TIP from the top

by Joanna Goodman

Illustration: Rachel Turner

Ken Heaps explains how cutting-edge technology, highly integrated communications and an outreach team of technologists, support Latham & Watkins' successful international expansion

Since chief information officer Ken Heaps joined Latham & Watkins in 1989, the firm has trebled in size from one of the largest firms in California to a truly global firm – currently ranked second in *American Lawyer* magazine's Am Law 100 – and it continues to follow its financial institution, blue-chip corporate and emerging company clients around the world with an aggressive expansion plan. In terms of numbers, Latham & Watkins' international offices have overtaken its US offices – it has ten offices in the US, 11 in Europe, four in Asia and three in the Middle East. As Heaps explains, tight integration between all its offices is a critical factor in the success of the firm because it supports a large amount of cross-border work for international clients. Therefore, its growing international focus continues to drive its strategy, which has proved highly effective in terms of increased revenue. In 2007, Latham & Watkins was the first US firm to break the $2bn (£1bn) revenue barrier – with revenues up an impressive 23% on 2006.

It is therefore unsurprising that Latham & Watkins is attracting media attention on both sides of the Atlantic. At the time of writing, it was the most watched firm in the *Legal Week* wiki. Heaps acknowledges that the firm's dramatic global expansion, its proven track record entering new markets and its ability to smoothly integrate new offices into its global platform have attracted a lot of interest from many different perspectives. *Legal Business* described it as 'a textbook example of how to globalise'.

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Ken Heaps, chief information officer at Latham & Watkin

A global firm with no headquarters

Although the firm was originally founded in Los Angeles, it is truly global in that it has no headquarters. 'Latham & Watkins is recognised as a truly global firm and a powerhouse in the financial, business and regulatory centres around the world. Despite hailing from neither, our strength in New York and London underscore the success of the firm's global expansion,' observes Heaps, explaining that the firm's management and executive committee are based in a number of locations around the world.

'Our main technology department is based in Los Angeles, although we have technologists all over the world. Our finance department, including our chief financial officer, is based in Los Angeles as is our chief information officer and the majority of our global technology department', says Heaps. 'Our chief operating officer, LeeAnn Black, is based in New York. Robert Dell, our chairman and managing partner, is based in San Francisco and our chief operating partner is based in Washington DC. Our chief human resources officer and our chief librarian and records officer are based in Washington DC. Our chief marketing officer is based in New York and our chief attorney development officer is based in Orange County. We also have directors of operations and technology based in our Brussels office.'

It follows, therefore, that the firm's management is underpinned by a sophisticated information and communications infrastructure, which is continually extended and enhanced by Heaps and his 300-strong global team as the firm continues to grow.

A hybrid organisational approach

Latham & Watkins' approach to technology supports its global expansion strategy. 'The fact that our top-to-bottom technology structure is very well integrated and well organised enables us to maximise the opportunity to deliver effective systems to all our attorneys worldwide,' says Heaps.

The firm's systems are heavily standardised, supporting a hybrid approach that relies on both centralised and decentralised systems. Core systems, such as financial reporting and knowledge management remain centralised, while systems, such as e-mail and local work product libraries remain decentralised, closer to the attorneys they support. 'In addition, all our knowledge resources, our web and work product, precedents and forms libraries are centrally located,' explains Heaps. 'Our approach is to identify and deploy the right technology to support our attorneys and help them maximise their performance.' A key strategic element is deciding which resources

should be managed globally and which should be managed locally. 'Obviously, the closer the technology is to the users, the better performance it will achieve. For example, attorneys in Munich access their e-mail and documents via our Munich office rather than centrally,' says Heaps. Some applications are better managed centrally. Latham & Watkins' accounting and financial staff in all 28 offices access the firm's centralised financial systems via a private network, enabling the firm to derive significant benefits in terms of efficiency and compliance from consolidated financial reporting and record keeping.

Integrated knowledge and know-how

Knowledge and know-how are also managed globally, supported by sophisticated search technology that enables all the firm's people to leverage its collective resources. 'We use Interwoven for our document management and other tools including Lexis FAST search as our enterprise search tool,' says Heaps. 'We have also developed our own specialised applications for forms and precedents access from a quasi-KM perspective. Our attorneys are therefore able to access the firm's entire knowledge resources.' This integrated approach enables cross-office teams to handle matters that span several jurisdictions.

