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WORKPLACE INNOVATION

How legal firms are navigating the
changing workplace to innovate and grow

THE LAWYER
Research Service

Future legal workspaces

Innovation is coming to the legal workspace. From collaborative working and flexi-desks to remote working and client lounges, law firms are exploring a range of initiatives that maximise client engagement and help their staff work more productively, all whilst maintaining a healthy work-life balance.

But beyond these buzzwords, what are law firms doing in practice to improve their office layout? More importantly, what risk factors should law firms consider to help and find the right approach? The Lawyer and Travelers spoke to a number of firms to find out.
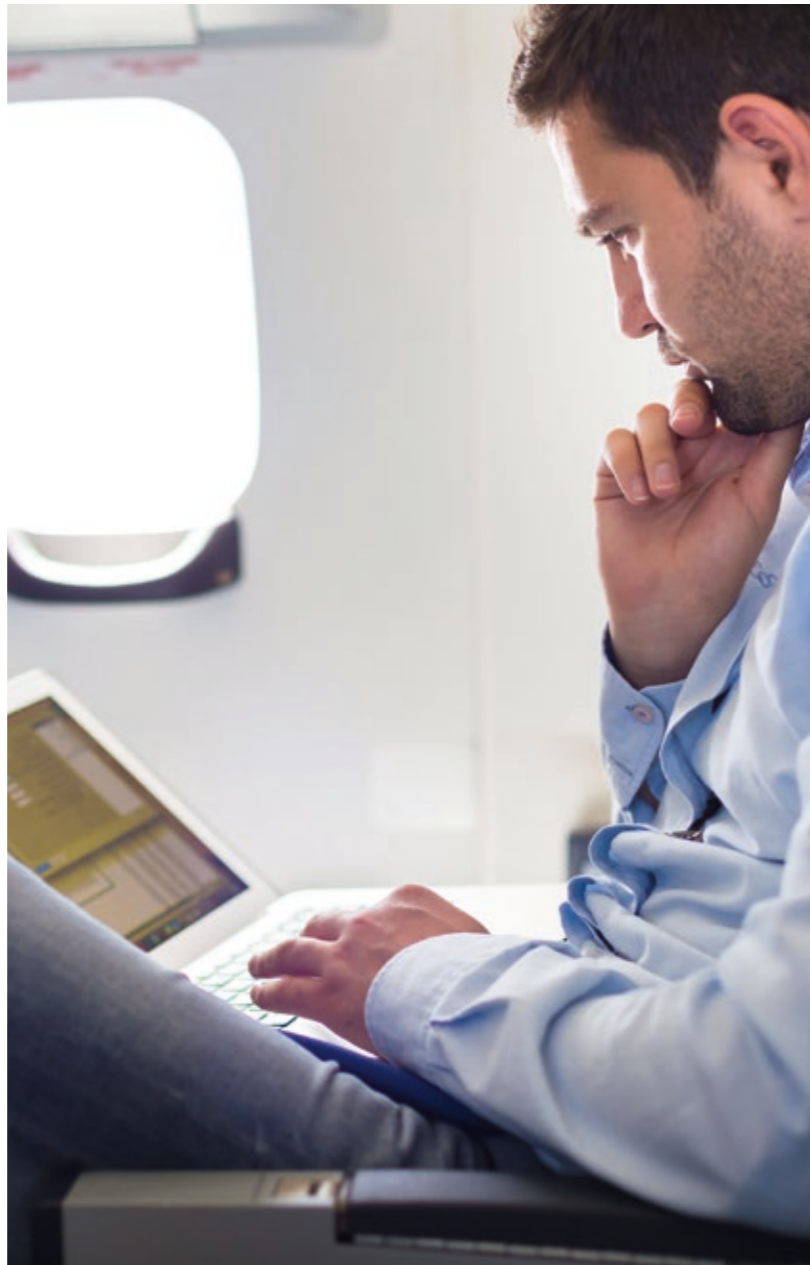
Collaboration is key

Enabling staff to work better together by collaborating underpins many of the changes firms are making to their workspaces. This is driven by the increasing demand from clients to provide a cross-practice segment solution.

