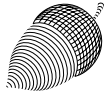


Venture Law Group (VLG)

Venture Law Group (VLG), a Silicon Valley-based firm with over 100 professionals, specializes in representing public and private deal-intensive technology companies, and the investment firms that support these companies. Their goal is to treat their clients as business partners, to combine excellent legal skills with good business judgment and to play an active role in helping clients succeed.



Venture Law Group

“With InterAction, we simply empower the professionals to get the information. They get it quicker, more efficiently, more accurately, and it reduces the overhead of support requirements.”

JACKSON RATCLIFFE
VICE PRESIDENT OF
TECHNOLOGY,
VENTURE LAW GROUP

Harnessing Knowledge Management in a Professional Services Firm

Knowledge management is one of those amorphous umbrella concepts that has little meaning when considered on a purely theoretical level. One of the greatest challenges professional services firms face is how to apply general technology concepts, like knowledge management, to the day-to-day operations of the organization in a way that creates real value for users.

Indeed, firms face special challenges in delivering knowledge management solutions. First, the ultimate consumers of the information — professionals — are extremely busy and have little time to learn and assimilate complicated new systems. Second is the issue of content. To be embraced within a firm’s culture, the knowledge management system must deliver reliable content to professionals. Otherwise, the system will fall into disuse and large sums of money that were invested in the project will be wasted. Finally firms must consider the optimum architecture of their knowledge management system that will deliver the desired information to users in the fastest, most cost-effective manner.

Nobody understands these challenges better than VLG. VLG typifies the New Economy professional services firm. It understands the critical role information technology plays in the modern business environment. It understands success is three parts perspiration and two parts information.

Building a Solid Knowledge Management Foundation

When VLG’s vice president of technology, Jackson Ratcliffe, took on the daunting task of deploying a knowledge management system, he knew he’d have to adopt a working definition of the technology that would be meaningful to the professionals and that would add real value. “Knowledge management is an industry buzzword that, by itself, doesn’t mean anything to anybody in their daily life.” Ratcliffe’s first order of business was ensuring that the firm had valuable content the professionals needed. In his opinion, the most critical of this data was client information.

“In our industry, knowledge of relationships and the interdependencies between people and organizations is fundamental. Since our founding, we had been looking for the perfect Rolodex solution that not only

stores phone numbers and addresses, but also one that stores the myriad of relationships that people have with other people and companies.”

Ratcliffe had searched for such a solution for years, to no avail. Having the ability to capture this information was such a fundamental cornerstone to his long-term knowledge management strategy that he even tried to retain a consultant to build such a system in-house. As Ratcliffe recalls, the project imploded. “The relationship model got so complicated that it became too big of a bite to chew off. So we ended it.”

As luck would have it, soon thereafter Ratcliffe received a call from Interface Software and was introduced to InterAction®, a Relationship Intelligence suite designed for professional services firms. InterAction would allow VLG to store all of its client and relationship information into a firm-wide, centralized database. “I hadn’t seen anything else on the market that could do what InterAction could do.”

Because of InterAction’s tight integration with Microsoft Word, VLG’s secretaries and administrators took to InterAction and started maintaining client information in the system. As a natural by-product of their work, they created a rich database that would ultimately form the core content of the knowledge management system Ratcliffe envisioned. “We found that when we deployed the latest version of InterAction our content quality increased dramatically. Secretaries started spending more time in InterAction because it makes their work — creating letters, fax cover sheets, etc. — infinitely easier.”

Creating a Knowledge Management Infrastructure

With a rich knowledge-base of information in InterAction’s relationship management database, Ratcliffe could start focusing his energies on delivering InterAction data to professionals as a knowledge management resource.

“We’ve been concentrating on Web-based systems. Everyone understands how to use a browser these days, so training users would be easy.”

InterAction’s XML-based Web client, is proving ideal to deliver this critical content to VLG’s professionals. Compatible with all e-platforms including portals, intranets, extranet, personal digital assistants (PDAs)

and even other wireless devices, InterAction is helping to transform VLG's information systems model. "With InterAction, we're able to turn the paradigm of accessing data upside down. In the old days, if you wanted to look at billing data, you'd have to open up your time & billing software package. If you wanted to view documents related to a client, you'd have to open up your document management system, and so on."

