



505: Knowledge Management/Knowledge Networking in the Corporate Law Department

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Faculty Biographies

Philip P. Crowley

Philip P. Crowley is assistant general counsel—knowledge sharing systems for Johnson & Johnson in New Brunswick, New Jersey. His responsibilities include supervision of the Johnson & Johnson law department's intranet sites and development of law-related applications of information technology. He also provides support for technology-related initiatives in the department.

Prior to this position, he provided counseling in mergers & acquisitions, securities, corporate, and commercial matters for Johnson & Johnson and its affiliates, and in food & drug law for J&J high-technology medical products affiliates. Before joining Johnson & Johnson, he worked for Cravath, Swaine & Moore in New York City, where he practiced in the securities and mergers & acquisitions areas.

Mr. Crowley is chairman of the ACCA's New Jersey Chapter's 21st Century Law Department Committee and a member of ACCA's Law Department Management Committee. In New Jersey, he works with the Pro Bono Partnership on legal matters for various non-profit organizations. He also serves on the board of trustees of Stevens Institute of Technology in Hoboken, New Jersey, a private university.

Mr. Crowley received a BS from Stevens Institute of Technology and an MS in applied physics from Harvard University. He received his JD from the Columbia Law School.

Rhynette N. Hurd

Rhynette N. Hurd serves as senior counsel – information technology at International Paper Company. She provides legal advice and support to the information technology group and serves as administrator for the legal department's intranets and databases.

Prior to coming to International Paper, Ms. Hurd practiced commercial law at the Memphis law firm of Armstrong, Allen, Prewitt, Gentry, Johnston & Holmes. Immediately after law school she served as judicial law clerk to the Honorable Bailey Brown of the Sixth Circuit Court of Appeals. Prior to that she was an English professor, most recently at the University of Memphis.

Ms. Hurd is a member of the board of trustees of the University of Tennessee and the character and fitness committee of the National Conference of Bar Examiners. In addition, she serves as an assistant to the Tennessee Board of Law Examiners.

She received her bachelor's degree from Mount Holyoke College, her master's degree from Harvard University, her Ph.D. from George Peabody College at Vanderbilt, and her JD from the University of Memphis.

Vincent I. Polley

Vincent I. Polley is deputy general counsel for information technology with Schlumberger Limited. Schlumberger is a \$14 billion multinational oilfield and IT services company with 80,000 employees in over 100 countries. At Schlumberger, he has held a number of positions involving software and systems, information technology, smart cards systems, and administration.

Before joining Schlumberger, Mr. Polley was in private practice in Washington, D.C. Mr. Polley is chair of the ABA's cyberspace law committee, where he helps direct its 1,500 members who are working on all areas of IT-related law. Mr. Polley is the coauthor of the book *Employee Use of the Internet and E-Mail*. He also serves on the executive committee of the Internet Law & Policy Forum, the executive committee of the Center for American International Law's Institute for Law & Technology, and the advisory board for Georgetown University Law Center's E-Business Institute. In its sixth year, he authors MIRLN, a monthly e-newsletter on IT related legal news, and consults for startup and Fortune 50 companies on issues of international IT legal policy and knowledge management processes.

A graduate of Harvard College, Mr. Polley received his law degree from the University of Michigan.

Kent M. Zimmermann

Kent M. Zimmermann is vice president, general counsel of Hubbard One in Chicago. He serves on Hubbard One's executive committee, oversees all aspects of Hubbard One's legal, government, industry, and community affairs, and is the company's chief compliance officer. Mr. Zimmermann also oversees media relations and the company's corporate business development affairs, including management of strategic partnerships and Hubbard's network of industry relationships. He regularly publishes and speaks on a national basis on initiatives with which Hubbard is involved.

Prior to joining Hubbard One, Mr. Zimmermann was in private practice in Chicago, concentrating on intellectual property matters and federal trial and appellate litigation. Before that, he worked in television news.

Outside of the office, Mr. Zimmermann is involved in a number of political and charitable initiatives, and was recently appointed to serve on the board of directors of ACCA's Chicago Chapter.

Mr. Zimmermann graduated with honors from Washington University in St. Louis. He earned his JD from the Illinois Institute of Technology's Chicago—Kent College of Law, where he received a CALI award for academic excellence.

**Association of Corporate Counsel –
America**

Session 505:

**Knowledge Management/
Knowledge Networking
in the Corporate Law
Department**

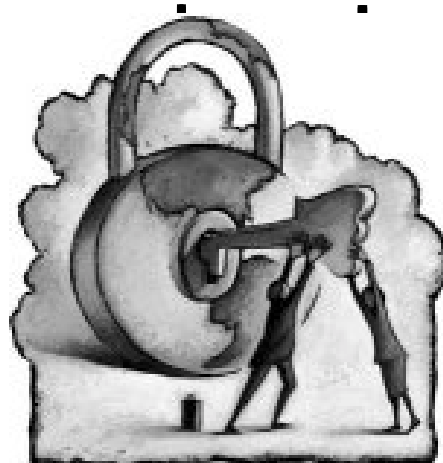
**Knowledge Management/
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Corporate Law Department**


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Counsel, Hubbard One

What's in it for you?

- * **Understanding human factors that govern success**
- * **Identify issues that arise**
- * **See examples of ideas that have worked**

You hold the



<p>Knowledge Networking in Corporate Law Departments</p> <p>Creating a Knowledge-Sharing Environment</p> <p>Rhynette Hurd Senior Counsel – Information Technology International Paper Company</p>	<p>INTERNATIONAL  PAPER</p>

International Paper's Law Department

- Approximately 50 lawyers
 - Small staff group at 100+-year-old forest and paper products company
- Geographically dispersed in U.S., Europe, Asia, Canada, and Latin America
- Diverse cultures resulting from mergers/acquisitions

Then and Now

- The Way We Were
 - Countless phone call/phone tag
 - Countless faxes
 - Countless FedEx's
 - Frequent flyer miles
 - Paper files and file cabinets
 - Inconsistency
 - Slow to respond
 - Costly duplicative efforts
- The Way We Are
 - Real-time communication
 - Online instead of in the air
 - Centralized repository of documents
 - Standardization
 - Less reinventing the wheel
 - Reduced cycle time/savings

How We Got There . . .

Or How to Avoid . . .

The Objective of KM

- Creating a culture that enables faster, better, less expensive service to clients . . .
 - by facilitating the collection, retrieval, and reuse of a “group memory” or relevant company information and business and legal expertise from within and outside of the company
 - without disrupting existing work habits

The “Givens”

- Requiring a change in the way persons/groups work results in cultural resistance
- Process change does not equal cultural change
 - “Knowledge management is probably ten percent technology and ninety percent culture.” Dennis Glacken
- Cultural change does not come without incentives
 - Dealing with “If it’s not broke, don’t fix it” attitude

More of the “Givens”

- Marketing is key because --
 - Lawyers are used to being valued for what they know and others don’t, not for what they share
 - Immediate benefits are intangible and hard to measure
 - Traditional ROI analysis is difficult
 - Lawyers are competitive
 - Lawyering is typically adversarial, not collaborative
 - Lawyers/clients are concerned about privilege and security of data

Dispelling the Myths

- Myth 1: Law department and IT department can't "speak the same language"
- Myth 2: KM is expensive
- Myth 3: KM ROI cannot be measured
- Myth 4: A KM program is difficult to manage

Incentives for Knowledge Sharing

- For IP's legal department, knowledge sharing is one of five strategic initiatives
 - "The legal department will accelerate the development of effective means of capturing and sharing best practices and leveraging the collective knowledge of the department to better serve our clients"

Incentives

- Less time on mechanics of providing information equals more time for proactive interaction with business clients
- No geographic or time-zone related barriers
- Ability to publish documents in one place
- Taking full advantage of all products and services we've paid for
- Minimizing duplicative efforts

Requirements

- Buy-in and support of senior management
- Sound business objective(s)
- Willingness to commit time and resources
- Basic understanding of the potential of the technology
- Awareness of your company's IT standards and procedures

Establishing a Team

- Make sure the team includes --
 - Representatives from each practice group in the department
 - Content providers
 - Content owners
 - Representatives from IT
 - Everybody else (i.e., the most successful KM includes participation by everyone)