"It's always been the case that big matters require a multidisciplinary team but these days clients are much more discerning about getting a joined-up answer," explains Nicholas Perry, Head of the London office at Bird & Bird. "They don't like having their main point of contact providing an answer and then a colleague from one team getting in touch a few days later and another from a different team replying a few weeks later. They want a joined-up response and this is much easier to organise if you have people sitting near each other."

"Partner hesitation aside, law firms considering going open plan also need to think through how confidential information and personal data should be safeguarded."

Firms are fostering collaboration in many ways. The first and perhaps most radical is to break-out from the traditional cellular office structure to a semi-open or full-open plan layout. The obvious advantage is that this facilitates communication between partners and their teams.

On the flipside, a very real risk is that senior individuals who have been used to working in a private office for many years might not feel comfortable working in an open plan environment.

"We've had open plan since 2005 when we first moved into our new offices," says Julie Berry, Director of IT and Infrastructure at RPC. "I think we were the first major city law firm to do this. There were huge concerns at the outset but we made a big effort with the layout, the size of the desks and the distance between desks. If anything, the partners are the ones that now really like it because they are sitting with their associates. Importantly we have permanent breakout rooms, pop-up break out areas and private rooms with PCs so there are areas fee-earners can go if they do really want privacy."

Travelers insight: Striking the right balance

Open plan working means better communication, reduces the chance of providing unclear or incomplete retainer documentation or advice, overlooking instructions and missing deadlines. It also provides learning opportunities by enabling staff to tap into the knowledge of their peers.

But steps also need to be taken to preserve confidentiality and privacy. These include:

- Using headsets for telephone conversations
- Having rooms available for work which needs to be kept confidential
- Ensuring that desks are kept clear of sensitive paperwork; and
- Storing work digitally and providing secure storage for physical paperwork.

The process of switching to an open plan office can also be daunting for some, so it's best to follow these steps when embarking on the process:

- Identify those who are resistant to change – establish and address their concerns;
- Set out your reasons for the change to open plan working;
- Consider how you can persuade later adopters; and
- Run pilot teams to identify issues in open plan working and provide feedback on the change.

"Open plan offices encourage collaboration and team spirit which is positive for an organisation, however, office designs need to provide 'hot' offices and other meeting areas so that staff can undertake private meetings or work undisturbed if particular concentration is required," says Richard Harrison, Head of Risk Control at Travelers. "Different people react differently to workplace demands and the conditions of work, hence the need to provide flexible workspaces which reduce potential workplace stressors."

Partner hesitation aside, law firms considering going open plan also need to think through how confidential information and personal data should be safeguarded. In a cellular office environment a confidential conversation can be kept private by simply shutting the office door. Confidential documents can be kept safe by locking the office door. But this becomes a lot harder in an open-plan environment.

"There is always the issue that some conversations need to be confidential even within the four walls of a law firm," continues Perry. "Clearly if you go into a more open environment then people need to be conscious of the chance of being overheard. You can manage this by ensuring people are aware of the issue and providing enough spaces to be able to do this in private. But interestingly enough, going open plan cuts down the number of conversations people have on speakerphone as everyone now has a mobile headset. Furthermore there is no doubt that we now have a lot less paper material lying around. Paper is locked away now because people are more conscious of it."

Firms are also pursuing less radical options to encourage collaborative working. For example, many are investing in inserting collaborative areas where teams can go to work on projects. "We gave over an entire floor of our new building to a big collaboration space," explains Perry.

"It serves lunch and breakfast but we don't call it a canteen because we were very anxious that right from the word go people didn't see it as somewhere that they went once or twice a day for food. We wanted people to see it as the premier choice for meetings and it just happens to serve food a couple of times a day. Everyone has embraced this much more than I thought they would. From day one it is the most vibrant collegiate and collaborative space. It's an extravagant use of space but we get lots of value from it. I would not lose that collaboration space for anything. If you go and stand there for half an hour you can see the value."

