TOPICS

WINTER 2014

bclma
BC Legal Management Association

Informed Opinions on Legal Management

The Legal World is Changing
Essential Strategies Needed to Thrive

Mark Beese, Leadership for Lawyers LLC

Some have referred to the post-recession legal market as the "new normal". Others have used terms like "the great reset". Whatever you call it, the fact is that how companies buy and evaluate outside legal services is changing dramatically. Law firm leaders need to rapidly engage in a variety of tactics to position their firms for future growth.

ECONOMIC FORCES

For many law firms in North America, the recession has lingering effects:

- Demand for legal services, revenue and realization is still flat or in decline.
- There continue to be more lawyers than there is demand for their services. In the US, law schools graduated 44,000 law students last year, but only 22,000 legal jobs open up annually. Do the math.
- It is projected that 15% of law firms will cut partners in 2013.
- Realization rates decreased by 15% to around 80% with no sign of improvement.
- 64% of in-house departments created new positions, bringing work in-house to reduce reliance on outside law firms.
- Many firms, in search of greener pastures, sought mergers. 2013 is a record year for law firm mergers – an increase of 40% over last year.
- Governments worldwide are liberalizing legal service regulation, opening up the market to new forms of competitors, funding sources and low-cost services.
- Technology is now available to increase the automation and leverage artificial intelligence to dramatically reduce time consuming, low-value activities such as document review.

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DEPARTMENTS

Who We Are
The BCLMA, founded in 1972, is a non-profit organization with 135 Representatives and 270 Affiliates across BC. It is the BCLMA's goal to provide educational and networking opportunities, to enhance skills as legal administrators and managers, and to provide professional and personal benefits to its registrants.

Member Services
The BCLMA provides opportunities to network with other law firm administrators and managers at annual Spring and Winter socials, and monthly subsection meetings. We host an annual Managing Partners Event, and a large conference every other year.

Newsletter Services
Topics is a public newsletter. Contact the Editorial Committee to provide comments on articles, to offer suggestions for articles in future issues, or to augment the circulation list. We welcome your feedback! Please send comments to membership@bclma.org.

Submissions
If you have an article or story idea you would like to submit, please email Heather Ritzer at hritzer@lawsonlundell.com. Please note that our prescribed article length is 750 words. All submissions will be subject to review by the editorial board.

The Legal World... continued from page 1

EFFECTS

How have these forces changed the relationship between clients and law firms?

- Clients are wielding greater buying power than ever before. They are increasingly demanding lower rates and overall costs, limiting the use of inexperienced associates, demanding use of electronic billing and legal service automation, and dictating use of e-discovery systems and other services.
- Corporate clients are stratifying their legal spend, pushing as much work down to low-cost, low-value providers as possible, making more legal work "commoditized" in nature.
- Clients are more willing to leave large high-rate firms for mid-sized and smaller firms that can provide comparable services at a significantly lower rate. Consequently, some mid-sized firms with lower rates are experiencing revenue and market share growth at the expense of the largest firms in North America.
- The push for increased value combined with firms' reluctance to add equity partners has led to more staff-level career tracks for non-equity lawyers.
- Procurement departments in corporations are increasingly becoming involved and even leading the selection process of outside counsel. Often, these efforts are led by lawyers who have a sophisticated understanding of their legal needs.
- New forms of competition are rapidly gaining a foothold in the industry, including non-law firm legal service providers such as Axiom and Clearspire.

SUCCESS STRATEGIES

The legal marketplace is going through irreversible change. It will not go back to the heyday of double-digit rate increases and high demand.

In order to thrive (not just survive), forward-looking law firm leaders will need to:

- Develop and implement a strategy that underscores the firm's value proposition, focus on key industry and practice specialties and orient themselves to their client's specific and changing needs. A successful strategy is vital.
- Re-engineer legal service delivery to lower costs and increase client satisfaction. Sacred cows will be sacrificed.
- Use technology to increase efficiency and improve the client experience.
- Listen to clients like never before. Develop multiple listening channels. Adapt your service delivery based on what you hear.
- Use client teams and account management tools to grow key and emerging clients. Anticipate and predict the client's future so you can design services to meet their future needs.
- Master pricing. Coordinate finance, project management, practice administrators & business development to deliver predictable and profitable value pricing models.
- Invest in human capital. Differentiate through your people following models provided by Disney or the Ritz Carlton.
- Innovate. Experiment with new ways of meeting client needs. Make it OK to fail, but fail fast.
- Change the role of leaders in your firm. Managing partners should focus internally on leading innovation and change and externally on client intimacy and market leadership.
- Marketing should focus on developing highly-targeted, niche-focused markets where the firm can claim dominance.
- Business development needs to focus on creating a collaborative culture of continual new business generation at all levels of the firm. Invest in business development (sales) training and coaching.

SUGGESTED READING

Check out these blogs/books from legal futurists:

- *Growth is Dead*, Bruce MacEwen, adamsmithesq.com
- *Evolutionary Road*, Jordan Furlong, attorneyatwork.com and law21.ca
- *Tomorrow's Lawyers*, Richard Susskin, susskind.com
- *Business of Law*, Tim Corcoran, corcoranlawbizblog.com
- *Leadership for Lawyers*, Mark Beese, leadershipforlawyers.com

This article is based on a presentation by Mark Beese to the BCLMA on November 6, 2013.

Mark Beese is President of Leadership for Lawyers, a consultancy focused on helping lawyers become better business developers and leaders. www.leadershipforlawyers.com

Managing Your Staff Compensation Program

Barry D. Cook, Partner at Western Compensation & Benefits Consultants

The evolution of compensation governance principles has been the single largest development in the world of Canadian compensation over the past 20 years. This development has been fueled by the necessity for publicly-traded companies, commencing in the early 1990s, to disclose their executive compensation arrangements. The disclosure included the compensation objectives, the companies used for compensation comparisons, along with a breakdown of the total compensation paid.