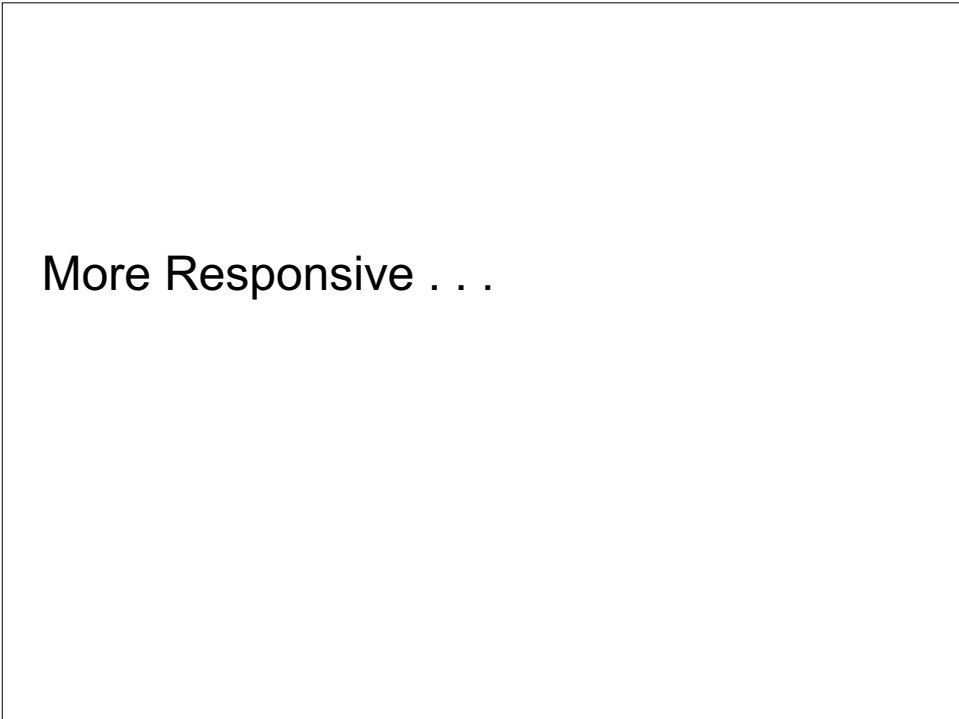
Establishing Goals

- Survey organization to determine needs
- Focus on organization's key initiatives
- Conduct research: benchmarking/reading the literature/joining listservs
- Align goals to company key initiatives
 - Example: Operational Excellence/Customer Focus/People

Our KM Tools

Our KM Tools

- E-Mail
- Instant Messaging
- Internet-based (ASP) matter management system
- Contract Forms Database
- Intranet sites: client, department-only, practice group (open and restricted)
- Other databases
 - CLICK (up-to-date record “actual v. budget “ for key department performance measures), for example



Better Organized . . .



"Well, I finally did it! I finished my 'gettingorganized.com' site."

More Up-To-Date . . .

Search Electronically . . .

Neater . . .



Paperless!

Legal Knowledge

A comparison of Knowledge Management implementation within the legal functions at Schlumberger and at BP.

Nick Milton, Walter Palen, Vincent Polley

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Introduction

The late 1990s saw the emergence of knowledge management, “KM”, as a discipline in Western industry – a discipline which has developed considerably over the last few years. Indeed, KM is thought to be enjoying a second wave in the new millennium. This is perhaps due to over-investment in portal technology resulting from Y2K spending, as well as focuses on internal profitability reinforced by the post 9/11 economic downturns. Many of the earlier KM developments come with hard-won experience; from pilot areas which have worked, and from trials and experiments which have not been successful. Many of the successes were in the oil and gas sector, in companies that are technologically savvy, process-conscious and performance-focused. However even within this sector, there have been areas which knowledge management has found difficult to address. The lessons learned in these crucibles are particularly interesting.

This paper is about knowledge management within the legal functions of two major players in the oil and gas industry, the two with the highest acknowledged success in implementing knowledge management in a variety of their businesses. Each discovered the challenges peculiar to the legal community, developed similar technology-enabled approaches, and learned similar lessons. The two companies are BP and Schlumberger.

BP is one of the world's leading producers, refiners and retailers of oil and gas, as well as having major businesses in chemicals and in solar power. With a staff of 110,000 and a turnover of \$174 billion it is Britain's largest company (by market capitalisation as of 1/1/2003) and among the

top three global integrated energy companies. Schlumberger is the leading provider of services, solutions and technology to the global petroleum industry, with a staff base of over 80,000 employees working in nearly 100 countries. Both organisations are large, globally distributed, and working in a knowledge-intensive industry. Both have an equal need to address management of their knowledge. Both have been successful leaders in the field of applied Knowledge Management and frequently are in the top of the MAKE awards (Most Admired Knowledge Enterprises).

Both organisations sought to apply Knowledge Management within their internal legal function, and it is interesting to compare and contrast the ways in which they have done this, in order to see what can be learned about the application of KM in general, and about its specific application in the legal context.

How KM got started in the legal functions

Schlumberger

In 1997, a group of 120 mid-level managers came together to address the strategic issues for Schlumberger. Knowledge Management was identified as a key issue for the organisation, as was Information Technology. A Knowledge Management function was instigated at a high level in the organisation, led by Reid Smith, and within the legal function the new post of Deputy General Counsel for IT was created. Vince Polley took this role, and very quickly Polley and Smith realised that IT and KM were natural allies. Polley developed his role to cover aspects such as substantive IT law and training and development, but also started to include a significant KM component. In 1998 Schlumberger hosted a KM workshop with other KM activists, including Walt Palen from the then BP KMTeam. By the end of the workshop, Schlumberger had decided to further its investment in KM pilot projects. The Schlumberger legal function was thought a perfect place for such a pilot -- the lawyers were distributed, had fairly decent technical skills, and reflected a deep cultural inclination toward independence (rather than interdependence). Most importantly, the internal KM "champion" (Polley) would be an insider with 14 years experience in the company. Later that year, the pilot commenced.

BP

The road to Knowledge Management began for BP in early 1997, when a group of senior managers attended an internal summit meeting -- the Information Technology Colloquium. On the agenda was Knowledge Management – should BP invest in this new concept? Spirited discussion, sparked by outsiders' inspiring stories, captured the audience and produced enthusiastic support for aggressive KM. Kent Greenes, who recruited and created the core BP KMTeam, headed BP's formal KM implementation.

Although significant results were delivered through a number of pilot projects, the BP legal department did not delve into formal KM until late 1999, and then after a visit to Schlumberger by Palen and two senior BP lawyers (Bill Colbert and Jack Lynch, the latter the then Associate General Counsel on the Legal Executive Committee). BP became convinced that their lawyers could also improve their work by utilizing KM in their practice (e.g., by increasing consistency, reducing re-work, and capturing knowledge that would otherwise depart with retiring lawyers or the passage of time). BP's legal KM project, named Lexpertise (*Legal expertise*), began in February 2000 under the direction of Palen and stewarded by Lynch.

Initial Conditions.**Schlumberger**

At the start of the KM implementation, Schlumberger had about 135 people in the legal function. These were distributed globally – 35 in Houston, 35 in Paris, and the rest scattered around the world in the business units, typically with less than 6 at only single location. Some were lawyers, some patent agents, and some paralegals. Most were generalists rather than specialists (the exception being areas such as environmental and litigation, where specialization was crucial).

Schlumberger had an excellent technological capacity and culture. It had been a world leader in the field of computer networking, remote collaboration and communication, and emailing. This technological culture had even made inroads into the legal department (although many lawyers still had fairly limited computer skills). More worrying was the silo mentality.

Tied to the local operating units, the lawyers identified with the local management team, and had only a dim sense of community with other company lawyers working for other business units. Schlumberger lawyers were encouraged to be independent operators. They saw themselves as field experts, with different and specialised expertise.

This “lone ranger” culture of independence was a significant recruiting asset and a source of great pride for the lawyers. Of course, this was *not* a culture friendly towards sharing or reuse of knowledge. Moderating this culture would be one of the main challenges for the Schlumberger legal KM pilot.

BP

In early 1999, BP merged with Amoco in what was at the time the largest ever-industrial merger. The legal community found itself dealing with a much larger and diverse client base, in a different competitive environment. New business units were demanding much quicker contract turnaround. However the size and organization of the internal legal community was much the same as it had been in respective BP and Amoco offices before the merger. The lawyers needed to move to a more collaborative way of working to handle the increased demands of the organization.

BP, like Schlumberger, was a technologically enabled organisation. A company-wide standard desktop operating platform (primarily based on Microsoft products and known as COE -- the Common Operating Environment) had been implemented in the mid 1990s. With the Amoco acquisition (and then that of Arco, Burmah Castrol and others) the same COE had been extended and deployed in each new holding. Communication technologies were good, and the entire organisation was becoming accustomed to working with screen-based technology, the engineering groups being early adopters due to the large volume of information they accessed and the need to quickly exchange field oriented learnings about safety, drilling technology, and operations efficiencies. As at Schlumberger, the BP lawyers lagged somewhat in embracing the new technology; much legal work still being done using hardcopy.

BP's Lexpertise project was initially designed as a ‘proof of concept’ for the lawyers in North America and Canada within BP's “upstream” business (that part of the business that deals with

discovering and producing oil and gas). The drive was to provide a simple and effective technology to support documents and best practice exchange across the legal profession with the understanding that there was a huge learning curve in both the use of technology and the culture of sharing within the Legal function. Eventually this early investment was targeted specifically and only in the technology side of knowledge and document management. This would then provide the underpinnings to develop a knowledge processes and sharing culture, the opposite of the observed practice at the time. Moreover, management decided to focus initially on only one area of practice -- confidentiality agreements (a topic with large application but not highly secretive or controversial). This initial pilot involved about 50 lawyers, primarily in North America. If this was successful, the other 100 lawyers within the total upstream Legal population would be included, and only then the project extended to the entire legal community of about 600 (including lawyers, paralegals, secretaries and contract lawyers). At each step Lynch (and his colleagues in the department's Executive Committee) would review progress before expanding the scope.

