on information coming from these sources.

Further, the combination of technology and subject matter expertise is critical for providing best of breed, bespoke services to meet client needs in emerging areas of law. A working knowledge of the legal landscape is necessary for providing and implementing defensible solutions. This particularly is important as litigation and regulatory enforcement activities ramp up in new areas, such as cryptocurrency investigations.

Ultimately, 2022 is shaping up to be a very busy year for litigation across sectors and industries. Business operations have resumed, dockets are full, and litigation service providers need to continue to evolve and adapt to meet the challenges ahead.

By: Dana Miller, QuisLex Associate Director of Legal Solutions

Litigation Services Global-wide

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Deloitte LLP
Epiq
EY
KPMG International
PricewaterhouseCoopers LLP

Alphabetical order within each band. Band 1 is highest.

Band 1

DWF Mindcrest (DWF)

What the team is known for Mindcrest has strong capabilities in document review. Its team of sectoral and regulatory experts assist clients with drafting court documents, assist with deposition preparations and compile documents for interviews during corporate investigations. Its training and development service, Mindcrest University, further enhances the quality of the resources available to clients.

Elevate

What the team is known for Elevate has particular strengths in healthcare litigation and medical malpractice. It acts for law firms and legal departments on claim reviews, medical records and bills analysis and forecasting the value of potential future claims. Elevate also often handles eDiscovery and document reviews in major matters.

Strengths

"Elevate have a great team. They are very user-friendly and they listen. They clearly know what they are doing."

Herbert Smith Freehills

What the team is known for Herbert Smith Freehills' ALT service assists clients across all stages of the litigation process, including claims assessment, eDiscovery, technology-assisted reviews and analysis through to in-trial support. Its international team comprises multilingual experts based in offices across Europe, Africa, Asia, the US and Australia and includes eDiscovery specialists, legal analysts and experienced litigators

skilled in handling the most complex of disputes.

Strengths

"HSF's discovery team in Ireland has done good work for me."

Integreon

What the team is known for Integreon's litigation services include managed document review, technology-led review and deposition preparation and virtual witness bundle services. Integreon is technology-agnostic and works with a range of providers.

QuisLex

What the team is known for Focusing on assisting clients requiring managed document review, QuisLex offers experience in a broad array of AI and other evolving technologies handling complex volume-intensive mandates. Its additional services include privilege reviews, redaction reviews and deposition and trial preparation work.

Strengths

"I was impressed at their capacity to perform analytical work. They respond quickly and immerse themselves into expedited projects."

"Consistently able to successfully manage large-scale, complicated document reviews under intense time pressures."

"QuisLex is my go-to vendor as all of my matters are complex and difficult and I know they can get the job done well."

UnitedLex

What the team is known for UnitedLex regularly works with leading law firms and international businesses in contentious matters. It is particularly well known for its business intelligence tools, document review and eDiscovery services and also offers data forensics capabilities.

Band 2

Allen & Overy LLP

What the team is known for Allen & Overy's Belfast Legal Services Centre allows clients of the firm to access experienced, high-quality legal resources for disputes in a more cost-effective manner. The LSC was established in 2012 and comprises lawyers at varying levels of seniority with experience using a technology to handle document-intensive tasks, including international litigation and regulatory investigations. The LSC also has a science analysis team that provides technical expertise.

Cognia Law

What the team is known for Cognia is headquartered in the UK, and has offices and legal delivery centres in South Africa, the US and Europe. Cognia has law firms, financial institutions and other businesses as clients. Its litigation arm regularly handles a mix of due diligence and other projects, as well as offering AI services to help in contentious matters.

Deloitte LLP

What the team is known for Deloitte offers solid capabilities in managed reviews, forensics and claims and damages assessments. Clients also benefit from the firm's data analytics and visualisation capabilities.

Epiq

What the team is known for Epiq's litigation services include complex multi-jurisdictional eDiscovery matters, consulting mandates and due diligence. It also assists in mass tort matters and class actions. The firm has offices across APAC, Europe and the Americas, and frequently advises corporates, law firms and public sector clients.

