“Quality Assurance: Documenting and Improving your Firm’s Workflows”
Powered by Lean Six Sigma

FICPI 18th Open Forum, Vienna

By

Today’s Agenda

1) Challenges faced in Law Firm
2) Customer Focus and Quality Assurance
3) Introducing ISO 9001:2015 and Lean in Law Firm
4) How does the quality framework help solve day to day issues?
5) Improving Customer Experience through Lean Implementation
6) Challenges Faced in Implementation
7) Benefits achieved
Challenges Faced by Law Firms

Small Law Firm Challenges
More than three-quarters of firms cite acquiring new business as a significant or moderate challenge for their firm.

- Challenges acquiring new client business: 51% (Moderate), 27% (Significant)
- Spending too much time on admin tasks: 54% (Moderate), 15% (Significant)
- Increasing complexity of technology: 51% (Moderate), 12% (Significant)
- Cost control and expense growth: 49% (Moderate), 13% (Significant)
- Clients demanding more for less or rate pressure from clients: 41% (Moderate), 21% (Significant)
- Keeping up with changes in the legal market: 50% (Moderate), 6% (Significant)
- Lack of internal efficiency: 45% (Moderate), 9% (Significant)
- Information overload from growth in docs: 38% (Moderate), 10% (Significant)
- Succession planning: 35% (Moderate), 12% (Significant)
- Increasing pace of legal and regulatory change: 34% (Moderate), 7% (Significant)

Larger firms are more concerned about succession planning and cost control compared with smaller firms.

Source: Thomason Reuters

Proprietary and Confidential
Challenges Faced by Law Firms

hours in a year to make money, based on a 60-hour week of your time is spent on activities other than the practice of law

That's 1,248 hours/year spent on activities other than the practice of law

What are the greatest compliance challenges compliance practitioners expect to face in 2018?

- Continuing regulatory change
- Enhanced monitoring and reporting requirements
- Data privacy and GDPR
- Cyber resilience
- Implementation of regulatory change
- Coping with limited budget and resources
- Regulatory and political uncertainty
SO, HOW DO WE OVERCOME THESE PROBLEMS?
Define Before Digitize

Process driven Culture
Quality Journey & Process Driven Culture

- **ISO 27001:2013**
  - Information Security Management System
  - Year 2012-2015

- **ISO 9001:2015**
  - Quality Management System
  - Year 2016-2018

- **ISO 50001**
  - Energy Management System
  - Year 2015-2016

- **Lean Six Sigma**
  - Year 2017-2020

Continual Improvement Journey
ISO 9001:2015 – Quality Management System

• ISO International Standards ensure that products and services are safe, reliable and of good quality.

• For business, they are strategic tools that reduce costs by minimizing waste and errors and increasing productivity.

• They help companies to access new markets, level the playing field for developing countries and facilitate free and fair global trade.

Information Security Management System

ISO 27001:2013

• Confidentiality
• Integrity
• Availability

Faster, Cheaper, Reliable and Consistent Quality and Data Protection
Continual Improvement Methods

Names of Continual Improvement Methods

• Six Sigma
• Plan, Do, Check, Act (Deming Cycle)
• Total Quality Management
• Lean
• Kaizen
What is Six Sigma?

• First, What is NOT Six Sigma?
  – Secret Society, a Slogan or a Cliché

• Six Sigma
  – Highly disciplined process that helps us focus on developing and delivering “near-perfect” products and services
  – Sigma: a statistical term that measures how far a given process deviates from perfection
  – Sigma (‘Z value’) is a measurement scale which describes the Capability of a Process....Any Process!

Started at Motorola (1982)
Chief Architects: Mikel J Harry & Bill Smith
Savings of more than 16 billion over 10 years.
Objective: 100% Defect reduction
3.4 Defects per Million Opportunity
Malcolm Baldrige Quality Award

Perfected by GE (1996 onwards)
Propagated by Jack Welch

GE Saved more than 12 billion over 5 years using Six Sigma
Phase 1 (3 months)
- Implementation of Processes
- Management Reviews
- Risk Assessment
- MCVA

Phase 2 (3 months)
- Management Council Formation
- Quality Manual Definition
- Documentation of procedures, policies
- Intro to QMS Training
- Risk Assessment at Firm Level

Phase 3 (4 months)
- Closure of gaps
- 2nd Audit cycle
- 2nd Management Review
- Identification of Certification body

Phase 4 (4 months)
- Closure of gaps/non-compliances
- 3rd cycle of audit
- 3rd cycle of review
- Readiness for pre-audit

In 3 months
- Policy formulation
- QMS launch
- Quality Objectives & Metrics Formulation
- SOPs Documentation
- Automation of SOPs in Internal System
- Risk Management
- Audit Cycle
- Management Reviews
- Continual improvements
Six Sigma & ISO - Continual Improvement

Six Sigma

• Methodology
• Talks about **HOW** to be done
• Process Centric
• Customized by the Organization
• Resources are certified
• Customer focused
• Business Driven

ISO

• Quality Model
• Talks about **WHAT** to be done
• Organization Centric
• Prescribed by a Global body
• Organization is certified

**Six Sigma & ISO complement each other**
LEAN SUCCESS lies in finding Effective Ways to eliminate waste

6 Sigma + Lean = “Lean 6 Sigma”
“All we are doing is looking at a time line from the moment the customer gives us an order to the point when we collect the cash. And we are reducing that time line by removing the non-value-added wastes”