The Technological Dimension

Schlumberger

Both organisations built a technological component into their knowledge sharing system. Schlumberger's was the "LawHub": a web-based collaboration and information sharing tool, accessible through a normal web browser. It contains the following elements -

- **Practice Groups**. Eleven substantive areas of law were identified as strategically key for Schlumberger (e.g., Software law, Patent Prosecution, Employment Law, etc.). For the purposes of exchanging knowledge and best practices, each Practice Group was given its own area of the LawHub site to manage, where it could store documents relevant to the practice. Initially, only very high value content was to be contributed here, to facilitate navigation and to make users' early forays more rewarding. High value content included annotated forms, model agreements, white-papers, practice checklists, etc.
- **Discussion Forums**. In an area called "Speakers Corner", The LawHub hosts 30 discussion areas, where email threaded discussions allow exchange of views, and

questions and answers, on all major practice areas, and retain the information content indefinitely.

- Personal Profiles. The LawHub contains personal web pages where lawyers record what they have done, who they know, what they know about -- a way of indexing the tacit knowledge of the legal function.
- News. At a high level the LawHub has a news capability, partly to inform people, but also to attract frequent visits by assuring changing content. Each Practice Group could run their own news column (containing “news” relevant to each Practice Group).
- Search. While the site organization has a Yahoo!-like appearance (following a dynamic taxonomy that reflects the department’s organization) a sophisticated “search” capability (accessible from every LawHub page) unifies all LawHub content.

Polley wanted the lawyers to use the LawHub as a “one-stop shop”, and to encourage this he made sure that key announcements, such as announcements of conferences or internal reviews, came only through the LawHub. The department’s email bulletin boards were closed down, their traffic redirected to the Discussion Forums. Ease of use was a very important design parameter for the LawHub – the lawyers were already clearly not the most proficient computer users, and any technological barriers needed to be removed.

“Write Access” (i.e., the ability to upload, move, and delete content) was broadly delegated across the legal department -- Practice Groups had the easy ability (and responsibility) to manage the content in their part of the LawHub; some parts of the LawHub (e.g., the department photo directory) could be modified by *all* lawyers. Lawyers with Write-Access could subdelegate these permissions.

The LawHub was created initially as a closed environment (i.e., accessible only to members of the legal department). This approach fostered a forgiving, experimental mien to the KM experiment (and also served legally important confidentiality objectives). Parts of LawHub have now been “de-cloaked” and opened to the rest of the organisation. This permits Practice Groups to deliver services to their internal clients. Also, some parts of the LawHub are accessible only to managing lawyers.

BP

BP's *Lexpertise* serves as a portal, a knowledge base, and as a collaboration space. Like the LawHub, Lexpertise is web hosted (i.e., accessible through a browser interface), and based on active server pages sitting on top of a SQL database. Lexpertise contains similar elements to LawHub, namely

- A “Knowledge Base”. Effectively a document repository, the Knowledge Base is organised by theme and/or by geography. It contains example documents, form documents, and “state of the art precedents” – best practice documents annotated with footnotes. These latter documents recorded the current state of knowledge in any one particular area of law, and are the most valuable knowledge content within Lexpertise. These “Legal Networks” were set up initially to reflect both geographical and thematic taxonomy, but quickly fragmented into a variety of ‘nestings’ also reflecting the regional (e.g. China), special interest, and focus areas in the Legal community.
- Threaded discussions forums. An internal set of moderated discussion forums was initiated in the site after Lexpertise was released globally. This was an attempt to identify some common discussion topics that could help identify possible communities of practice and perhaps foster a Question and Answer capability for the enterprise at large, but the forums never really “took off”. Questions were occasionally raised, but people reverted to normal internal email in order to answer the questions and never came back to the forum to post their resolutions or learnings. With hindsight, it may have better to have initially set up these discussions within the email system rather than on a website, but security and issues of disclosure required the site to be completely self contained at first.
- Legal Administration. An area covering job postings, organisational charts, upcoming events and training tools.
- Links to internal and external sites.
- A current events or ‘whiteboard’ where any user can casually post a topic or request, without having to be concerned about taxonomy.
- A Boolean search capability, which became the only way to find content as the site content grew exponentially.

Lexpertise was designed to be as simple to use as possible; as simple as the simplest existing website. The aim was to be “two clicks” away from useful information. In practice this was a bit of self-defeating goal, resulting in trees of mouse-over menus within which it was easy to get lost when viewing the site on a small screen. This was rectified in later versions of the code, when a simpler revision and cross-linking of the Networks and content, the Reference, and Links was employed.

The Lexpertise site is also a closed environment, accessible only to BP's legal department. “Write Access” to the site is now restricted to experienced administrators, as the uploading procedure has not been proven intuitive for most of the lawyers. For stability it was decided not allow too many people permission for loading material at any one time.

Provision of content

Schlumberger

Schlumberger realised that the only way to ensure continued, high-value content in the LawHub was to create a *process* for creating content and keeping it current. Hence, the creations of Practice Groups - small communities of practice covering areas of law that were strategically important for the organisation. Each of the Practice Groups was designed to be responsible for content development, and acted as gatekeepers (and gardeners, responsible for weeding stale content) for their parts of LawHub. Each Practice Group was headed by two subject matter experts (usually fairly senior lawyers), and staffed by more junior lawyers. Initially, senior department management made the Practice Group staffing assignment. More recently, Practice Group assignments have come to reflect lawyers' personal preferences (and passions), as well as their current job assignment.

In 2001 Practice Groups were “retasked” and directed to focus their primary activities on lawyer training and development. This dramatically reduced their LawHub content-maintenance activities in 2001 and early 2002. In June 2002 a senior department management agreed that this has been a mistake, and had resulted in a major loss of momentum for legal knowledge sharing. The Practice Groups are now returning to their original KM focus.

BP

Initially, responsibility to populate Lexpertise was restricted to a very small group, namely North American “upstream” lawyers working with confidentiality agreements. These people tended to be personal contacts of Lynch or his delegates Len Engstrom, Janet Nussbaum, and Francine Swanson. The lawyers were initially simply asked to contribute sample material from their own archives. There were many confidentiality agreements (and many kinds of confidentiality agreements) already in existence, and some state-of-the-art precedents were created. This populated area of the site was used to demonstrate the possibilities of KM to the Legal Executive Committee.

Once the initial area was populated, BP needed to expand the system to provide content in other areas of practice and for other parts of the world. The emphasis was on provision of content, rather than re-use of knowledge and experience, which with hindsight may have been a shortcoming of the implementation. However, as the first goal of the program was to get the Legal community comfortable with the technology and practice of sharing, no directions or restrictions on content were implemented. Material was collected from enthusiasts, and from already existing collections, and 12 champions were assigned by geography or by practice areas - their role was to further solicit content from around the organisation. In practice, the bulk of content was still from the North American upstream area, where Lynch had the most influence. Not surprisingly, few people took the time to provide annotated “state-of-the-art precedents”, and many parts of Lexpertise have become convenient document storage-grounds.

There was also some internal concern regarding the “state-of-the-art precedents”, as there was a perceived risk that lawyers might inadvertently send these outside the company without realising they contained annotated footnotes. A high-level system macro was needed to strip out footnotes before use, so that in practice the legal community can save a vanilla ‘best practice’ version of a document to their local own computers for further work with clients.

Roll-out and engagement

Schlumberger

Schlumberger knew that LawHub needed a well-orchestrated launch (to build enthusiasm), which was planned for a December 1999 worldwide legal meeting. The launch “audience” was both junior lawyers (who would be the most active users of content), and senior lawyers (who would be the most likely contributors of LawHub content).

The senior lawyers presented a special case. Largely older, these were the lawyers longest imbued with Schlumberger’s “lone ranger” legal department philosophy. They were the ones most comfortable with traditional/historical ways of working. Also, they had the lowest level of computer skills. The senior lawyers were involved in LawHub planning from the beginning of 1999, and (to orchestrate the December launch) they designed and monitored a series of eleven “live fire” exercises (one for each of the Practice Groups). In each exercise, a simulated real life problem (such as “provide a best-practice Letter of Intent for use in Scotland”) was posed to small teams of junior lawyers, working in breakout rooms with live access to the LawHub. (Of course, the senior lawyers had already populated the LawHub with relevant, responsive content. The senior lawyers participated in the exercises as passive observers.)

The exercises were a terrific success. In one breakout group, a mid level lawyer (who had been a lawyer for eight years, and was recognised as a high flier) looked up during the course of the problem and said, "If I had known this material was here three weeks ago, it would have saved me four days work". The senior lawyers were taken aback by the enthusiasm, particularly from people like this who were highly respected. Many had not believed that people could use computers so well, or would want to work so differently. As a result, both the launch “audiences” were won over, and left the December launch fired with enthusiasm.