Ratcliffe says that professionals struggled with the old paradigm because that's not how they thought about their data. "Professionals don't care where the data comes from. They're concerned with the things they need to know about that client — phone numbers, relationships, billing data, and documents created for them."

InterAction would be the tool that would allow VLG to deliver Relationship Intelligence to its professionals in the Web-based environment professionals wanted. Ratcliffe says that one of the most compelling reasons why Interface Software's product was the natural choice, was its customizable data delivery system that could not only deliver information directly from the InterAction database, but also data from other, disparate enterprise databases the firm was using. "InterAction provides an easy way to deliver to users whatever information we choose that resides in the system. But beyond that, with the ability to develop custom 'Nuggets' capable of accessing data from other software packages like our accounting, records and document management systems, InterAction serves as the foundation and the skeleton, if you will, to deliver all client-related content to our users."

In contrast, Ratcliffe says that other Web-based systems he looked at severely limited the type of data users could access, and the manner in which they could view it. "InterAction's approach is far superior to most other Web-based applications I've seen. With the other products, they've hard-coded their solutions to deliver only pre-selected data to the browser. You get the screens they provide and that's it." According to Ratcliffe, InterAction's Application Collaboration™ module was a critical, behind-the-scenes tool to make it all happen effortlessly and seamlessly. "Application Collaboration allowed us to tie our accounting system together with the InterAction database. It let us use unique identifiers, such as client name or matter number, and link the data so it could be integrated easily. Now our back-office systems have commonality." Ratcliffe says that the only other way to accomplish this integration would have been to re-key data or undertake a massive manual programming effort — neither of which were practical options. "With InterAction, we don't have to re-enter client information to tie the systems together. They're just synchronized naturally."

Delivering Relationship Intelligence that Professionals Need

In the short time that VLG has had the system, Ratcliffe's team has already developed several InterAction-based knowledge management projects for the users. "Now when professionals want client information, they open up a client page from their Web browser which draws upon data from different systems. It's presented intuitively, so they can see relationship information sourced in InterAction as well as financial related data, such as billing information, which behind the scenes is sourced in another system. The data can be viewed in a context that is meaningful to the professional. People can work the way they think, not the way the software tells them to think."

According to Ratcliffe, user response to the value of the information InterAction delivers has been great. "Their comments have always been brief and to the point. I'll get comments like 'This is great. This is a really good tool.'"

Return on Investment

VLG does not engage in formal return on investment (ROI) analyses with respect to its technology investments. But Ratcliffe says that by referring back to their narrowly-focused goals, it's easy to determine when they've made a sound choice. "We're focused on improving client service. It's as simple as that. By improving our client service we improve the success of our clients. And with our clients' success, ours will follow. That is really our mantra at VLG."

This begs the question: does InterAction empower VLG to service its clients better? "Absolutely, totally, completely, Yes!" says Ratcliffe. "The data model that the company developed is fantastic at representing and documenting the real world of people, companies and relationships. InterAction made it possible for us to store and edit relationship data. The product takes it to the next level and makes all that data easily accessible without any special training. So now, the data is suddenly deliverable in a way that people expect to see it."

Ratcliffe says that while no hard numbers are available, he says InterAction is improving the firm's ability to support its professionals. "Firms have had this valuable data for years. It has just been buried — hidden away in different systems. Until InterAction, the ability to access this information always required knowledge of these systems. If a professional's skills were lacking in any one of those applications, he or she could not harvest all the information the firm has as effectively. That's why so many resources were required for support staff — to answer professionals' questions. Records departments and marketing departments would have to field their inquiries. With InterAction, we simply empower the professionals to get the information. They get it quicker, more efficiently, more accurately, and it reduces the overhead of support requirements."

TOTAL PRACTICE SOLUTIONS
 Client Development Research Solutions Practice Management Litigation Services