There has been a significant trickle down of these compensation governance principles. Recognizing that this framework makes good business sense for designing and managing compensation programs, well-run organizations have adopted this approach for their entire workforce. Regardless of the type and size of the organization, or the sector in which it operates, these compensation governance principles are focused on the needs of all stakeholders, including employees, partners/shareholders, taxpayers, etc.

The steps for effectively managing a compensation program are set out below.

STEP 1: CAREFULLY ARTICULATE YOUR COMPENSATION PHILOSOPHY

This should include:

- A definition of which other organizations are appropriate and used for comparison purposes;
- Where your firm wishes to target its compensation relative to the comparison organizations; and
- What components of compensation should be included in the comparison.

When defining the comparison organizations, it is important to consider where you recruit employees from and where they may go to for alternative ...continued on page 5

Staff compensation... continued from page 4

employment. In the case of legal administrative assistants and paralegals, the group may consist of other law firms. On the other hand, the comparison group for administrative support positions may be the local general employment market.

The comparison group provides a market ruler, but it is necessary for you to determine where you wish to target your compensation relative to the ruler. For example, do you want to pay total compensation at the average of the market or at some other level? Or maybe you want to target your base salaries at the average or middle of the market but also provide an incentive plan through which employees could earn above average compensation.

Finally, your compensation philosophy should define what constitutes compensation. Generally speaking, market comparisons should include salaries, incentives, perks, benefits and paid time off. This is particularly true of more senior positions wherein the value of the non-salary components may be quite high. In the case of lower level positions, however, a comparison of salary and incentives may be sufficient provided that a comparison of the other components of compensation is periodically conducted.

STEP 2: OBTAIN QUALITY, ROBUST, UP-TO-DATE MARKET DATA

Such data should be compiled, analyzed and presented by professionals who are familiar with your positions and who have expertise in compensation.

Market data can be obtained from published surveys or from custom targeted surveys. Published surveys are available from some *...continued on page 6*

SAVE THE DATE

Biennial Conference
LAW FIRM LEADERSHIP, All Hands on Deck
Thursday afternoon March 6 & Friday, March 7, 2014
Market Place, Thursday, March 6, 4:00 pm—6:00 pm
River Rock Casino Resort, Richmond

BCLMA Annual General Meeting
Friday, April 4, 2014, 12:00 pm – 1:30 pm
Richards Buell Sutton

BCLMA Educational Event
Influential & Persuasive Communication
Guest Speaker: Mark Bowden
Wednesday, May 7, 2014, 11:45 am—1:30 pm

For more information visit www.bclma.org/events

Staff compensation... continued from page 5
consulting firms which maintain comprehensive up-to-date databases. There are also some jointly-sponsored industry association compensation surveys which may be appropriate sources. An example of the latter is the survey annually sponsored by the BCLMA/CBA (BC Branch) and produced by Western Compensation & Benefits Consultants.

Custom targeted surveys involve one organization sponsoring the survey and it is often conducted by a compensation consulting firm. This approach is more costly, but allows the sponsor to identify the specific comparison organizations, the positions included and the compensation data to be collected and reported.

Apart from cost, there are a number of considerations regarding whether an organization should use published surveys or invest in a custom targeted survey. Does the survey include the:

- Organizations which you compete with for employees?
- Positions which are good matches to those in your organization?
- Components of compensation you wish to compare?
- Types of data breakdowns you require, such as firm size, geographic region, etc.?

STEP 3: APPLY THE MARKET DATA IN A MANNER CONSISTENT WITH YOUR COMPENSATION PHILOSOPHY

In the case of salaries and incentive plans (if relevant), this will involve establishing salaries and incentive opportunities consistent with the level you targeted. If non-cash components of compensation are included in your market comparisons, it may be appropriate to implement revisions to those components.

STEP 4: CONSIDER YOUR EMPLOYEES

Finally, do not forget your firm's most important asset – its employees. Obviously you will advise employees of any revisions in their compensation. However, you should also consider informing employees regarding the firm's compensation philosophy and the due diligence undertaken. This transparency and organizational commitment will help ensure that you have an informed and engaged workforce.

Barry Cook is a Partner at Western Compensation & Benefits Consultants. He can be reached at 604).683-9155 or barry_cook@wcbc.ca.

Call for Submissions

Do you have an idea for an article that you think would benefit BCLMA members? Are you itching to put pen to paper (or more likely fingers to keyboard) or have an article that you have already written that you'd like to share? We are always looking for submissions!

If you have an article or story idea you would like to submit, please email Heather Ritzer at hritzer@lawsonlundell.com. Please note that our prescribed article length is 750 words. All submissions will be subject to review by the editorial board.

Outsourcing Legal Marketing
Practical tips for working with external consultants

Lynn Foley, fSquared Marketing,

Law firms are under increasing pressure to add value and justify fees from clients whose legal budgets are coming under greater scrutiny and are responding by bringing work in-house. Competition is coming from virtual firms and new market entrants, and the billable hour can no longer be increased as a matter of course year over year. Do you find your firm bracing for a storm that you hope will not come but are looking to cut expenses 'just in case'?

If your gut reaction is to cut your marketing and business development budget, stop and put down that pen. Now, more than ever, it's time to differentiate your firm, shore up your client relationships and focus on building revenue. This means investment in your firm's future in the form of marketing and business development.

Whether you have a team of in-house marketing professionals, a single junior team member, or no dedicated marketing and business development resource, there are circumstances when outsourcing is a good use of your budget. Reasons for outsourcing will differ by firm, but they can include access to skills, knowledge, tools or proven experience that you don't possess in-house, the opportunity to contract with marketing professionals with the expertise you need without the overhead associated with recruiting and hiring, or simply to get an external perspective or viewpoint.

Examples of outsourced work could include a one-off project such as strategic planning or the redevelopment of your website, an ongoing retainer for the development and implementation of a client feedback program or social media initiative, or the outsourcing of your entire marketing and business development function.

Having been on both sides of the legal marketing and business development

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Outsourcing... continued from page 7

consulting table, I offer the following practical tips to consider if you have already assessed the cost benefit of your situation and are thinking of outsourcing all or part of your marketing needs.