EY

What the team is known for EY's litigation support capabilities include large-scale managed reviews and analysis of documents, claims assessment work and assistance through regulatory investigations. Its teams of technical experts and forensics staff are familiar with various litigation and project management tools, and offer experience in supporting law firms and legal departments involved multi-jurisdictional matters.

KPMG International

What the team is known for KPMG has significant expertise in forensic data analysis, where it draws from a pool of over 3,000 legal, technical and analytical experts with deep experience in advising on complex commercial disputes and enforcement actions. It also offers wider capabilities in eDiscovery and managed document review.

PricewaterhouseCoopers LLP

What the team is known for PwC assists clients with the management and organisation of commercial and regulatory disputes across the globe. The firm draws on its long-held expertise in forensic accounting to offer considerable strength in data forensics in the context of major disputes. It can also handle claims assessment and management, evidence management and damage quantification.

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Emerging Market Spotlights

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How lawyers are ranked

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rankings) include technical legal ability, professional conduct, client service, commercial awareness/astuteness, diligence, commitment, and other qualities most valued by the client.

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Band 1

Elevate Services

What the team is known for Elevate has a strong presence across Asia-Pacific, boasting offices across India, Hong Kong, Singapore, Australia and the Philippines. The company offers a broad array of services, including consulting, flexible legal staffing, contract management, and dispute and litigation services. The company also offers

a cloud-based operations platform, Enterprise Legal Management, to help clients optimise and simplify their legal work.

Integreon

What the team is known for Integreon has offices in the Alongside its presence in the UK and US, the Philippines and India. The company has a broad range of services, spanning optimising document review, contract management, and compliance projects.

Konexo (Eversheds Sutherland)

What the team is known for Konexo, the UK-based ALSP arm of Eversheds Sutherland, has established a sizeable foothold in the Asia-Pacific region with offices in Hong Kong, Malaysia and Singapore. Its caseload in the region is particularly focused on the financial services sector. Clients benefit from its contract lifecycle management services as well as flexible legal staffing solutions, drawing on a bench of more than 1,500 contract lawyers.

Band 2

Cobra Legal Solutions

What the team is known for Primarily focused in the US, Cobra Legal Solutions has established a foothold in India with an office in Chennai. It offers its client base a diverse array of services, including document review, contract management and e-discovery. It also offers CobraPulse, a software package that gives clients real-time metrics on the productivity of their staff and business.

KorumLegal

What the team is known for A major player in Asia, Korum has offices in Hong Kong and Singapore, alongside a London location. Clients benefit from a broad suite of services, with Korum hosting over 200 consultants to meet flexible staffing needs and a range of legal operations requirements.

EMERGING MARKET SPOTLIGHTS: An Introduction to Spain

Contributed by Afiens

The scope of this essay is to define what an ALSP is, the different type of ALSP that exist, to provide an updated view on how ALSPs are related to the legal sector, specially focusing on their relationship with law firms and corporate legal departments; and finally to explain how ALSPs combine and exploit technology, knowledge and project management methodology to drive a consistent value proposition to the markets where they operate, as a trusted ally for their clients.

The term Alternative Legal Services Providers (ALSP) in Spain has emerged relatively recently but is being well received thanks to the value that these types of providers are able to transfer to the different legal actors in the market, which has become more demanding of flexibility and transparency due to cultural and economic globalization.

Alternative Legal Providers share a common objective, which is optimizing costs and results for their clients, given their excellent implementation of legal software and technology into the area of expertise of the services they provide, allowing legal depart-

ments and law firms to be released from the recurrent and high volume work in order to be focused on value-added tasks.

ALSPs are normally categorised into 5 large groups, which are described below.

1. Auditing firms, commonly known as the Big Four, which include the large accounting and auditing firms that derive revenues from their legal services business units.
2. Legal Process Outsourcers (LPOs), captive or dependent on law firms, which are entities or legal services business units wholly owned by the law firm.
3. Independent Legal Process Outsourcers (LPOs), which perform legal work requested by in-house legal departments and law firms.
4. Managed Services Providers, through which law firms and in-house legal departments contract out all the functions and tasks that an in-house legal team typically performs on a day-to-day basis.