Taiichi Ohno, *Toyota Production System* 1978

It is all about waste elimination!
PDCA – The Deming Cycle

QMS/ISMS PROCESS

Management Responsibility

PLAN
Establish QMS/ISMS

DO
Implement & Operate the ISMS

CHECK
Monitor & Review QMS/ISMS

ACT
Maintain & Improve

Managed Information Security & Quality Delivery

Interested Parties

Quality & Information Security Requirements & Expectations
Success Factors

YOUR PATH TO SUSTAINABLE SUCCESS

1. Efficiency tools
2. Expert maintained materials
3. Legal technology
4. Strong client relationships
5. Practice with confidence
6. Firm revenue & profitability

TIME
Our Journey

Telling our story
Roadmap for Implementation

- Quality policy formulation at company level with quality objectives
- Documentation of policies, procedures, Standard Operating Procedures for
  - Legal teams
  - Non Legal teams
- Metrics and Measurement
- Risk Assessment
- Audits
- Management Reviews
- Effectiveness of Corrective Action Plans
- Continual Improvement Projects – Kaizen, Lean Six Sigma

The system was automated with quality workflows in ‘IMS’ IP Management System
System is extended to our clients as Client Portal
Action Planning & Continual improvement

Process Management Provides A Framework Of Process Definition And Performance Against a defined Target

ISO9001 :2015 *

Client goal/ target
Specific Process Targets

Change in Customer Dashboard

Lean Six Sigma

Kaizen/Lean Six Sigma Project Selection And Execution

Customer CTQs VOC Collection

SPAN (Days)

VOC Translation Worksheet

GB/BB in GE across GDC's

To encourage Six Sigma in GE
To include GDC's
Enhance focus on Six Sigma rather then Supplier behaviour

Collaborative model to share Six Sigma best practices and idea's

To improve team spirit and customer relationship

Effective implimentation of Six Sigma program in Six Sigma implimentation

Effective implimentation of Six Sigma program in Six Sigma implimentation

Free interation between GE & GDC

Enhanced/ free methodology

Characteristic of operation from Stop Sigmatized operation from Stop

Reflection of Crystalized "Quality and Customer satisfaction"

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Reflection of Crystalized "Quality and Customer satisfaction"
Initial Training

- Setting up an Internal Project Team.

- An ISMS/QMS Steering Committee was formed.

- Attended a two-day training session.

- The training session also gave the Project Team a valuable insight in exactly what was involved and also the amount of work required to achieve our goal.

CISO – Chief Information Security Officer
ISCF - Information Security Co-ordination Forum
MR – Management Representative
Improving Turn Around Time

Order to Cash Cycle

Problem Statement:
It was observed that the time taken to respond to customer queries and sending quotation was high as much as 5 days and caused loss of business for us. In addition there was no way to validate the bill raised vs quotation shared.

Scope Statement:
All queries from new or existing clients

Process Mapping:
Conducted value stream mapping to identify non value added activities

Root Cause Analysis conducted along with brainstorming session and found bottlenecks, over processing of data, redundancy, wait time.

22 steps in the process were reduced to 10 steps
Lead to Order Workflow – Before Lean

Non-Value-Added Activities – Manual work, Wait Time, Inspection, Movement of Flow
17 hours of non-value-added effort can be reduced

Activities Improved (Automation) – Reduced time in regards to Manual work, Wait Time, Inspection, Movement of Flow. 17 hours of non-value-added effort reduced to 6 hrs approx.
Lead to Order Workflow – Before Lean

Non Value Add Analysis

Before
22 steps
- Query mail docketing
- Manual Quotation creation
- Review for Quotation
- Searching for Quotation
- Updates to Quotation
- Approval for Quotation
- Client Creation
- Bill Creation
- Mail docketing

After
10 steps
- Query mail auto docketed
- Quotation is created in system
- Review & approval through workflow
- Easy update for Quotation (system)
- Auto Client master creation
- Auto Bill Creation
- Auto Docketing for emails

- Error Rate for Quotation was high as there were excels used with no version control
- There was potential revenue leakage as bills could not be validated with the quotation amount

Value Stream Mapping
Lead to Order Workflow – After Lean

- Removed Non-Value-Added Activities
- Automated manual tasks
- Removed opportunity for error
- Removed number of approvals

19 hours effort reduced to 6 hours per quotation. There are about 200 plus quotations per month.
TAT improved by 12 hours per quotation
Billing Accuracy improved to 99%
Revenue Leakage minimized
Improving Turn Around Time

Status update to Client TAT

Problem Statement:
It was observed from the analysis for data from December to March 2019 that 15% of our clients were not able to get their status on their respective files within 24 hours, and the turnaround was close to 4 days. At the same time there was manual effort spent on status update, wherein 2 paralegals were dedicated for this task and an additional person from docketing was working on docketing of emails.

Scope Statement:
All files and categories for trademark, patents, opposition

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Non-Value-Added Activities – Manual work, Wait Time, Inspection, Movement of Flow

60 mins per email was spent in getting the status of file to the client. On an average there are 50 emails received from registry, it would take 3000 minutes or 50 person hours and would take 3 full time to update status in 2 days and hence delay in response to customer.
Non-Value-Added Activities – Manual work, Wait Time, Inspection, Movement of Flow
1 hour per email, on an average 30 mails received per day – 30 hours of effort reduced to 1 hour,
In addition error rate reduction to 0
Implementation Challenges

- Process driven culture than people driven
- Training on processes and tool
- Adoption to new ways of working
- Kaizen culture of continuous improvement and Quality Council Meet, it was difficult to get attorneys and paralegals who are not IT savvy to make them follow the process
- Failures and Learning
Key Takeaways

• Define before digitize

• Standard process framework implementation

• Continual improvement culture

• Effective employee communication

• Lean thinking

• Learnings from failure

• Rewarding the people
Questions?