PRACTICAL TIPS WHEN OUTSOURCING

- Know what you want to achieve and share your visions and goals with your consultant. The clearer you can communicate what success looks like to you, and your consultant demonstrates that they understand, the better chance you have of achieving it.
- Evaluate an outsourced marketer as you would an employee. Be clear on the skills and experience that you need and hire a consultant accordingly.
- When possible, hire a consultant with in-house law firm experience. The culture within a law firm is different from just about every other company out there and if your consultant starts the project with a thorough understanding of that, you're ahead of the curve from day one. In BC we are lucky that there are a number of consultants that fit this criterion.
- Clearly define the scope of the project and set measurable objectives. Ensure that you and your consulting team have discussed in detail, and have agreed upon in writing, the scope of the services they will be providing to your firm and the objectives of the project. This will assist in the success of the project and will allow realistic timelines to be put in place. Be cognizant that if the scope of the work changes significantly, the consultant should, and probably will, propose changes to their pricing and timeline. Don't resent them for this – remember that this is how they make a living and if, for example, the project is going to take twice as long as planned due to change in scope, this is time that they won't have available to work with, and bill to, another client.
- Designate a point of contact within the firm. If the consultant is hired for a finite project, for best results designate a knowledgeable, and readily available, contact at your firm for project decisions and approvals. There is nothing worse for a project than mixed messages being delivered to your external resource or the project stalling if the point person is so busy doing legal work that they can't provide feedback in a timely fashion.
- Be open to making your consultants "part of the team" – without knowledge they can't give you their best. The most successful projects that I've worked on were those that embraced me as part of the team and shared as much as they could about the history of why I was hired, any internal politics that may derail the project and were honest with me every step of the way in relation to the feedback requested. Having your consultant be part of your team will also lead to increased skills transfer into your organization.

For ideas about the types of projects that could work well on an outsourced basis, please visit our website at fsquaredmarketing.com.

Lynn Foley is a partner at fSquared Marketing, a marketing, business development and digital strategy firm. She is a Board Member of the Legal Marketing Association, Vancouver Chapter. Email Lynn at lynnfoley@fsquaredmarketing.com for more information.

BCLMA WINTER SOCIAL

BCLMA Winter Social Keeps Growing

BCLMA members had the opportunity to network as 145 guests and sponsors mixed and mingled in the festive looking Metropolitan room at the Terminal City Club on December 5. The background jazz music set the tone and the winter buffet, the best ever, was an evening highlight.

This annual event keeps on growing!

In a lively and upbeat atmosphere, members exchanged hellos and recounted their firm's activities throughout the year. Anita Parke, BCLMA President, was the MC for the evening and thanked our outgoing subsection chairs and welcomed our incoming 2014 chairs and co-chairs for our eight subsections.

Many people went home with amazing door prizes generously donated by our sponsors.

A big thank you to our sponsors whose financial support enables us to throw such grand events and a special thank you to our photographer Dennison Lee for the photos.

Mark your calendars now. Next years' BCLMA's Annual Winter Social will be on December 4, 2014, once again at the Terminal City Club.

Visit the social events page at www.BCLMA.org to enjoy more photos of the evening.

Photos by Dennison Lee. *L–R*

A. Eric Pedersen, Farris & George Lo, AHBL, BCLMA's website committee & tech gurus

B. Sam Mann, Singleton Urquhart, Clive Bellian, Dye & Durham & Susanne Tholl, Lakes, Whyte getting in the festive spirit.

C. Sarah Richmond & Dewi Kuipers, AHBL & Larisa Titova of Blakes enjoying the live music.

PREMIER SPONSORS

Dye & Durham Corporation
ZSA Legal Recruitment

EVENT SPONSORS

SAI
MHPM Project Leaders

CONTRIBUTOR SPONSORS

i-worx
Worldox

SPONSORS AND WINNERS

Dye & Durham provided a Galaxy 3 tablet, won by **Ingrid Miller**, McQuarrie Hunter

ZSA donated Crystal champagne flutes and champagne which **Cindy Brandes**, of Miller Thomson won

SAI contributed a wine basket won by **Margaret Cividino**, Miller Thomson

MHPM supplied a Purdy's gift basket won by **Victoria St. Laurent**, Lindsay Kenney

i-worx donated an X–box One which **Sherri Fostvelt** of Clark Wilson won

Terra Law Corp. donated two bottles of Chardonnay won by **David Poon**, Alexander Holburn and **Rhonda Smyth**, Manthorpe

In addition, **BCLMA** provided six bottles of wine to the following lucky winners:

- **Larisa Titova**, Blakes
- **Wayne Scott**, Alexander Holburn
- **Susan Tholl**, Lakes Whyte
- **Caitlin Turner**, Boughton Law
- **Shannon Baker**, Clark Wilson
- **Stu Higginson**, Farris

In addition, we gave away a Kuerig Coffee Machine to **Kathy Barry** of Farris

BCLMA WINTER SOCIAL

Photos by Dennison Lee. *L–R*

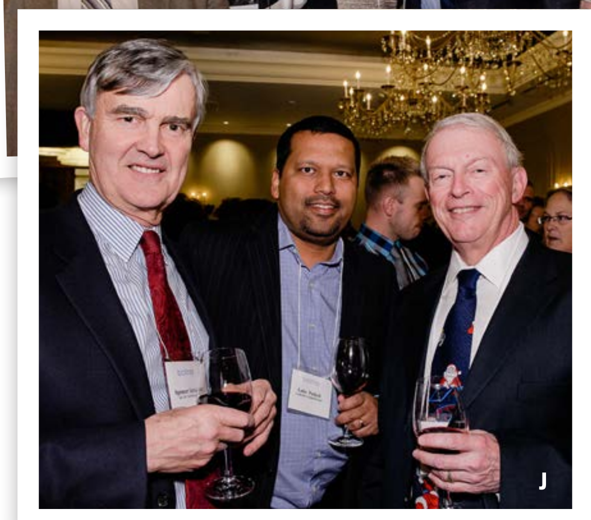
D. Leslie Morgan, Rohan Hare, Lisa Evenson & Jonathan Steele of Harper Grey catching up.