5. Staffing Solution Providers, which both law firms and in-house legal departments use to source qualified staff for a given project.

Whatever the type of ALSP, all of them have something in common: they can offer different legal players in the market agile solutions to a wide variety of specific problems and challenges that they are not ready (or don't know how) to face in-house. Moreover, while the COVID-19 pandemic pressured the legal industry worldwide, agile organizations that embraced new ways of working during the crisis have emerged stronger, with a promising horizon of opportunities. This becomes clear in the report *Wolters Kluwer Future Ready Lawyer Survey: Moving Beyond the Pandemic*. Its findings show clearly that the transformation dynamic in the legal profession has been accelerated by the pandemic. Overwhelmingly, trends and priorities already in place gained new ground. Among the key findings and overall trends of this research, we can highlight the following:

- Overall, 36% or fewer lawyers say their organization is very prepared to keep pace with the most significant trends they believe will have an impact over the next three years.
- The two top trends cited by legal professionals as having the biggest impact on their organizations over the next three years are the increasing importance of legal technology (77%); and coping with increased volume and complexity of information (77%). Yet, only 33% say their organization is very prepared to address the first factor, and only 32% to address the second.
- The growth of Alternative Legal Service Providers (ALSPs) was the trend that saw the biggest gain over 2020, up six points to 74% in 2021. Coping with increased volume and complexity of information was next highest, with a five-point gain to 77%.

In summary, there is still a large volume of players representing the legal sector that do not feel yet prepared to face the market forecasts. These forecasts point the need to adopt legal technologies, and to cope with an increasing volume of information and data. These assumptions have opened a window of opportunity for alternative legal service providers, who can respond with agility and efficiency to the common needs of a majority of market players.

Spanish market

Within the Spanish market, ALSPs are gaining strength. Proof thereof is that we find different ALSPs in Spain belonging to the aforementioned categories.

We find ALSP divisions within the Big Four, as well as the increasing creation of captive ALSPs from law firms; independent firms providing staffing legal services; independent firms of managed services as well as independent LPO firms that provide services to both law firms and corporate legal departments.

This is the case of AFIENS LEGAL, which, since it was founded in 2012, combines a high technical legal level with the innovation and technological developments necessary to provide efficient solutions in outsourcing legal processes. Companies in this model are responsible for providing standardized legal services, helping law firms and corporate legal departments to improve their processes and manage their legal projects, by incorporating the

best technological tools that allow active collaboration between all parties involved in a project, document and knowledge management as well as standardization and automation of documents and workflows.

What Spanish law firms are looking for is an effective and efficient solution, which is why some firms, mainly the larger ones in Spain, contact ALSPs so that they can serve as a complement to ensure that the final deliverable to their client is of the highest quality.

Ally of Law Firms

We see that active collaboration between law firms and ALSPs is a trend that continues to grow in Spain, mainly because law firms are more confident in outsourcing legal matters not within their own specialization. Considering that customers are increasingly reluctant to pay the same prices for services that are not considered to have the same value of specialization, outsourcing certain tasks and services with an ALSP provides confidence to all project stakeholders, while achieving a considerable reduction in execution times.

Within this growing trend of active cooperation between different service providers, the client figure is always at the heart of the collaboration. This focus is what leads to firms such as AFIENS intervening in high-level operations led by the large national and international law firms, who rely on ALSPs in one of the links of the production chain of the service, supervised by that law firm. Thus, for example, for M&A operations within the Spanish market, AFIENS provides SPVs to the law firm's clients, adapting them to the needs of the client based on law firm requests, as well as the provision of all those legal and paralegal matters necessary to achieve the aim of the investment project. In this context, AFIENS provides related services, such as company secretariat, AML and GDPR services to the law firm's clients who request that more routine work is not economically valued as a grey hair service.

Ally for Corporate Legal Departments

As stated in the aforementioned report, corporate legal departments are also demanding and pursuing improvements in efficiency and productivity of their teams.

The current legal trend demonstrates that companies increasingly continue using ALSPs to get access to expertise they lack, as well as to use their existing resources more effectively and strategically.