BP

Lexpertise had three formal releases;

- A trial release to North American upstream in March 2001
- An extended release to the whole of upstream in June 2001
- A release of the same code to the entire legal community in late August 2001.

BP initially intended to introduce Lexpertise at a worldwide legal conference in Budapest; unfortunately this conference was cancelled during a time of cost challenge. Instead, Lexpertise was rolled out through an email drop, including a context-setting video recorded by BP's chief counsel. All lawyers in the BP group were sent this email, and told that they had been enrolled into Lexpertise.

While the initial intention had been to provide training in use of Lexpertise, an unintended and perhaps mistaken feeling developed that "this is so simple they will not need to be trained". This turned out not to be the case, and the lack of an accompanying training package delayed users getting up to speed (and also meant that users skill sets varied widely at any given time). Currently training is provided using Microsoft Netmeeting or by the local champions/super-users at each of the main legal offices. The system was designed to be totally user supported and administered by super users, due to security concerns, and annually only requires six weeks of dedicated external IT support.

Motivation

Schlumberger

The main motivator for the *contributors* to the LawHub was to have been the recognition that it was "good for the company" to work in a collaborative manner. (LawHub *users* would be motivated by the high-value content.) Other additional motivators were added however. The Schlumberger standard performance review forms are rarely changed, but in 2000 a new category of "Knowledge Sharing" was added, and people's KM performance was reviewed on an annual basis. In addition, most lawyers were on a bonus program which accounted for 10% to

40% of their salary. The mechanism for assigning bonuses was based on goals and objectives, and "Practice Group participation" was defined as an objective, especially for the chairs of the Practice Groups. For junior lawyers, the bonus component of their salary was lower, and therefore less of a motivator.

However the more internal motivators were missing. Schlumberger had assigned people to Practice Groups, rather than letting them self-select. Lawyers could (and did) find themselves in a group where they had no interest in the topic, and the topic had little relevance to their job.

BP

Some of the legal teams within BP had a "team award" component to their salary, and the team in Houston committed to "post one, retrieve one" document via Lexpertise. However no systematic incentive was rolled out. At one stage Lynch decided to release senior management communications only through Lexpertise as an incentive to attract new users, but this proved difficult to do given the initial learning curve associated with posting indexed messages in the site. Though there are now administrators (mostly senior paralegals and secretaries) paired with each local champion who loads nearly all the materials, the legal organisation still relies on email announcements. There was never any high-level dictate to use Lexpertise outside of the upstream areas though the initiative has been adopted by the Global Business Centre (the cross stream business central unit of BP) as one of its core initiatives.

Current status

The current status is very similar in both companies: partial success and ongoing refinements.

The technology is in place, but the required change in culture has not yet come about.

Schlumberger needs to decide how to revitalize the Practice Groups. They also need to further encourage content-creation by offering rewards in performance reviews and compensation packages. Finally, LawHub and Practice Group activities have to be explained, justified, and promoted to lawyers' operational management.

Lexpertise has over 600 users in BP, responsible for 300-400 login sessions a week, but only few of these are "power users" using more than 1% of the bandwidth, and there is a concern that the

system is still being used primarily for document management rather than knowledge management. BP is continuing to investigate whether to further invest in the people, process, and motivation issues that will be required to deliver the full potential of collaborative working. Palen and Lynch have since recruited a knowledgeable in-house lawyer, Christian Liipfert, to help them with their deliberations.

Key Lessons

- Focusing on “technology” can be dangerous, but ignoring it can be fatal. If you focus too much on technology, you may fail to address the real impediments to successful KM -- cultural antecedents (e.g., hoarding knowledge; lone-ranger thinking; not-invented-here hubris), work-process inertia (changing the way people finish projects, to ensure they perform after-action reviews or otherwise identify lessons-learned), and time pressures. On the other hand, it’s important to remember that people will have varying comfort-levels and affinities in using technology (the KM specialist will overestimate the users’ technical abilities *every time*).
- Culture is key, especially where the key aptitudes for KM (e.g. team based structure and explicit performance measurement) are weak, difficult to employ, or simply lacking. Process, culture, roles, motivations and behaviours are sometimes the hardest elements to identify, and are *always* the hardest to change. Both BP and Schlumberger have terrific technological solutions and highly adept employees. Nevertheless they are only now, more than two years after deployment, beginning to develop a knowledge-sharing culture.
- For user groups, like lawyers, who are not natural technocrats, keep the technology simple. Both companies started with this objective, but Lexpertise could have been even simpler, and LawHub technology began to get more complex as it was adopted by the wider Schlumberger organisation. Any learning curve is a big impediment for inexperienced users, and should be kept as small as possible.
- Success requires support from the very highest levels in the company. The General Counsel must both understand the concepts *and* be a constant, enthusiastic proponent. The presence of Jack Lynch in BP was a strong factor in getting the upstream USA on board. The General Counsel of Schlumberger was also a key champion, and the senior

lawyers were engaged during the “live fire” exercise. Both companies were only this successful due to the previous internal KM expertise they could draw on, but without senior support and involvement there is no reason to expect success with even the greatest of efforts.

- Burn some bridges. Part of Schlumberger’s success in making the LawHub a daily tool flowed from the decision to discard email bulletin boards and distribute all department announcements through threaded-discussion. The LawHub became the “only place to go”.
- Align the knowledge sharing with the structures of the company. BP did this somewhat successfully, but the Schlumberger Practice Groups were not aligned with the business units, and the business managers therefore saw involvement in the Practice Groups as being not directly related to “real work.”

Knowledge Management in a Multinational Law Department

The Schlumberger “LawHub”