E. Alfonso Bruno, Marilyn Browne, Dianne Jameson & Shannon Baker from Clark Wilson enjoying the festivities.

F. The gang from Bull Housser & Tupper getting ready for a delicious meal.

G. Matt Ackerman, Katherine Melville, Kathy Barry, Eva Handeland of Farris united.

BCLMA WINTER SOCIAL



Photos by Dennison Lee. *L–R*

H. Boughton Law members. Coats checked and ready to have some fun.

I. Ruth-Ann Spencer, Carolyn Petrie, Julie Bevan-Pritchard, Katie Stowe of BHT visiting during the social.

J. Spencer Hartigan, Miller Thomson, Luke Pathyil, Lawson Lundell, Bob Waterman, RBS networking at the social.

Office Moves and Reno's: Best Practices

Krystal Smith and Bregje Kozak,
MHPM Project Managers Inc

It's time to move or renovate your office. This may be because your firm's lease has expired, or because your existing space is due for an overhaul. No matter the reason, the thought of planning the project, hiring consultants, designing the space, phasing construction, packing up, moving staff, notifying clients – and making sure all this happens with minimal disruption to your law practice – can seem daunting. The following are some key best practices that can prevent unnecessary headaches, and allow for a smooth transition.

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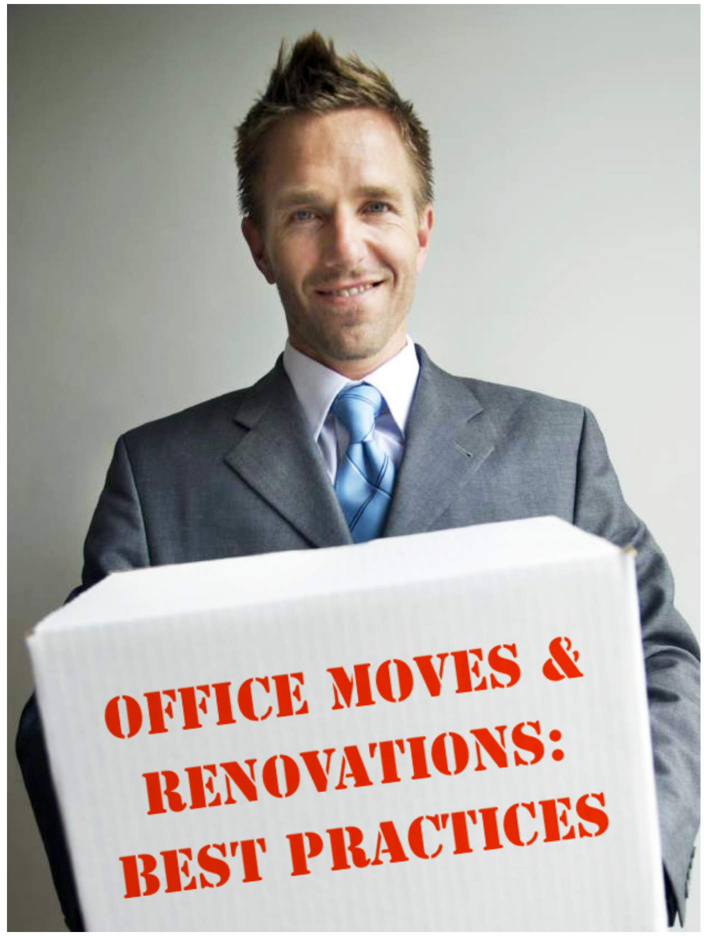

Moves and renos... continued from page 12

DEFINE YOUR DRIVERS

Determining your drivers will depend on what's important to you and how you define success. Some key questions to consider include:

- How is your existing space used and how well does it meet your current business needs? What would you change to make workflow more efficient?
- What is your company culture, vision and mission? How will your new/renovated space reflect this? What look and feel are you going for?
- What will your future needs be? Plan for the future, to accommodate growth with flexibility.
- Is it possible to build sustainability into the design? Will the office be energy efficient?

Having defined what success looks like, you'll know how to recognize it when you achieve it.

ASSEMBLE THE RIGHT TEAM

The first step is to decide who will be your internal project champion. No matter how small, your office move will need someone who takes ownership of the project, from start to finish. Your project champion can be your office manager, facilities manager or someone else on your internal team. They should lead your internal team or Premises Committee in defining your drivers, and provide direction to external consultants.

Once you've chosen an internal project champion, consider hiring a project management firm. Hiring a professional Project Manager will save you time and money. It will also allow you to make informed, strategic decisions for the project, without getting overloaded with the day-to-day details. An external Project Manager will guide you through your decision making process, making sure you get value for your dollar, by developing a schedule and budget, negotiating consultant contracts and monitoring their performance throughout project development. They will take responsibility for coordinating the efforts of the entire project team, including the Premises Committee, internal working groups, the landlord, architect, interior designer, constructor, vendors, suppliers and staff.

According to Colliers International, a leading real estate services firm, engaging a professional project manager can yield up to 25% in overall project savings. This is not an insignificant amount, considering an office move/reno is one of the most expensive projects a law firm can undertake.

DEVELOP AN EFFECTIVE COMMUNICATION STRATEGY

Knowing who to communicate with, and when, is critical. It's worth the extra time and effort to communicate with stakeholders and staff as early in the process as possible, and keep them informed of progress once the move/reno is underway.

Use a structured, collaborative communications approach. Make a specific plan, with timelines, goals, roles and responsibilities for sharing information and making decisions. Be open about progress and challenges – this will ensure everyone involved understands the demands, limits and possibilities your project represents.

ENGAGE STAKEHOLDERS AND STAFF

How well you engage your stakeholders and staff is directly proportional to your project's success. Change can be unsettling for staff and this can certainly be the case with an office move or reno. At the same time as your project is underway, your practice has to continue to run and focus on your clients, workload and commitments.