"We wanted people to see it as the premier choice for meetings and it just happens to serve food a couple of times a day."

Allowing remote working

Firms are not just providing more flexibility regarding where and how their staff are working within the office itself, increasingly firms are also providing flexibility regarding whether or not work is conducted in the office, as well as the hours that they work.

The Lawyer and Travelers' 2016 Legal Innovation survey revealed that 97% of surveyed law firms offer some form of flexible and/or remote working option to staff, although in reality such a plan could provide a lot or very little flexibility to its workforce.

Offering agile working is great for staff as it provides them with flexibility. But it's also great for firms because it enables them to attract and retain top talent.

However there are a series of risks that need to be considered too – 89% of respondents in last year's survey agreed with the statement that 'a flexible workforce creates new risks that have to be managed'. Most important is the risk that, should staff spend too much time working from home, they won't be able to benefit from the interaction with their colleagues.

"The most fundamental issue with remote working is the lack of access to each other, the fact that a young associate who isn't sure about something can't just wander down the corridor and ask a question," explained Andrew Darwin, COO at DLA Piper. "This interaction is important for people to develop and grow. If your workforce becomes too remote and fragmented the ability to manage quality and share experiences degrades.

There is also the risk that you can't manage them from an HR perspective and pick up on signs of stress and being overworked. So we want the office to be an environment where people want to come and work but we don't want them to feel they have to be there."

There are also some genuine data security and confidentiality risks that are exacerbated if staff work at home. For example, employees are more likely to travel home with laptops, USB sticks or paper files if planning to work from home the following day. Furthermore, there is a risk that IT equipment used at home may not be as secure as in the office environment.

Claire Larbey, Global Risk Director at Eversheds Sutherland, explains how these risks can be mitigated. "Remote working results in data being transferred across different areas, which creates an information security and confidentiality risk," she said. "So we ensure that all laptops and USB sticks are encrypted. We also provide people with the correct equipment so that data is protected when you are working from home."

Ensuring staff have the most up to date and secure equipment is only one piece of the puzzle. It's also vital that employees have been trained sufficiently so that they know when they might be in a vulnerable working environment.

"We know that a lot of times things go wrong due to user error rather than technology," explains Tania Longva, Head of Risk and Compliance at RPC. "We have put in place the technology and various processes but

importantly we also provide training. We have done refresher training on confidentiality, data protection and working securely. There are many things that seem obvious but people don't always remember when they are busy dealing with all the demands that are made of them. We have taken a step back and really thought about what it is important for people to know in this area. There are some key legal and professional obligations that affect everything we do, whether we are working in or out of the office, and whether or not we are using IT."

"A more fundamental risk is that firms remain responsible for their employees even when they are working from home. Firms should therefore ensure that their employees' home working environments are safe and comfortable."

"From a health and safety perspective, we cover working from home, so if staff are working from home on a regular basis we require them to have a desk that is comfortable and that their seat is at the right height," says Jason Cousins, Facilities Director at Bond Dickinson. "It worries us that people might not look after themselves if they are working from home, perhaps on a sofa. If they have an official working pattern in place we will have to visit their home to make sure they have the right equipment. We are responsible for their working environment even though they are working from home."

Travelers insight: Introducing project management

One of the main risks of remote working is lack of communication – this can result in uncertainty about individuals' roles in particular matters. To mitigate this risk some project management controls should be put in place. These include:

- Nominating a project manager to oversee the retainer and track progress, in particular to identify and prevent 'mission creep' – unmanaged changes in the scope of a project
- Having a clear plan which sets out the purpose of the retainer and, in particular,

identifies risks which may derail the project and how these will be controlled;

- Having a communications protocol that identifies who will communicate with whom, when and in what format to include adherence to data security protocols. In addition, when people are working remotely, encouraging them to maintain contact and discuss issues as they arise, as if they were physically in the office; and
- Having a scheduling tool detailing the tasks within the project, their duration and which team member is responsible for each.