Vincent I. Polley
Deputy General Counsel
Schlumberger Limited
www.vip-law.com

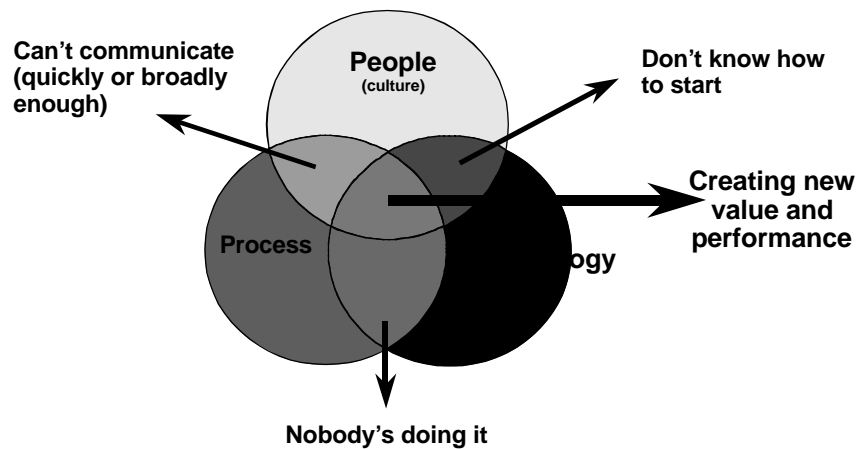
KM Drivers

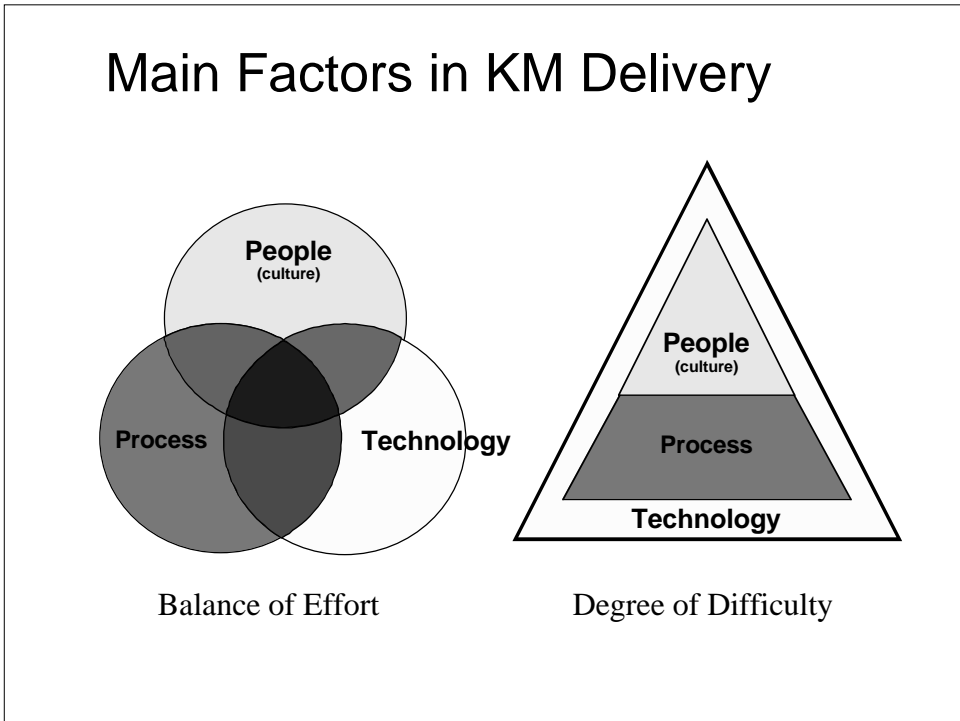
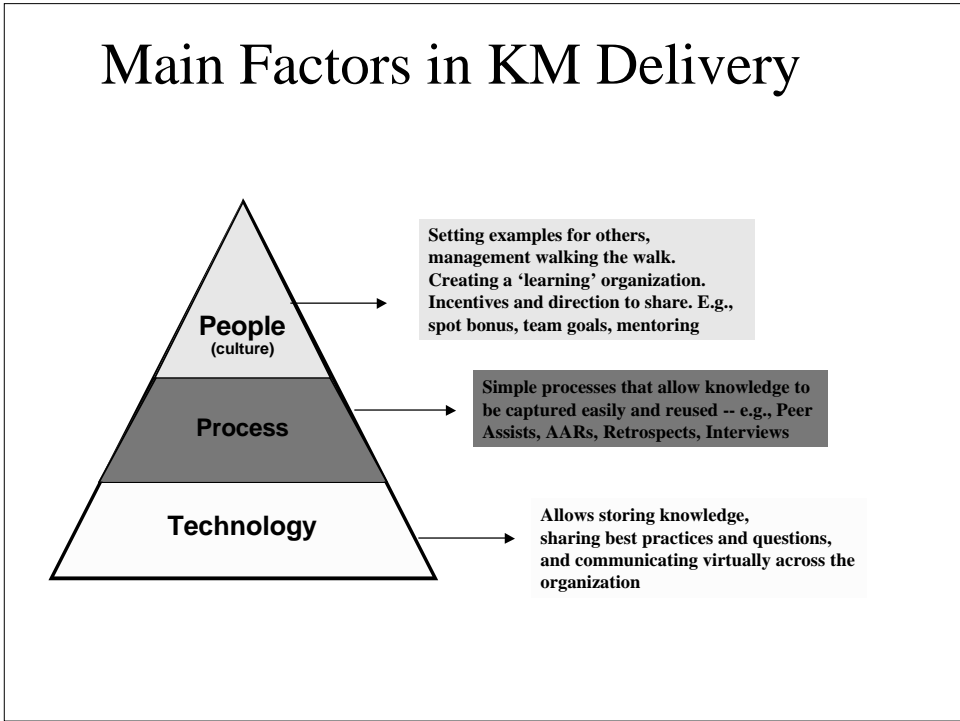
- Cost Pressures
- Efficiency and Consistency
- Flexibility and Responsiveness
- Training and Learning
- Retention
 - People
 - Knowledge
- Workplace Satisfaction

Possible Approaches to KM

- Internal – other lawyers
- Internal – business clients
- External – law firms; universities; other

Main Factors in KM Delivery





KM Elements

- Building and fostering communities of practice around operationally-important themes and areas of responsibility
- The development and use/reuse of knowledge assets
- Enabling collaboration (both within the communities of practice and larger communities)
- Capturing and validating incidental knowledge produced as a by-product during community collaboration
- Systematically hosting tacit knowledge (who and what you know)
- Arranging and efficiently presenting knowledge assets to users
- Nurturing a cooperative culture

Is KM Technology?

- *No* – technology only helps enable KM.
- Classic KM techniques (*Peer Assists, Connecting People, AARs, Retrospects, and Creation of Knowledge Bundles*) don't require technology at all.
- Technology ... typically not more than 30% of KM costs.

Schlumberger's Legal KM Effort

- Communities of Practice
- Technology

Schlumberger Process: Communities of Practice

- Responsible for:
 - Content Development and Maintenance
 - Webspace Operation
 - Training and Development
- Creation, Structure and Evolution
 - Subject Matter Experts; Early Planning Involvement
 - Aligned with Personal and Professional Interests

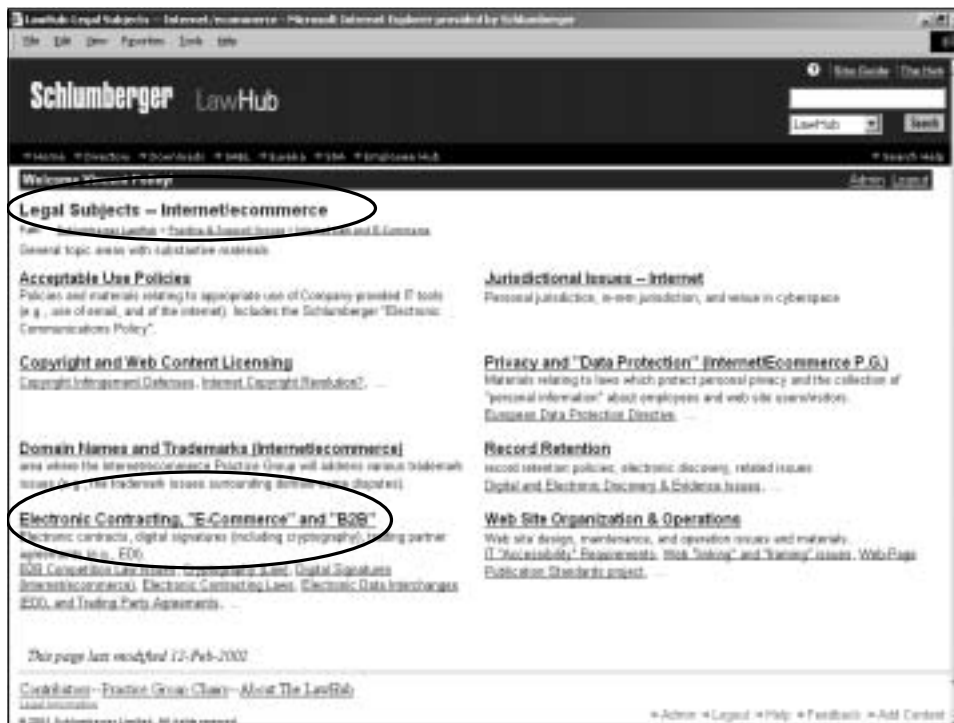
Schlumberger Technology:
the LawHub

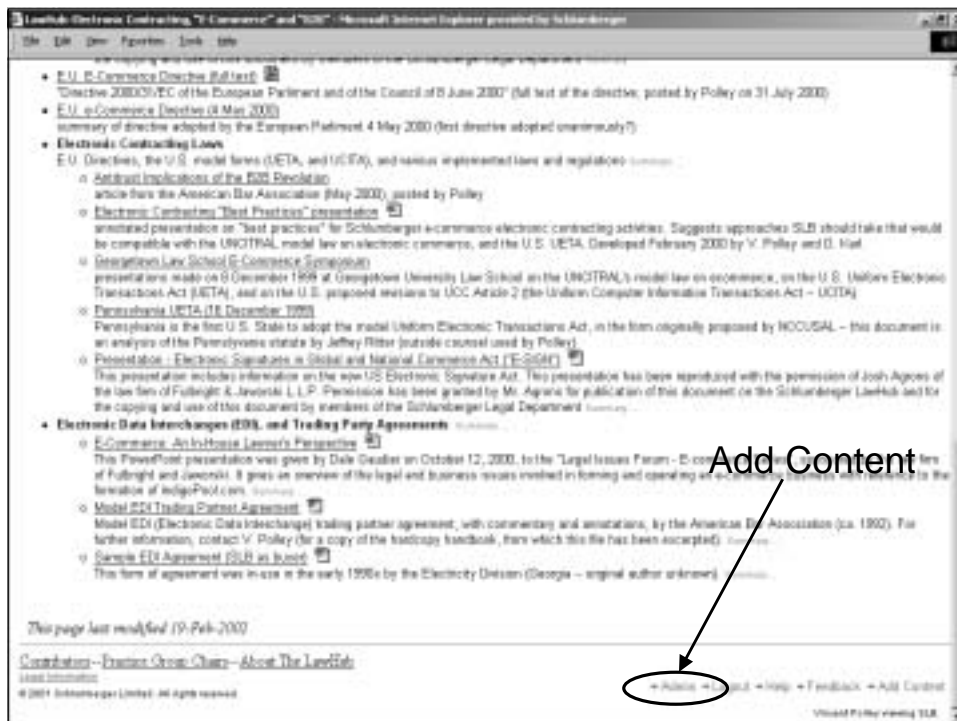
- Search
- Presentation/Visualization
- Threaded Discussion
- Distributed Publication
- Security
- Personalization
- Statistics/Tracking
- Categorization
- News
 - Collaboration
- Profiles/Experience
- Integration
- Amazon "Voting"
- Taxonomy