Keep the lines of communication open to all interested parties, internal and external. Do this through workshops, meetings, emails and conversation around the water cooler. Visioning sessions, online voting, even a "vision board" where staff can add their input to a wish list are some unique ways we've seen this accomplished.

FINAL THOUGHTS

Completing a successful office move/reno is more than making sure it's done within a budget and on schedule. This is a great opportunity to improve business performance, increase morale and attract new talent as well as clients. By employing these best practices: defining drivers, assembling the right team, engaging project stakeholders, and developing an effective communication strategy, you'll feel comfortable knowing you have a practical, achievable roadmap to make this change as easy as possible.


Krystal Smith and Bregje Kozak work at MHPM Project Managers Inc., a company that has led successful tenant improvements and office renovations across Canada. Please contact them at 604-714-0988 to get advice on your next project, and tips to save you time and money.

The Evolution of Coaching
Coaching for Career and Life

Diane Cronk, Arlyn Recruiting

Years ago when coaching was just emerging, it was often applied reactively to fix a problem rather than to further improve something that was working well. It was viewed as a cost, rather than as an investment. But that thinking has been shifting. With the onset of more change in the marketplace, law firms must stay competitive, and coaching has been linked to increased personal effectiveness, increased motivation, increased billing and reduced stress levels.

Coaching is no longer seen just as a way to fix problems, but as a way to assist development and to significantly boost overall performance. The previous misconception that only people with problems need coaching no longer holds much influence. The truth is that successful people will become even more successful with coaching.

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Coaching... continued from page 14

WHAT IS PROFESSIONAL COACHING?

Coaching is a developmental process. It is about the client and coach working together in order to move through a process of growth. The coach's role is to listen, ask thought-provoking questions, give feedback, and offer a different perspective or insight into the client's situation. Ultimately, action plans are put into place. Coaching can be used to assist individuals in learning to discover their own strengths, to become more self-aware, and to break through the inevitable hurdles of resistance to change.

It can be advantageous for a coach outside of the firm to help with certain sensitive issues, so that employees feel "safe" and reassured that the coach does not hold a conflicting agenda. It also lessens the likelihood that the client will transfer their frustrations and label someone inside the firm (such as HR or management) as a "target" for their disapproval. A main feature of the coaching process is that it is done with complete confidentiality, and in a respectful manner, with no judgment. Trust is at the core of the coaching relationship.

WHAT ARE SOME OF THE REASONS TO CONSIDER COACHING?

The International Coaching Federation, which is a nonprofit membership overseeing the organization's affairs, conducted the ICF 2012 Global Coaching Study. Coaching resulted in:

- Improved work performance
- Better business management
- More efficient time management
- Increased team effectiveness
- Greater self-confidence
- More effective communications skills
- Enhanced relationships
- 86% of the companies made their investment back, as measured by increased performance and productivity
- One-fifth saw a ROI of 50 times their investment
- Another 28 percent saw a ROI of 10 to 49 times the investment
- 99 percent of individuals said they were somewhat or very satisfied with the overall coaching experience

INDIVIDUAL COACHING

There are many different coaching formats. Below I have outlined some of the advantages and common uses of the most popular formats.

- During periods of transition (eg., returning to the workforce after being on maternity leave)
- As additional support to another intervention (eg., being coached while also being trained to begin a new role as Manager of the IT Department)
- When the individual is experiencing difficulties in working with a colleague or asserting himself with a lawyer
- At points when an individual is grappling with a particular challenge, such as time management, practice management, etc.
- Where there is an opportunity or a challenge that requires the individual to "act fast" in order to meet it, and the individual needs a coach to help them with focus and with developing an effective action plan
- In cases where there is a struggle between work priorities and other life priorities, and the individual would like to explore the layers behind the conflict
- When the individual doesn't feel that she has "what it takes" and needs time to be listened to, supported, encouraged and motivated

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Coaching... continued from page 15

- In situations where the individual would like to "name" his strengths and how to best use them, or in the alternative, "name" his areas for development, and how to improve them

TEAM COACHING

Team coaching is useful when teams are going through change (which may produce conflict) due to incoming or departing staff, or organizational changes such as management or policy changes.

ORGANIZATIONAL COACHING

In organizational coaching, key players, such as Managing Partners, HR, etc., are taken through a skills-building experience to learn how to instill a coaching culture to link the coaching of individuals with driving systemic change and accomplishing strategic goals.

Diane Cronk works as a Certified Professional Coach, HR Consultant and Recruiter with Arlyn Recruiting. She worked many years inside law firms, and holds her CHRP, BCIT HR Diploma and Psychology Degree from SFU. She can be reached at diane@arlynrecruiting.com.

ON THE MOVE

New Member Firms and their Representatives

Dean Palmer, **Palmer IP Law**, Vancouver
Abby Pang, **Hughes and Company Law Corporation**, Vancouver

New Representatives of Existing Member Firms

Diane Cahill, **DuMoulin Boskovich LLP**, Vancouver
Kristy Daniels, **Magellan Law Group LLP**, Langley

Facilities

Jody Hunt, **Blakes LLP**, Vancouver

Finance

Lisa Werk, **MacLean Law Group**, Vancouver
Aynsley Goepel, **Lindsay Kenney LLP**, Vancouver
Sarah Glazzard, **Farris LLP**, Vancouver

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Human Resources

Elda Pinckney, **McMillan LLP**, Vancouver

Knowledge Management

Sarah Richmond, **Alexander Holburn Beaudin + Lang LLP**, Vancouver
Debbie Millward, **McMillan LLP**, Vancouver

Dean Palmer

Aynsley Goepel

Sarah Glazzard

Elda Pinckney

Sarah Richmond

Cyber-Security for Law Firms

Joshua Lenon, Clio

In 2011, several prominent Bay Street law firms had their electronic data systems compromised as foreign hackers sought information on a $38-billion corporate takeover. At least seven firms were compromised, according to articles discussing the cyber-attack. Fortunately, the hackers appeared to be seeking specific information and did not breach the confidentiality of clients not related to the takeover.