Relying on a confident ally allows legal departments to free from legal routine tasks which burden their teams due to work peaks, thus preventing collapse in corporate legal departments while retaining control of their affairs when facing with one-off projects, and therefore, being able to focus on more strategic or value-added work, consequently satisfying maximum projects demand without having to permanently increase their workforce.

The key point of these type of services is the technology applied to the provision of these type of services. The legal departments continue to have control of all their issues, but work with flexible outsourcing teams to cover routine work and unanticipated peaks.

Emerging Market Spotlights

In the case of ALSPs such as AFIENS, they are able to use their technology and the methodologies of Legal Design and LPM to provide to their clients efficient solutions based on their specific needs. They design, jointly with the client, the best solution after analysing their needs to standardize their internal processes and subsequently automate processes and legal documents with their automation software solution. The COVID pandemic has encouraged legal departments to seriously consider engaging ALSPs that are more experienced in improving legal processes using the appropriate technology due to the nature of their business model.

In this case, AFIENS has been an ally for those legal departments that needed to speed up the signing of legal documents, being drafted within a sole technological platform in which any stakeholder could intervene during a project, making remote work the best approach to the needs of the situation. The COVID pandemic has accelerated the process of introducing Legaltech solutions to legal departments and rethinking the way things were being done. This is especially true in Spain due to the fact that the disruptive model of ALSPs has been implemented in Spain in a soft line until 2020, when the use of these technologies became a necessity.

Technology and LPM, key parts of an ALSP

If something differentiates ALSPs from traditional law firms, it is not the service itself but rather the way ALSPs provide them to the market. The sector has over time become increasingly modernized, understanding the fact that technology is our great ally in simplifying processes and improving yields and costs. And ALSPs have played a leading role in that way, as most of them were born with a clear focus on technology and implementation of process management methodology.

In recent years there has been an explosion of projects that, by linking technologies with different areas or production processes in the legal sector, have led to a paradigm shift in the way many traditional law firms think; and they have also gradually seen how these changes (that were taking place in our immediate environment) brought multiple organisational and, above all, economic advantages.

Technology is one of the main pillars of ALSPs' business models, driving innovation and performance up the value chain of legal services. The ability to use technology to ensure performance became more important as the pandemic sent professionals out of the office and into their homes where they interacted remotely with clients, colleagues and even the courts. The crisis made clear that technology solutions are essential to business resilience and client service. Research also confirms that professionals see digital transformation and technology as a key driver of improved performance, efficiency and productivity ahead and that increased use of and investment in technology solutions will continue.

Although the influence of LawTech in the sector is evident (and we can easily find a wide variety of technological solutions, applications and providers in the market) it is critical to be aware which

provide real solutions to specific problems in specific areas of improvement. It is important to distinguish between those which apply to business management, from those that apply to process improvement. There is also a clear difference between the role that different stakeholders can play around technology, and processes. Some uses may be only internal to a firm, others may involve external agents, who can be clients, providers, or the Administration. As may be the case, ERP or CRM software can be an example of business management technological solutions; but document automation software, collaborative work platforms, knowledge management tools, digital identity or e-signature solutions are some good examples of technology applicable to legal processes and services provided by ALSPs focused on providing LPO and paralegal flexible staffing services, like Afiens.

There are many uses for technology in the legal sector, too. But identifying and implementing the most appropriate ones depends on taking advantage of real opportunities into existing areas of improvement in each business model. Specially, needs for improvement which can, in the end, provide a firm with a competitive advantage and turn into an improvement of the firm's value proposition.

As with technology, ALSPs rely on the Legal Project Management methodology to create their business models. Current market demands are seeing the LPM methodology increasingly implemented in the sector, providing a clear roadmap with defined processes that help improve the efficiency and performance of the legal teams involved. The improvement of processes is one of the most important aspect of legal practice. The legal profession is rethinking itself and is becoming aware of the need to change business models, the ways of interacting with clients and other stakeholders, as well as the use of information and technological tools in settings marked by the massive exploitation of data.

By combining technology, project management and talent, ALSPs seek the standardization of their processes, being more agile and transparent in client affairs.