'Attorney teams spanning multiple offices regularly work on cross-border matters concurrently, sharing information and documents and preparing work product in harmony to service the needs of our international clients,' says Heaps. 'Our ability to provide clients with a seamless service adds a tremendous amount of strength to our delivery platform.'

Integrating IT services with the business

Heaps and his technology team publish a three-year strategic plan that is reviewed every six months. 'You often hear about aligning services with the business; however, our approach is to integrate services into the business,' says Heaps. 'So our strategic plan focuses on servicing our clients by providing our attorneys with quality technology. This requires our technologists to have a keen understanding of the practice of law and the demands on our attorneys to provide high levels of service to our clients.'

This strategy is supported by resources and applications that are tailored to specific practice groups and their clients, such as client extranets. 'We do a lot of our work by creating and providing electronic deal rooms for our corporate and transactional attorneys' explains Heaps. 'We also provide litigation support that goes beyond e-discovery and databases; we assist our attorneys in trial preparation and video depositions. Our technologists go into the court room with our attorneys to provide the technology that supports them in presenting their cases.'

Technologists work with attorneys across the business to develop customised applications in different practice areas, including mergers and acquisitions, corporate finance and banking work. Technologists support arbitration and business development with animated presentations using Flash and other applications. On average, Heaps and his team handle 200 to 250 ongoing projects at any one time.

This intensive activity is supported by good project management software and a well-organised team of skilled

technologists. 'Our strategies are multifaceted with objectives to integrate ourselves with the business. They range from the provision of basic capable and reliable platforming technology that enables attorneys to develop work product and communicate and collaborate among the Latham & Watkins team and clients to developing the most advanced technology and service offerings.'

A key component of ensuring that technology genuinely serves and supports the business is Latham & Watkins' technology in practice (TIP) group, a global team of nearly 40 technologists with the remit 'to bridge the gap between technology and the legal practice'. (See the box below) TIP focuses on maximising the opportunities for attorneys to leverage technology in a way that enhances the services they provide to their clients and thereby boost the firm's competitive advantage.

Cutting–edge technology from Silicon Valley

Heaps is based in Los Angeles, not far from Silicon Valley, so it is not surprising that Latham & Watkins is an early adopter of cutting-edge technology, including .Net and AJAX for web-based development. Ongoing projects cover everything from high-end databases to business intelligence. 'We have an aggressive upgrade programme for e-mail and archiving and we use Microsoft Infopath for workflow management,' says Heaps.

Dual monitors

Heaps considers the attorney to be the quintessential knowledge worker. 'If they're not in negotiations or trials, attorneys spend most of their time in front of their computers developing work product by generating thoughts and ideas and putting them into electronic media,' he says. This observation has led to the introduction of dual monitors across the firm. Heaps outlines the benefits. 'If you use a single monitor, you can have many applications that are open down on the toolbar, but you also have to switch back and forth between applications and information. The more viewable real estate you have, the easier it is to work with multiple applications. For example, an attorney going through several revisions of a contract can cut and paste between different revisions in full-screen mode. Or an attorney can conduct research on one screen and use the other for communicating with colleagues and clients via e-mail, for example, without having to switch between applications.'

PCs are ordered with multiple interfaces, so that it is possible to span the desktop across dual monitors. This has proved incredibly popular. Within six months of their being made available, most of the firm's attorneys and paralegals have adopted them.

MPLS and communication technology

As the majority of technology projects at the firm start on the platforming side, they require high-speed global connectivity. 'We are currently engaged in a fit out for a multi-protocol layer switching (MPLS) network which will allow us to manage and prioritise our private wide-area-network traffic,' explains Heaps. 'This is very important to us because we need to ensure that wherever our attorneys are they're getting the best possible performance from our systems. We have had VoIP for many years and we also have Cisco IP Communicator through its firm-provided notebooks for the telephone system. So when an attorney goes to a hotel room and connects to the internet, they can VPN into a Latham & Watkins site and launch their telephone and do client calls and e-mail and document creation as if they were sitting in their office.'