While your firm may not be handling mergers of the same size, when it comes to your client's electronic data, confidentiality is still a major concern. Unfortunately, there is no single step a law firm can take to ensure perfect security. Instead, each law firm needs to commit to a series of actions and reviews that can combine to create better information security.

USE THE BEST LOCK FOR YOUR DATA:

The single greatest action a lawyer can take to improve their information security is to commit to protective password practices. This consists of implementing two different password approaches. The first is using strongly designed passwords. Strongly designed passwords required certain types of characters and a minimum length. These requirements make it more difficult for an unauthorized person to guess or force the password. Many different types of services have a setting to require strongly designed passwords. Look to turn these on in any software that can access client data, like your email, ...continued on page 18

Cyber-security... continued from page 17
online storage, and practice management platforms. Also, be sure to implement strong passwords on your devices as well. Computers and mobile phones should all require a strong password to gain access. Strongly designed passwords are more difficult to remember, so employing a password-locker that stores encrypted versions of all your passwords can be handy for remembering the odd combination of upper and lower-case letters, numbers, and characters that make up strongly-designed passwords.

The second protective password practice is to enable two-factor authentication. Two-factor authentication requires the person attempting to login to prove their identity. Usually, this is done by submitting a code sent to the authorized user's email or mobile phone. Without this code, even if an unauthorized person enters the right password, they cannot login to see your files. The secondary lock of two-factor authentication is offered by many online services, like Google Mail and Clio.

MAKE DATA THEFT USELESS:

The second greatest action a lawyer can take to improve information security is to commit their firm to this maxim, "Data in motion must be encrypted." Law firms' data no longer resides in giant folders locked away in the basement of the building. Instead, client's data exists on servers, laptops, USB drives, and mobile phones. This data is in constant motion, potentially exposed every time you take a portable hard drive home or access your data over the Internet. To minimize the risks of having portable client data, law firms should encrypt all of their data. There are many manners in which data in motion may be encrypted.

Data sent through the Internet should use SSL encryption, scrambling the data using one-time keys. This means that data is not transmitted in a readable format, but instead appears like gibberish to anyone that intercepts the data before its intended destination. Many online services automatically enable SSL encryption when you login. Make sure that this is the standard practice for any service you use over the Internet.

Data that resides in portable devices, like laptops and USB drives, should be encrypted as well. An entire law firm's practice can now be carried in a USB drive the size of a coin. Imagine losing that drive in a taxi on the way from the courthouse. Would your data be readable to whomever found the drive? If you used encryption on the drive, you could be reasonably sure that your client's data is safe. Many portable storage devices now come with encryption programs built-in. Lawyers should take every effort to enable this encryption from their first use of the device. For those devices without built-in encryption programs, the free program TrueCrypt makes it easy for a firm to preserve confidentiality by encrypting the entire device, or even just a portion of the space where files are stored.

With the proper encryption in place, even if your data is intercepted or lost, you know that without your strong passwords, access to the data is nearly impossible.

REVISIT AND REVIEW OFTEN:

Protective password practices and encrypting data in motion will protect law firms from many dangers that could breach confidentiality. However, these actions cannot be allowed to stagnate. Client data could still be accessed by threats like rogue ex-employees or improving cyber-attack strategies.

To make sure that the actions taken by the law firm continue to provide a high level of security, firms should undertake a security review at least every three months. Require passwords to be changed on every sensitive account and service. Review devices that access client data over the Internet, and do an audit on portable storage devices. The goal of these actions is to identify and eliminate any potential breach of confidentiality before it impacts the firm.

Does an employee have a new mobile phone? Make sure steps were taken to erase access to the firm's files from the old device. Did the firm purchase new computers? Make sure the appropriate encryption programs are in use on the device. Has there been employee turnover since the last review? Go through the employee's old accounts and make sure they no longer have access.

Information security is not a setting, but an activity. Firms must commit themselves to consistently reviewing their practices and implementing new ones when appropriate. Only when law firms make this a part of their normal business, should they consider themselves secure.

Joshua Lenon is the Director of Communications & Outreach at Clio, an intuitive web-based practice management system. He can be reached at joshua@goclio.com.

Conference Networking Tips

Heather Ritzer, Topics Editor

With BCLMA's conference on Law Firm Leadership coming up on March 6th and 7th, we wanted to offer some tips on effective networking to make sure that you get the most out of your conference attendance.

Often you'll find people sit with people they know and are comfortable with instead of venturing out and learning from the diverse wealth of experience in the room. While this might be the easiest, it's also important to try to meet new people. If you are shy, it can be helpful to have a friend with you, provided you commit to meeting other people together.

Be prepared to meet a lot of people. Before you attend the conference, ask the organizers how many people will be attending the conference. Think about how many people you can expect to meet and have a meaningful conversation with, as well as the number of exhibitors who may ask for your contact details. Take this number and then bring a few extra business cards. While handing out business cards is important, remember to also collect business cards.