Screen Shots

In your materials

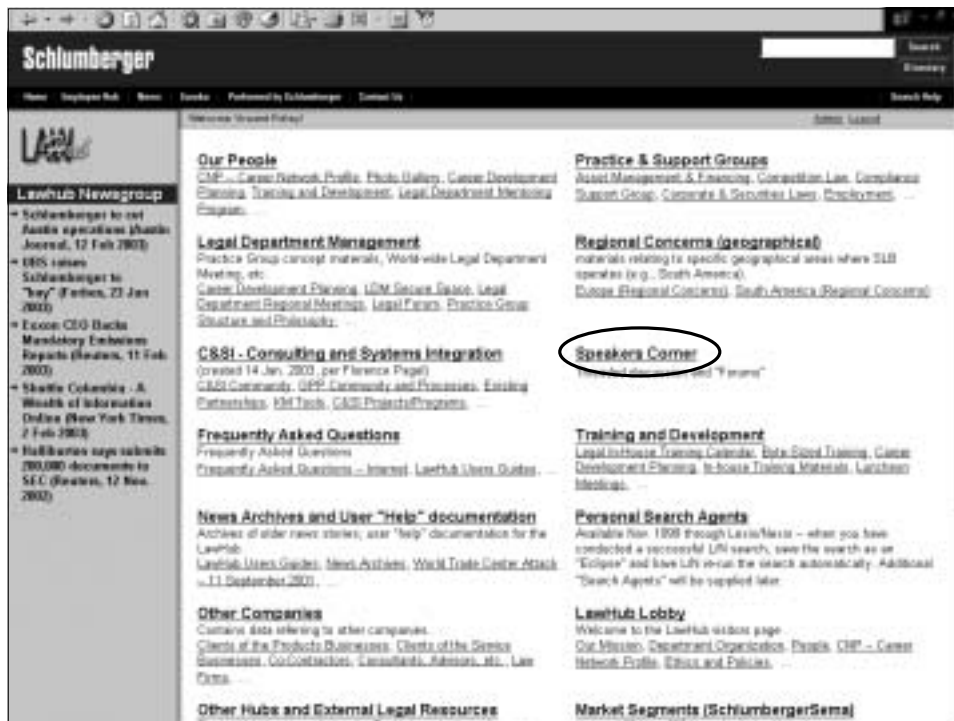


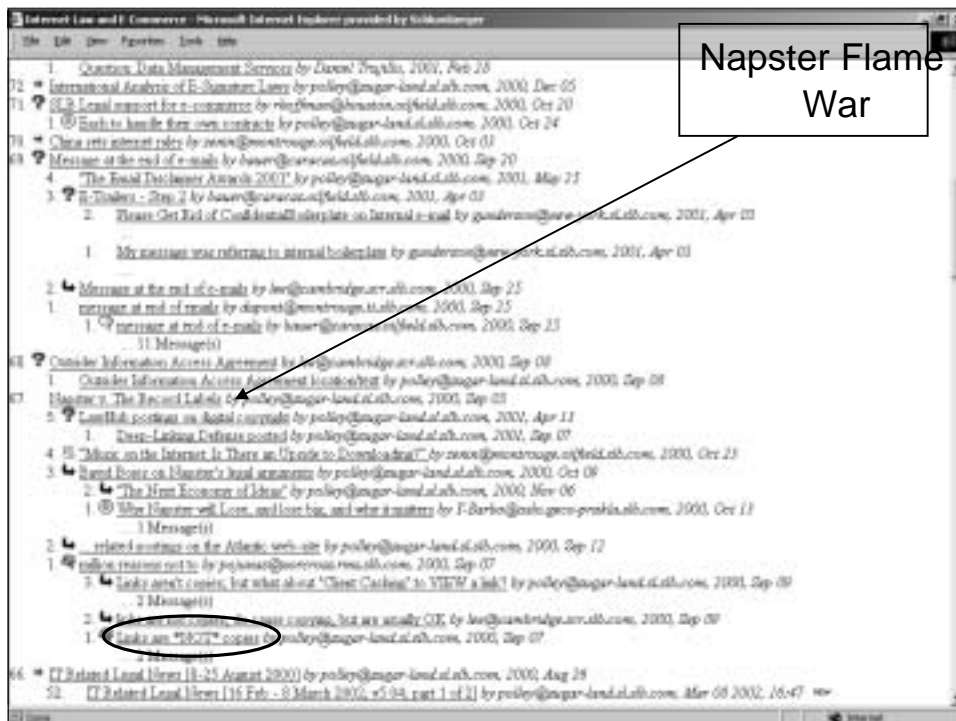




LawHub ... Legal Department Portal

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- Presentation/Visualization
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Vincent L. Polley

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 Assigned Country: United States
 Division: ODM's Project

Skills and Areas of Interest: [Accounting](#) - [Business](#) - [Current Projects and Areas of Interest](#) - [Education](#) - [Eureka Information](#) - [Expertise](#) - [Global Contacts](#) - [Personal Interests](#) - [Personal Statement](#) - [Professional Contributions and Milestones](#) - [Publications](#)

Personal Statement

The best thing we can do, with the limited time we have, is help each other - family, friends, colleagues, the man-on-the-street, and our fellow man. We should share our knowledge and experiences, our wisdom and our hopes.

I try to apply much of this in the job - sharing, mentoring, and knowledge management are ways I share. Learning, reading, studying, and listening are ways that I gain from others.

"There is much pleasure to be gained from useless knowledge." (Albert Einstein)

My family is my priority - my daughter will graduate from high school this year. Watching her grow into an interesting, engaging person has been a real delight. Her joining Stanford for some distant college is both a source of great pride, and an arbitrary pain (of the loss of her company). Many have remarked that she is becoming a second image of her mother - a very nice outcome!

Current Projects and Areas of Interest

Partnering our training from the Legal Department's knowledge management experiment (the LawMats), and sharing some of the learning with clients and outside law firms. Analyzing the company's record retention systems, and planning an expansion of them into the electronic realm.

I would help this guy out who has experience in electronic record retention systems (paralegal, analyst, and programmer/analyst)

Skills and Areas of Interest:

Community: Knowledge Interchange
Skills: Knowledge Management
 Collaboration/Cooperation
 IT Training/Education
Interests: Security
 e-Commerce

OP of Vincent L. Polley - Microsoft Internet Explorer provided by SchlagerDesign

File Edit View Favorites Tools Help

Expertise

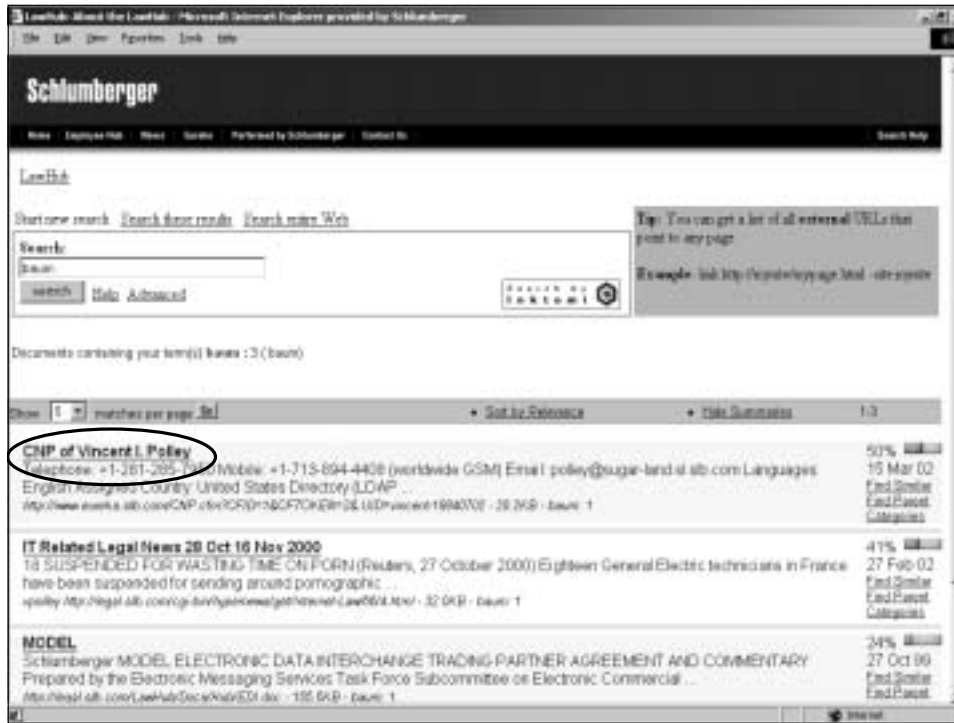
Community: Knowledge Interchange
Skills: Knowledge Management
 Collaboration/Cooperation
 IT Training/Education
Interests: Security
 e-Commerce
Other: Information Systems/Technology
 Law
 Security
 Encryption
 Cryptography
 Electronic Communications Policy
 Software Law
 Internet Law
 Data Protection Directive
 Privacy
 Legal
 e-commerce law

Security

information security
 electronic security
 PCI and CFP
 security incidents
 network security
 hackers, crackers
 law enforcement
 internet service providers
 information security consultants
 computer forensics (data recovery)
 SPAM

privacy





Vincent L. Polley

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I would help this guy out who has experience in electronic record retention systems (lawyer, analyst, and implementation)

Career Membership Information

Community Skills

- Knowledge Management
- Knowledge Management
- Collaborative/Groupware
- IT Training/Education

Interests

- Security

Schlumberger

Home Log In New Search Help

Welcome (Signed Out)

LawHub Newsgroup

- Schlumberger to cut Austin operations (Austin Journal, 12 Feb 2003)
- DBS joins Schlumberger to "buy" Fortran, 27 Jan 2003
- Exxon CEO Backs Mandatory Embosers Reports (Houston, 11 Feb 2003)
- Seattle Columbia - A Wealth of Information Online (New York Times, 7 Feb 2003)
- FullBarton says submits 200,000 documents to SEC (Reuters, 12 Nov 2002)

Our People

CMP - Career Network Profile, Photo Gallery, Career Development Planning, Training and Development, Legal Department Mentoring Program...