Proxy phones are another recently introduced component of IP technology. These are phones that attorneys can have at home that connect directly to the internet, so that when someone calls their office phone it rings at home as well, facilitating remote and flexible working.

Latham & Watkins were very early adopters of storage area network technology both from a business efficiency perspective and from a business continuity perspective, and are constantly upgrading in order to leverage that technology. 'We use blade

TIP team goal – putting your needs first

As Latham & Watkins has expanded in size and practice to become one of the largest law firms in the world, the technology used has also expanded in leaps and bounds in order to maintain its reputation for premier client service and efficiency. To standardize and facilitate the usage of these new technologies, Latham & Watkins initiated the formation of the Technology in Practice (TIP) team within the technology department.

The TIP team believes that technology should be integrated into the daily practice of law, not dictate it. The team continually seeks new tools and software that will help the attorneys work more in tune with their habits, not against them.

TIP aims to bridge the gap between technology and the legal practice. The team consists of a number of former attorneys and paralegals who have transitioned to the field of technology, bringing a wealth of knowledge and experience.

TIP staff are located in all of Latham & Watkins' US offices as well as in Brussels, London, Paris and Hong Kong, thereby providing global coverage.

In addition to supporting Latham & Watkins' legal practice software, TIP provides training, consultation and best practice recommendations to the attorneys.

Extracted from Latham & Watkins TIP booklet

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server technology,' says Heaps. 'As many blade servers can be slotted into a single chassis, they enable you to have higher density servers inside your data centre.' This provides a number of advantages. 'From a cost perspective, there are great economies of scale to be achieved. These include reductions in power, cooling, and data centre space. This all adds up to lower facilities cost and consolidated networking for LANs and SANs that reduces the number of cable pulls. Thus, installation tasks that once took a few hours per server can be accomplished in much less time,' he adds.

Self-service client extranets

Latham & Watkins has used extranet technology since 1996 and continues to enhance its extranet offering, which is branded ClientNet. It enables attorneys, co-counsel and clients to utilise the same workspace on the internet and share information. 'But those client extranets are not just for sharing information', explains Heaps. 'They are also for sharing databases and other information that could include contact information and other types of referral information. It is a facility and a tool that we built and that we continue to expand on. Our strategy of offering electronic services to clients is fuelled by the twin goals of offering our clients the opportunities to access work product and to enable information sharing in a collaborative electronic environment. It's a marvellous tool,' he adds.

An in-house process enables extranets to be tailored to each client's particular requirements. 'The way we have fashioned our product is that when a ClientNet is needed – and we have more than 100 of them – they are practically self service,' explains Heaps. 'Dozens of capabilities are available and users simply select the functionality that suits their needs. Then we have created a process that automatically pulls the code together to generate the site. So in effect, we offer clients a self-build extranet.

Many of the ideas for new technology products originated from the attorneys themselves, who have always seen technology as an important tool to maximise their efficiency and value serving their clients. According to Heaps, Latham & Watkins's very first extranet was the brainchild of an attorney working on a large transaction based out of the Middle East. 'We got into the mechanics of what they were trying to accomplish from a business

perspective and we collaborated with them to build the first tool. It reduced the time of that transaction from about 120 days to less than 30. At the time it was extremely innovative,' he adds.

Securing the environment for collaboration

Latham & Watkins depends heavily on collaborative software, including wikis, twikis and blogs as well as ClientNet – the firm's own extranet technology – and SharePoint. It follows, therefore, that security is a critical consideration for Heaps and his team. 'We place high priority on building systems that are robust, and that have serious security capabilities and are properly maintained and protected,' he says. 'Wikis, twikis and blogs do not always provide that type of opportunity from a platforming perspective, so we are always looking to implement industrial-strength security solutions. It's critical for the firm to protect its client's data, as well as its investment and intellectual property.'

Data protection and privacy are also key concerns of the firm's global data privacy and security committees that consist of attorneys and operational staff from around the world. 'As we develop and implement systems, they undertake a review process that ranges from considering how a particular system or resource will serve the business to ensuring that we are doing everything we can to provide a highly secure environment to protect our intellectual property and safeguard client confidentiality,' says Heaps.