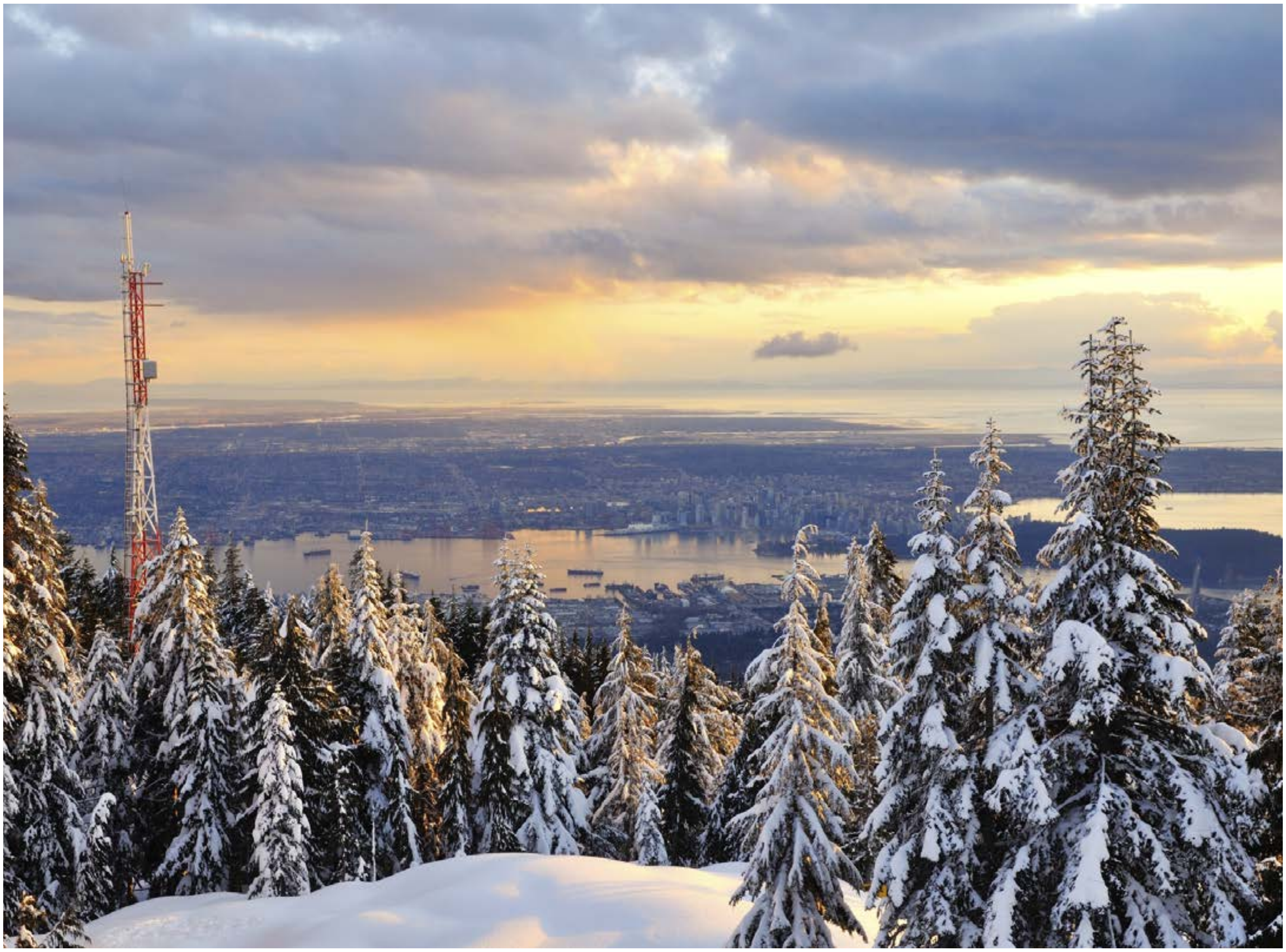
Look over the conference program in advance. When you are at the conference, try to arrive early for each session so that you have time to talk to other attendees. Be sure to attend the social events as well as the educational programming. Making connections in a more relaxed setting can lead to more genuine conversations and interactions.

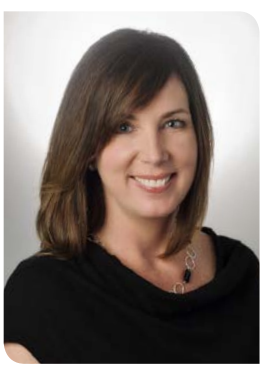
Decide in advance how you will follow up with people: LinkedIn, Facebook, Twitter or email are some examples. LinkedIn has become one of the most powerful networking tools. One way to make an impact on the people you meet is to write a note about them on their business cards and to follow up with personalized LinkedIn messages asking them to connect. You can also use Twitter during and after the sessions to start a discussion with the other delegates and to show the presenter what parts of their presentations were most interesting to you.

Networking is a two-way interaction and the quality of interactions is more important than quantity. Be prepared to help others and think: How can I help this person? Some approaches include: introducing the person you just met to someone else who he or she may benefit from meeting, sharing best practices learned this year, recommending a product or supplier, telling them about something going on in their area, and asking him or her to attend a session with you and debriefing together afterwards.

Heather Ritzer, Communications Specialist at Lawson Lundell and Editor of Topics. She can be reached at hritzer@lawsonlundell.com.

PRESIDENT'S MESSAGE





The time has flown by since being elected BCLMA President, and it has been my pleasure to serve you alongside our dedicated Board of Directors. We recently had our annual strategic planning meeting and I wanted to take this opportunity to update you on the accomplishments of 2013 and to highlight what is planned for 2014.

Anita Parke, BCLMA President

MEMBERSHIP

I'm pleased to announce that our membership has grown to over 400 members and 135 law firms, with the largest increase in small firm members. We would like to continue to draw in new members to support our mission: To enhance the competence and professionalism of legal services management provided by individuals of our association within the legal community of British Columbia.

SUBSECTION MEETING CHAIRS

I would like to extend a special thanks to the outgoing subsection chairs for their hard work and dedication to BCLMA. The meetings offered this year have been very informative, productive and well attended and wouldn't have been possible without the help of our volunteer chairs. Also thank you to the newly-elected chairs who will be contributing to the continued success of the subsections.

EVENTS

Our social events continue to be popular among our members. In June, we hosted our annual Summer Social at Bridges for the second year in a row and we had a fantastic turnout. Our Winter Social at The Terminal City Club was another great success. We encourage everyone to attend these socials to network with colleagues and to make connections with our *...continued on page 21*

President's message... continued from page 20

vendors who continue to generously support BCLMA. Without the support of our vendors, we would not be able to offer the same high quality socials and educational events.

In addition to the popular socials, in 2013 BCLMA held four educational events:

- Professional Presence: On January 9, Rhonda Caldwell delivered an interactive seminar on developing a professional presence that promotes credibility, increases rapport and builds trust.
- Managing the Hostile Individual: On February 13, Mario Govorchin's workshop provided participants with proven strategies for managing hostile interactions to promote constructive resolution for all parties.
- Getting Your Valuable Ideas Accepted: On November 5, the BCLMA hosted a joint seminar with the Legal Marketing Association of Vancouver. In this presentation, Mark Beese provided tactics and tools you can use to get your ideas accepted and effect change in your firms.
- The Legal World has Changed: Essential Strategies Needed to Implement to Survive: At our annual Managing Partners' Event on November 6th, Mark Beese returned to discuss the forces changing the legal market today and give practical advice on how law firms can adapt to the "new normal".