Legal Department Management

Practice Group concept materials, World-wide Legal Department Meeting, etc.
 Career Development Planning, LDM Search Guide, Legal Department Regional Meetings, Legal Forum, Practice Group Structure and Philosophy...

C&SI - Consulting and Systems Integration

(created 14 Jan 2003, per Florence Page)
 C&SI Community, C&SI Community and Processes, Existing Partnerships, KM Tools, C&SI Projects/Programs...

Frequently Asked Questions

Frequently Asked Questions
 Frequently Asked Questions - Interest, LawHub Users Guides...

News Archives and User "Help" documentation

Archives of older news stories; user "help" documentation for the LawHub
 LawHub Users Guides, News Archives, World Trade Center Attack - 11 September 2001...

Other Companies

Company data referring to other companies.
 Clients of the Products Businesses, Clients of the Service Businesses, Co-Contractors, Consultants, Advisors, etc., Law Firms...

Other Hubs and External Legal Resources

External legal resources, including law firm websites, legal research services, and industry associations.

Practice & Support Groups

Asset Management & Financing, Competition Law, Compliance Support Group, Corporate & Securities Law, Employment...

Regional Concerns (geographical)

materials relating to specific geographical areas where SIB operates (e.g., South America),
 Europe (Regional Concerns), South America (Regional Concerns)

Speakers Corner

Threaded discussion and "Forum"

Training and Development

Legal Institute Training Calendar, Data-Driven Training, Career Development Resources, In-house Training, Seminars, Lunchtime Meetings...

Personal Search Agents

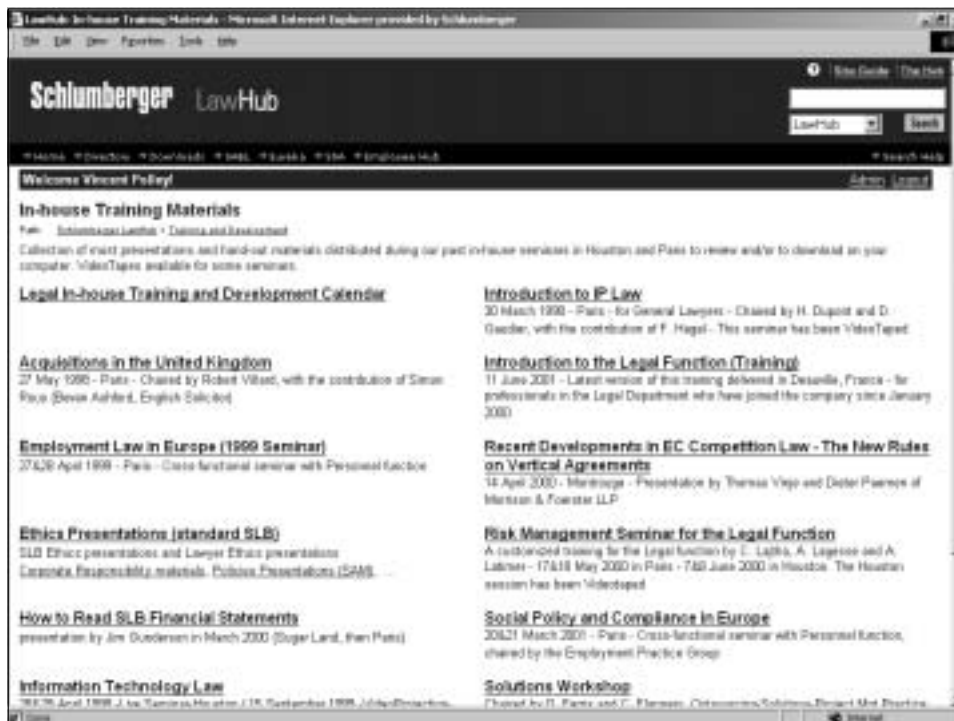
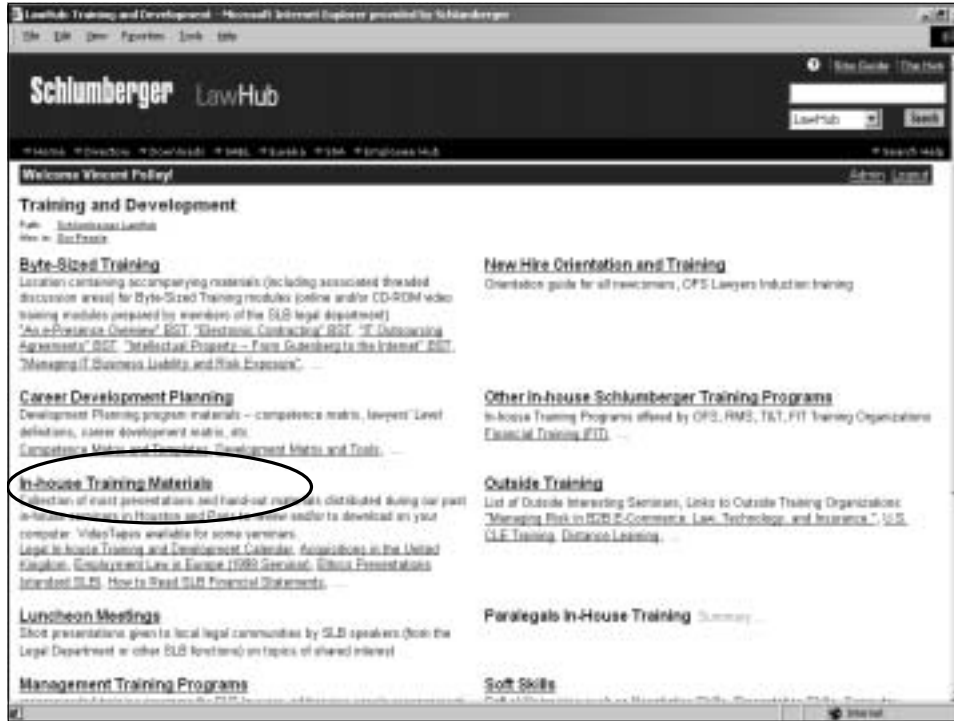
Available from 1/2001 through LawHub/lexis - when you have conducted a successful LHM search, save the search as an "Eclipse" and save LHM to view the search automatically. Additional "Search Agents" will be supplied later.

LawHub Lobby

Welcome to the LawHub website page.
 Our Mission, Department Organization, People, CMP - Career Network Profile, Ethics and Policies...

Market Segments (SchlumbergerGems)

Market segments including Energy, Infrastructure, and Industrial.



What Works

- “Pull” of highly usable content (borrowing)
 - Several stories of significant successes
 - Reporting the successes
 - Monthly “Frequent Surfer Award” program
- Effect of “Only place to go”
 - Abandonment of automatic remailers and BBs
 - Subscriptions to some PGs are high
- Practice Groups as training environments
 - Within the group; within the department
 - Motivational effect

What Works

- “Knowledge Sharing” on performance appraisal form
- Goals & Objectives; Salaries
- Annual reviews

What Doesn't Work

- Ease of use
 - Don't overestimate IT affinity
- "Push" of highly useable content (sharing)
 - Time pressures
 - Line management awareness, understanding, and buy-in
 - Objectives
- A "disconnect" between lawyers' interests and the practice groups to which they were assigned

Lesson Learned:

Key Technical Requirements

- Collaboration Space
- Ease of Use
- User Posting (delegable)
- Search
- Threaded Discussion
- Profiles
- Varying Access Levels

Lesson Learned:
Technology

- Real-time Collaboration Unneeded (?)
- Keep Control over Technology
- Keep Content Limited
 - Importance of Search

Lesson Learned:
Planning

- Top level support and engagement
- Communities of Practice
 - People, Process, Content
 - Early planning involvement
- LawHub concept design

Challenges

- Non-Believers
- Time Pressures
- Change Management
- Technology

Observations

- Top-Level Leadership and Participation
- Functional management support
 - Walk-the-walk, talk-the-talk
 - “Only place to go”
 - Dedicated personnel
- Involvement in planning, implementation
 - Senior managers, Practice Group “Chairs”
 - Can be the biggest obstacles
 - Effect of demonstration to junior lawyers

Observations

- Alignment with Business (and Operations Management)
- Nurturing the Emergence of Communities
- Time – Process and Culture Change *Slowly*

In Retrospect...