We can conclude that Spain is a market with both challenges and opportunities, after analysing the needs and wants of the different players in the legal sector. Flexibility and transparency towards project management and technology are the most expected values for ALSPs' clients, while expertise and mastery of routine legal tasks and flexible resource allocation are the fundamentally differential aspects of service delivery.

One more year in Spain, there are more and more companies and law firms that are becoming aware of the desirability of making business with ALSPs. The ALSP sector keeps growing at double digit rates and has a very promising growth potential. That is why Spain is becoming an emergent market for ALSPs, which are here to stay in the legal sector.

Alternative Legal Service Providers Spain

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Afiens
Band 2
AMBAR
Attolon Law
Lawyers for Projects
Legal Army
Samaniego Law

Alphabetical order within each band. Band 1 is highest.

Band 1

Abroading

What the team is known for Abroading is a major player in the Spanish market, with offices in Barcelona and Madrid. The firm was an early adopter of the ALSP business model in Spain, and brings nearly a decade of experience to bear in assisting clients. They frequently work with a wide range of corporates on a mix of contract and data management projects. Abroading also operates across a variety of jurisdictions, including China, USA and Mexico.

Strengths

“Abroading has great professionals providing innovative solutions.”

“They are a very well organised team and provide sound counselling.”

“They adapt to the circumstances and needs of the client.”

Afiens

What the team is known for Afiens handles work for a diverse client base consisting of real estate funds, corporates and international law firms, as well as accountants and consultancies. The company also has a comprehensive array of services, from process automation to contract management, compliance work and data protection.

Strengths

“It is a very good team that is always happy to assist and available to adjust their agendas to the time demands of the deal.”

“They work very fast and find creative solutions that satisfy all the parties involved, no matter how difficult the issue is.”

“I decided to work with them based on their reliability, efficiency and availability.”

Band 2

AMBAR

What the team is known for AMBAR has gained a significant foothold in the Spanish ALSP market. The company mainly focuses on flexible legal staffing, with expertise in civil litigation, commercial contracts, trade marks, and estate planning. The company also has an alliance with Axiom.

Strengths

“AMBAR’s lawyers have rendered high-quality legal advice in very complex matters in a flexible manner. They come with innovative, out-of-the-box and commercially oriented solutions.”

“Great innovation in the legal industry with great credibility and solid expertise. This firm is already a reference in the Iberian market, with great lawyers and senior partners running the firm with experience as partners in white-shoe firms.”

Attolon Law

What the team is known for Attolon Law, established in 2021, has a noticeable presence in the Spanish ALSP market. It is known for its flexible legal staffing services, and has around 100 lawyers focusing on corporate law, cybersecurity and consumer law.

Strengths

“Attolon Law has become our one-stop shop for legal solutions.”

Lawyers for Projects

What the team is known for Lawyers for Projects is a major provider in the Spanish ALSP market for interim talent. Its contract lawyers can handle data protection, real estate, M&A, competition, and urban planning matters. The company also offers project management, legal operations and legal tech consulting.

Strengths

“The partner is fully involved in the process, something I appreciate and ensures the quality of the candidates. They have always brought good senior candidates.”

“We were amazed by their ability to involve the appropriate team in full and adapt the efforts to the demand in every moment.”

Legal Army

What the team is known for Legal Army has a notable tech and data focus, with expertise in areas such as cybersecurity, privacy, IP and technology law. The company frequently helps clients with commercial contracting, as well as GDPR regulatory projects. It has clients in the technology, energy, hotel and publishing industries, among others.

Strengths

“Legal Army has impressed me with their levels of service and professionalism.”

“Their level of productivity, founded in legal knowledge and constant updates, is very high, making it very easy to work with them.”

“Their model is based on fixed fees with no additional or hidden extra costs; concrete savings compared to traditional law firm.”

Samaniego Law

What the team is known for Samaniego, which launched in 2016, has a respectable tech-focused client roster that also features a number of hospitality companies. The firm offers clients flexible legal resourcing, primarily in the provision of interim legal managers, as well as managed legal services.