The feedback on all these events was great. We look forward to the 2014 programming, which includes an educational event hosted in May, another in the fall, as well as our marquis events the annual Managing Partners lunch and the bi-annual BCLMA conference.

BYLAWS

Updating the bylaws has proven to be a more complicated project than originally anticipated. We are continuing to discuss the necessary changes and are working to ensure the appropriate changes are reflected in the new bylaws. Once complete, the new bylaws will have to be approved by special resolution. The changes are important for the flow of information and ease of governance for the BCLMA. We hope to have the new bylaws approved at the AGM, but because of timing we may have to call a separate meeting for approval by the membership. We will be sure to keep you posted as we progress.

WEBSITE

The website committee has been hard at work and the project is moving along swiftly. It looks like we will be launching the new site near the end of February and will then be able to showcase it at the conference.

2014 CONFERENCE

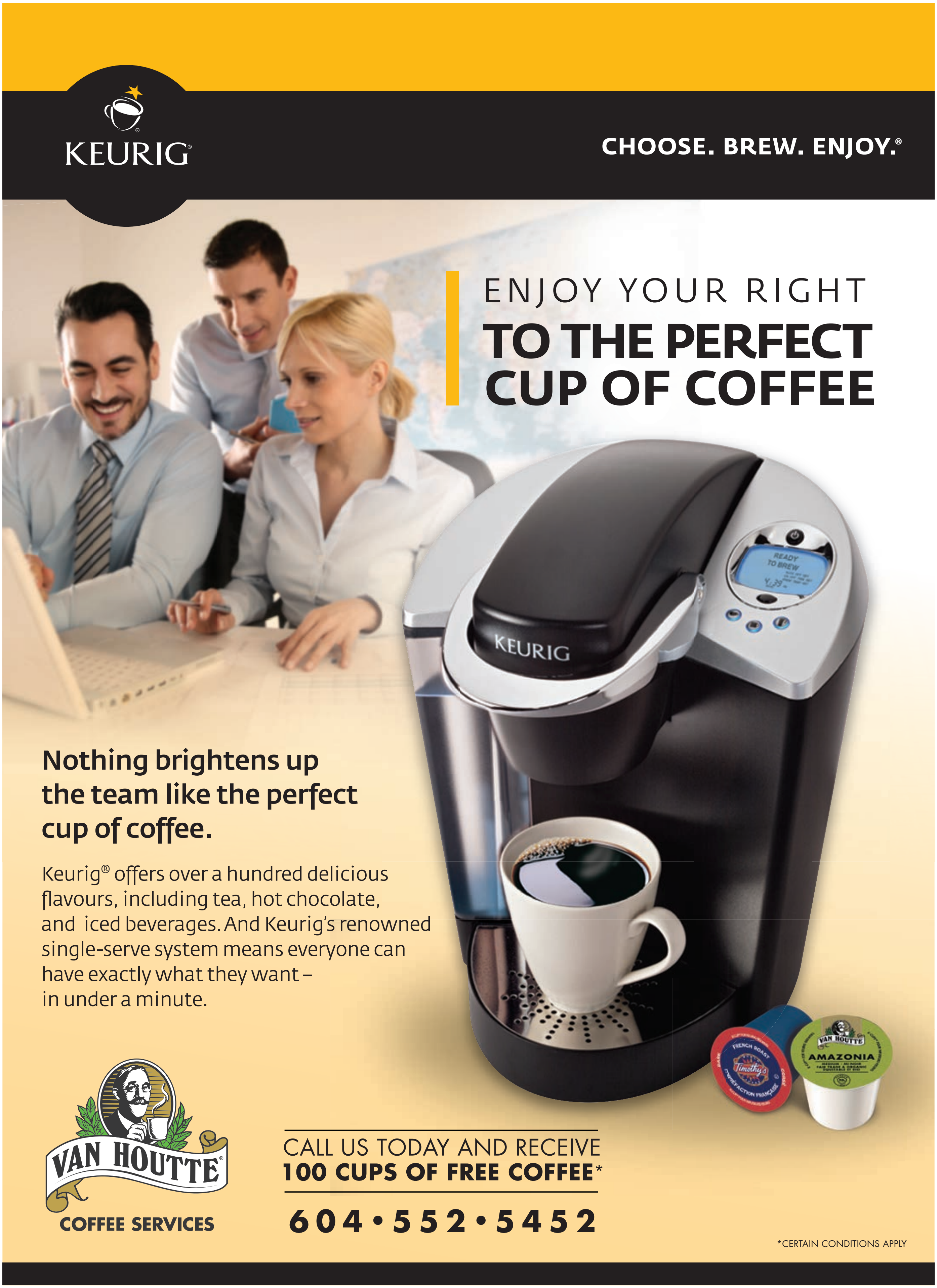
Our 2014 educational conference, Law Firm Leadership: All Hands on Deck, is already well on its way to becoming another truly successful event. The conference program outlines the agenda, introduces the keynote speakers and workshop leaders who will provide you with new tools that will enhance your leadership skills. Thank you to the conference committee who has worked tirelessly to bring the conference to fruition. We hope to see everyone there.

In closing, I would like to thank the Board members who have devoted a significant amount of time volunteering providing their expertise and input with respect to serving the needs of our membership. And of course thank you to our Administrator, Jane Kennedy and to our Treasurer, Angela Zarowny. We are fortunate to have their continued support of our Association.

Please know that you can reach out to any one of us with your feedback at any time.

Wishing everyone all the best in 2014!

Anita Parke
President
aparke@thor.ca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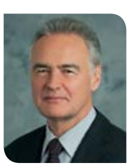

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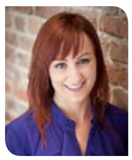

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