Travelers insight: Ensuring data security

Remote working raises the risk of a data security breach. You can help control this risk by:

- Ensuring that all hardware incorporates data encryption and that people have the right equipment to protect data when working remotely;
- Raising awareness about the need to protect physical assets. Secure computer hardware and be vigilant when handling and storing papers away from the office; and
- Enhancing security around remote working with two-factor authentication.

Claim example – Travelers recently dealt with a notification regarding a firm's employee that had used a personal email address to transmit commercially sensitive documents. The personal email address was used because the employee was working remotely. The documents were sent without password protection.

The client discovered this and advised they would hold the firm responsible if any damage was caused to their business as a result of the document being intercepted. The chance of this happening is greater if individuals are not set-up to work remotely in the correct way with appropriate security protections.

Travelers insight: Stress and comfort

Homeworking can result in a level of remoteness from the workplace which might not suit everyone. Depending upon individual home circumstances there may be difficulties in effectively delineating between work and home life, which may introduce stresses. Staff may also feel isolated and experience a level of 'cabin fever' due to lack of contact with others.

Keeping in regular contact with remote workers becomes more difficult so detecting stress is more problematic. At the same time flexible working can be very beneficial, so undertaking reviews with staff regarding their preferences, their work life balance and connectivity with colleagues and the business is very important.

Employers need to ensure the suitability of workspaces used by staff working from home. There can be some conflict between the desires of staff to have aesthetic furniture which is sympathetic to their home, versus the need to have office furniture which ensures a safe and comfortable workstation set-up. Employers can either consult with homeworkers to agree a range of suitable furniture or provide an allowance and suitable guidance to ensure that appropriate furniture is purchased. Staff should also be asked to complete a workstation assessment to identify any potential discomforts.

Employers also need to ensure that any electrical equipment supplied (e.g. printers, screens, computers) is subject to periodic electrical tests in order to ensure that it remains safe for use. Typically this is most easily arranged by maintaining an up to date asset register and using a contractor to undertake periodic tests.

Maximising client engagement

Collaborating with colleagues is one thing, but of even greater importance to firms is collaborating with and engaging with their clients. Many are altering their legal workspaces to better facilitate this.

An increasingly popular way of doing this is through introducing client lounges, where clients can come and work even if they are not necessarily meeting staff at the firm. This capability will form an integral part of DLA Piper's new London office.

"We want clients to come into our offices to work should they want, even if they are not meeting with us," said Andrew Darwin. "We want to create an environment where some longstanding clients could be given a security pass and just come in and use some of the offices."

Although only a subtle change, some firms have established client meeting rooms that are outside the secure work areas for which security passes are needed. It may sound like a minor change, but it has had significant results at Bird & Bird's new offices.

"We have installed a particular set of meeting rooms that can be accessed from the lift core without a security pass," explained Perry. "This means that clients can be in those rooms on the right side of the security barrier, but they are on the same floor as the lawyers they are working with. So if there is a late night deal or you are returning to the office after a morning in court you can have a meeting in close proximity to where all the documents and lawyers are. This has been brilliant."

"We have installed a particular set of meeting rooms that can be accessed from the lift core without a security pass."

Conclusion

"Balance" is the key word when exploring innovative working arrangements. An open plan office is great in promoting collaboration but provisions need to be made so that fee-earners can work in a quiet environment when required.

There are also confidentiality issues that need to be carefully considered. Likewise, agile working is vitally important in retaining top talent, not to mention promoting diversity. But get the balance wrong and firms will end up with a fragmented workforce which discourages communication. And collaboration can't happen without communication. There are also some important information security vulnerabilities that go hand-in-hand with remote working that need detailed attention.

Firms therefore need to spend time thinking through the benefits and risks of new working procedures.

It's also worthwhile involving your risk team when evaluating working initiatives. Leases can often last for over twenty years, so it's imperative to give these issues considerable thought.

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