Be More Systematic:

- Appraise
- Select
- Define
- Execute (and Train)
- Operate

- Change Management
- Measure, Review, Assess – Repeat




More Focus On:

- Training
- Basic KM Techniques (AARs, Peer Assists, Retrospects) – *embed* these in the culture
- Reinforcing Lessons and Examples
- Allocated Time to do KM

We're Still Learning!

- Schlumberger
- BP
- ABA
- Other organizations

	hubbard one
Knowledge Management/Knowledge Networking In the Corporate Law Department:	
Practical Application of Knowledge Systems	
Kent Zimmermann, Vice President & General Counsel Hubbard One	

	Three Examples of the Practical Application of Knowledge Systems
	Consortium Approach to Legal Research: <i>Web-based delivery of 50 State HIPAA Privacy Study</i>
	Streamlined In-house/Outside Communication: <i>Employment Litigation Extranet</i>
	Superior Management Communication: <i>Corporate Board/Audit Committee Extranets</i>
<small>©2003 Hubbard One. All Rights Reserved</small>	

Consortium Approach to Legal Research: 50 State HIPAA Privacy Study

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Healthcare Leadership Council

- Washington DC-based advocacy/
policy organization
- Provides advice/guidance to its member
organizations across a spectrum of topics
- Members facing new HIPAA regulations
in effect as of Q1 2003

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Key Business Challenge:

Healthcare Leadership Council's membership needed cost-effective, real-time compliance guidance

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Solution:

Web-based search tool to help identify relevant state and federal health privacy rules and to help understand, by state and by topic, whether state rules or HIPAA applies

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www.statehipaastudy.com

Legal Content:

Reed Smith

Project Management:

Healthcare Leadership Council

Funding:

Participating Members

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Site Development Considerations

- Emphasis on ease of use for members and researchers.
- Scalable--massive amounts of research and data entry (50 states x 40 entities x 40 topics = 80,000 unique combinations)
- Automate data entry process as much as possible to reduce cost to populate
- Provide 'checklist' of items completed/outstanding to smooth research handoffs
- Solution had to be robust and accommodate multiple users – dozens of lawyers entering content simultaneously

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Why was this project successful?

Economics:

- Consortium approach; good value for individual members and ample funds for legal research and technical development

Easy to use:

- Web-based; Elegant, functional design; Single-purpose
- Deployed quickly
- Responded to an urgent, high-value need
- Undistracted project management

**Streamlined
In-house /Outside
Communication:**
Employment Litigation Extranet

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Key Business Challenge:

A major airline's legal department needs a consolidated view to labor and employment cases filed against the company that are handled by an outside law firm

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Information to Track & Report

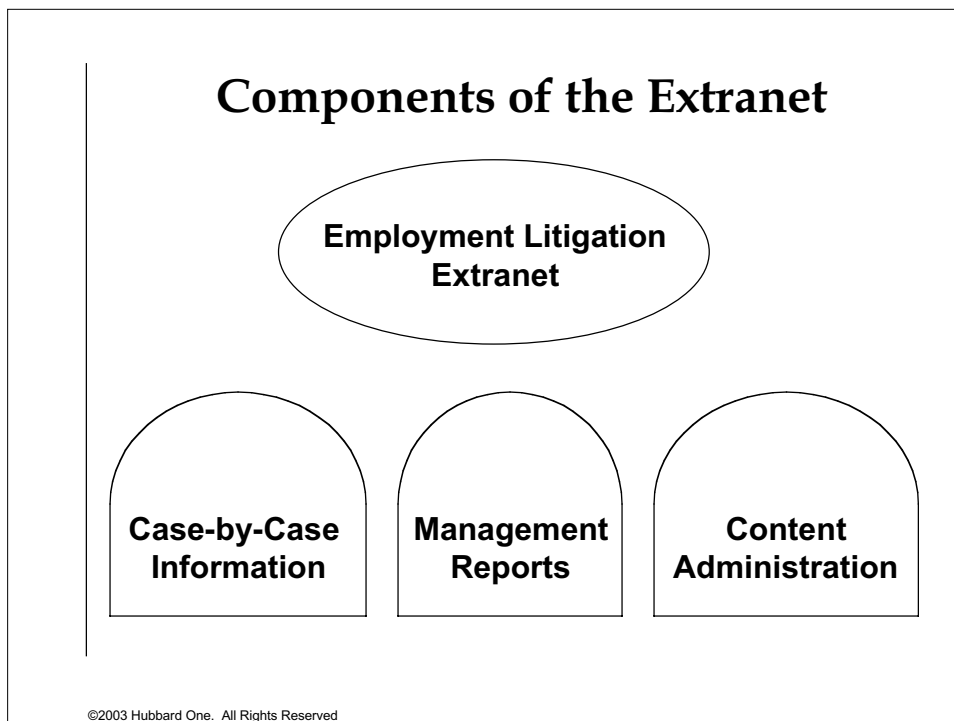
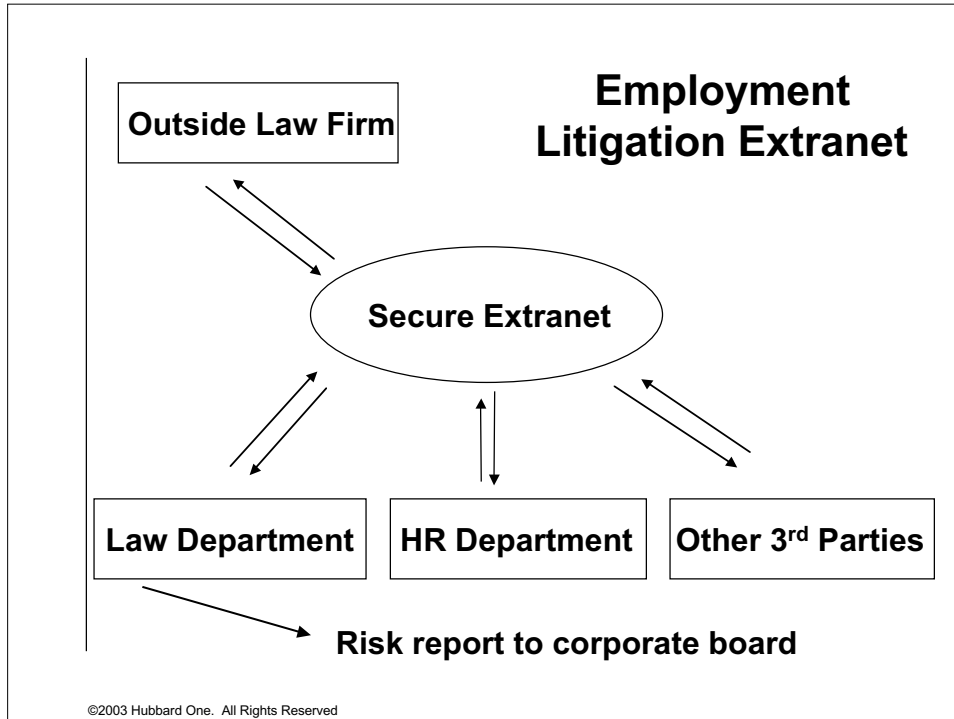
- Status of charges filed with EEOC
- Estimated cost to settle vs. litigate
- Right to sue letters granted & percentages
- Detailed developments in high-value cases
- Emerging and historic trends

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Solution:

Outside counsel deployed a secure, web based extranet to deliver case status information and work product to the airline's legal and HR Departments

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Extranet Development Considerations

- Emphasis on ease of use
- Multiple levels of security
- Top-tier hosting to ensure 100% availability
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Superior Management Communication: Corporate Board/ Audit Committee Extranets

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Board/Audit Committee Extranets

-  Secure, password protected collection of web pages
-  Serve as a 'virtual board room' to support regular corporate board or audit committee communication
-  Replace or complement paper and mail
-  May be accessed by authorized individuals including inside counsel, auditors, finance experts and audit committee counsel on a permanent or ad hoc basis

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Key Business Challenge:

Improve communication among audit committee members, members of the law department and corporate executives;
Provide audit committee members with extremely rich information to improve committee effectiveness and reduce risk

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Features of Board/Audit Extranets

- Board books
- Meeting schedules, agendas, and minutes
- Biographies of committee members
- Email and wireless notification system
- Resource directories
- Periodic reports
- Whistleblower reports
- Corporate background information for new members

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Features of Board Extranets (con't)

- Document retention and destruction
- Searchable and secure archives of board materials
- Web conferencing
- Content on the site may be administered by any authorized contributor

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Why was this project successful?

- Easy to use: Web-based; Elegant, functional design; single-purpose
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- Counsel made the case for the project directly to audit committee members

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Practical Applications of Knowledge Systems

Kent Zimmermann
Vice President, General Counsel
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Components of the Extranet: Employment Litigation Extranet

- Case-by-Case Information
- Management Reports
- Content Administration

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