TIP – Working with the business

As new technology is continually developed and deployed and systems are upgraded on an ongoing basis, it is important to ensure that attorneys are aware of what tools and resources are available to them. This realisation led to the establishment of TIP some ten years ago. 'When we started to expand in Continental Europe we realised that many of the tools and resources that we were using were not commonly available to European attorneys,' says Heaps. 'Our TIP technologists are outreaching to our attorneys to make sure that everyone understands the tools and capabilities that we deploy. Some technologists in the TIP group are part of attorney teams and accompany them on business pitches to show potential clients the technological advantages that we bring to the table with respect to a particular matter. They interact with clients in order to make sure that the services we provide support the way they work and to identify ways of enhancing those services.'

In-house technology shows

As well as supporting attorneys and practice groups, TIP runs large-scale technology shows in practice offices and at internal business meetings publicising the latest technology and explaining how it benefits the practice. 'Recently at a firm meeting in Orlando the show covered about 10,000 sq ft and there were approximately 30 different exhibits of technology that existed within the firm,' says Heaps. 'These resources are all available to our attorneys. The exhibits are manned by Latham & Watkins technologists who walk our attorneys through the various applications, demonstrating how each tool or application is deployed around the firm.'

Sophisticated mobile capability

From a pure technology perspective, Heaps is particularly proud of the firm's mobile capability. 'We have deployed a wide variety of remote connectivity technologies in order to meet the diverse needs of our attorneys,' he says. 'People can connect remotely through VPN, or they can come in through terminal server and Citrix is available for certain applications. Our communication capabilities mean that when someone is logged into the system, they can access any of our services anywhere around the world. We have instant communication and it works very well and can be relied on for remote and mobile working.'

Heaps explains that good working relationships underpin his overall IT strategy. 'In order to integrate technology into the business, it is important for our technologists to have good relationships with our attorneys who are our internal clients – of course, their clients are our clients too. They need to understand the business and the challenges involved in providing legal services to our clients so that we can be proactive in identifying opportunities and offer appropriate technology solutions – even when attorneys may not be able to articulate precisely what they need. In TIP, where the team includes former paralegals and lawyers, there's a very strong knowledge about who we are, what we do and our purpose for being here. That coupled with strong customer service and a highly developed skill set makes for a winning proposition. I'm proud of the fact that we are able to integrate into the business, and that our value is recognised. We do not implement the latest technology for its own sake; we do it to support the business.'

Challenges going forward

Heaps keeps a keen eye on maintaining and enhancing team spirit, fostering an unwavering commitment to client service and motivating his team of technologists to remain close to the practice and its attorneys. 'As we have grown and expanded into different locations around the world, suddenly someone's night is another's day and people can feel that they're not as close as they should be to the mainstream of the business,' he says. 'A big challenge is to continue to be collaborative; to develop service offerings together as a team; to maintain strong relationships; to maintain our standards, our sense of direction and our overall strategy, no matter where we have a footprint.'

A virtual headquarters

Heaps achieves this by standardising the user interface across the business. 'The desktops and how they are configured is exactly the same in all our offices,' he says. 'The only difference between Latham & Watkins desktops in our San Diego and Paris offices is that the interface would offer French. But the tools and technology are the same.'

This means that when people travel between offices, they always know the sys-

tem. 'The firm brings together partners each year and organizes an all attorney meeting every other year,' says Heaps. 'The most recent partner meeting in New York was attended by some 500 partners and we set up a communications centre with 100-plus desktop workstations. We had desktops configured to support all offices; this included interfaces and keyboards in Arabic, Chinese, Spanish, French, Italian, German, Japanese and Cyrillic. Attorneys could walk into that room, no matter where they were from and sit down at the desktops and log in as if they were at their own desk.' As Latham & Watkins continues its rapid expansion, this common interface demonstrates that technology is a key way of reinforcing a one-firm culture in a genuinely global firm – its virtual headquarters. ᴸᴛⱼ

Global firm Latham & Watkins was voted Law Firm of the Decade in the 2007 Legal Business Awards. *In 2007, it became the first ever US firm to break the $2bn revenue barrier.* Ken Heaps *is the chief information officer.*