

Data in, Knowledge out.

Most people know the computer science maxim “Garbage in, garbage out”; just because a computer can process data consistently does not mean it can correct inaccurate information fed to it in the first place. Software systems vendors help to a certain degree by providing validation and checking of information as it is entered, but there are limits to what can be achieved automatically. Most law firms understand this, and have made great efforts to add quality control to the human orientated parts of the process for getting information into practice management systems and HR systems, marketing databases and knowledge management systems among others.

But a lot of this effort is often wasted. “Quality in, nothing out” is surprisingly common in organisations that have made great strides with automating their processes, but have not moved on to making use of the stored data as value added knowledge. In a typical support department, information is entered into the computer to support a very specific purpose within that department, whether it be invoices received or annual leave booked. But very little further use is made of that information, and importantly it is not turned into knowledge.

Before we move on, we should look more closely at what we mean by knowledge. There are probably as many different definitions as there are knowledge management consultants, but I like to look at it in terms of a context placed on raw data.

Data is just the numbers and words stored on the computer, and as such is essentially meaningless. However computers are very good at storing data and processing it according to rules they have been given)

Information is data given a local context. This number represents the value of a bill, or the number of days holiday taken by a member of staff. This context is usually provided by the system in terms of prompts on screen or headings on reports.

Knowledge is information given a wider or enterprise context. The sum of these bills represent the year to date earnings from a specific client. A different set of bills represent the work generated by a team or department of lawyers. Yet another set represent unpaid moneys.

So how do we turn our high quality data into knowledge? Looking at the examples above, knowledge may appear to be easily achieved by running some reports, and you may be thinking that you do that already. To a limited extent, this is true, and certainly a first step is make sure that your systems are not just generating reports of information, but a number of regular reports performing a more detailed analysis and generating knowledge. A further step is to make sure that some of these reports a looking at information across the traditional data silos that exist in law firms. Have you looked at billable hours from the accounts system

against sickness data from HR, to see if there are any patterns? Have you compared recovery of WIP against the use of precedents and support documents in the DMS?

Moving on from reports, knowledge is better extracted in response to ad hoc queries. People know the information is in the system, but if someone suddenly thinks it would be useful to know the month by month increase in activity for clients by industry sector over the past year, it should be possible to get this information out instantly without having to form a project team of accounts, business development and IT staff to define and write a new report. Especially when that report may only be needed once, and by the time it is written that need will probably have passed.

Firms in the best place to take advantage of this approach to turning their data into knowledge will be those who have the underlying data stored together in a form that can be queried. This is most easily achieved with a single all purpose PMS, although with additional work and careful design a best of breed solution can also be used. At the largest end, data warehousing solutions are designed specifically to help extract knowledge from a sea of data, but very few law firms have the resources and skills to implement and manage such a system.

A second aspect of making this work is a system that is technically accessible to as wide a range of people as possible. Long ago it was established by a mixture of design and trial and error that an intranet (even if given a fancy name) was the route to follow. A series of web pages are intuitive (usually!) and familiar to most computer users, as well as being easy to update and distribute. Plugged in behind this should be some form of business intelligence tool that allows free form analysis and slicing and dicing of the data. As with all IT systems though, this should be in keeping with the size of the firm. Excel and SQL Server have more than adequate tools for a small organisation, and a whole range of suppliers provide more complex examples. Most large practice systems come with some form of tool provided as standard. It is important that these are configured to match your business in detail: remember that knowledge is created by the addition of the wider context, exactly the element that will vary between organisations.

Summing up

If you have invested time in making sure that good quality data is entered into your IT systems, make sure you also invest time in making use of that data.

Do not be satisfied with systems that generate reports of information confined to the data used by single support departments. Take a wider view of the information across the firm. If your systems cannot query across systems, adapt them so they can or replace them. Those with an all purpose DMS are at an advantage here.

Give access to those people for whom the information is not a security risk. Remember that summary information can be created that removes the ability to identify clients or personnel individually, so wider access can be granted.

Encourage people to ask questions, and then to find out their own answers. You may be surprised to find where improvements can be made in your firm.

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