

THOMSON REUTERS ELITE CASE STUDY MOURANT OZANNES

STANDARDIZED 3E PLATFORM ENABLES SINGLE FIRM VISIBILITY

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PIONEERING A NEW PATH FOR GROWTH

Mourant du Feu & Jeune and Ozannes, two leading offshore law firms, merged to create Mourant Ozannes in June 2010. The new firm profile included more than 200 fee-earners and 50 partners practicing law from offices in the Cayman Islands, Guernsey, Jersey, and London, making Mourant Ozannes one of the world's largest offshore law firms.

One of the first post-merger priorities was to get both firms on the same technology platform before the start of their next financial year. Fortunately, Mourant had deployed 3E® prior to the merger in its four offices. 3E is a core financial and practice management system featuring built-in application development capabilities. Mourant selected 3E because it enables the firm to be more agile in responding to their business and client needs.

The decision was made primarily because the firm's legacy practice management system was unsustainable. Microsoft® Dynamics® application was linked to a bespoke billing system that wasn't truly integrated, requiring specialized in-house skills to keep the system running.

Management saw the benefit of integrating time entry directly into a centralized general ledger (GL) across all the offices. Because this was a manual process within the old system, it was difficult for management to get a snapshot of the overall financial health of the firm at any point in time.

Mourant was considered a pioneer for implementing 3E shortly after it was available in the European market. Deploying an "industrial strength" technology solution certainly posed challenges for the firm. Not only was it an early version of 3E, but Mourant Ozannes manages a highly sophisticated transaction masking system that requires robust accounting capabilities.

"Our business is getting more complex, and our footprint is becoming more varied as we expand," explains Peter Pichler, COO. "3E allows us to monitor and control these complexities in a way that we haven't been able to in the past."

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COO

MASTERING THE CONVERSION

To address these challenges, the Mourant Ozannes implementation team worked closely with the Thomson Reuters Elite Team to develop a four-phased conversion process. Three conversions were technical in nature to make sure the data from the legacy system was mapping correctly to 3E. The final conversion was to ensure the business and accounting rules were set up properly within 3E.

When they performed the final go-live conversion, it was "a non-event" according to Tim Haley, Head of Business Change, because they had thoroughly tested the system. Now that the team will have completed four conversions in the last 16 months, they feel confident in their ability to handle the majority of this process with limited help from the Thomson Reuters Elite Team.

In fact, they have continuously improved on their down time. Whereas the first conversion required about 14 days of downtime, they anticipate their last office conversion will need only a week of downtime.

The conversion process has also demonstrated the flexibility within 3E's development environment. During the initial conversion the team created strict controls on the billing process, which they found too restrictive in the live environment. They were then able to refine certain parts of the process as needed.

"We were easily able to create these types of controls in 3E and just as easily relax them to fit our evolving needs. It is a great example of 3E's flexibility," says Pichler.

MOURANT OZANNES

As a result of the merger, Mourant Ozannes is one of the largest offshore law firms with 200 fee earners and 50 partners across four offices. The firm holds the highest number of top tier rankings across the Channel Islands, including Chambers Europe, Chambers Global, International Financial Law Review, Legal 500, and PLC Which Lawyer.

CHALLENGE

The firm's previous software system was inefficient and unsustainable to support its growth

WHY 3E?

3E provides a next-generation platform that offers a single solution across all offices for better visibility into the financial health of the firm.

BENEFITS

- More accurate financial reporting
- Better awareness of time capture
- More accountable Acceptance of New Business and Conflicts process
- Centralized control over the billing process
- More efficient month-end process
- Better management through dashboards

A SINGLE PLATFORM FOR BETTER VISIBILITY

By far, the biggest benefit of deploying 3E is the ability to operate as a single firm within eight months of the merger. “We have the same technology platform, operating with the same controls and running the same processes, which will start to give us the information we need to run this business effectively,” says Jonathan Corfe, Business Operations Manager.

This enhanced level of visibility and transparency has also impacted other areas of operation.

“We now know that our financial data is accurate and precise, which gives us a truer picture of profitability in each location.”

Tim Haley
Head of Business Change

More accurate financial reporting

Although the team has merely scratched the surface of 3E’s accounting capabilities, they have a much clearer view of where the firm’s revenue is coming from across jurisdictions and are able to drill down for further explanations when needed.

For example, lawyers often complete work on behalf of other office jurisdictions. Now the financial team can credit that revenue back to the office where it was generated on a more equitable basis. So if staff in Jersey performed a task for the Guernsey office, Jersey would be recognized for generating a portion of the revenue. “We now know that our financial data is accurate and precise, which gives us a truer picture of profitability in each location,” says Haley.

One particular project that is putting 3E to the test is running all costs of the merger through the GL to measure how much it is costing the firm. Again, this would be very difficult or impossible to do with the legacy system. The team is able to track costs on a monthly basis and generate reports to track key metrics.

Better awareness of time capture

The firm has experienced a marked improvement in the promptness and accuracy of time entries. 3E can be configured to send personalized email reminders about any missing or pending time, which has made the staff more aware of their time recording. Pichler quoted a partner commenting that the 3E time entry system is so easy to use that he believes he is recording more time!

More accountable Acceptance of New Business

The team was able to redesign their paper-based new business process around 3E, with more controls and accountability. Users can track where the creation of a client and matter is in the process so it doesn’t stall. Temporary matter functionality is widely used, where staff can capture time spent on a client at a very early stage of a potential new matter and then convert it when the matter is officially established.

Centralized control over the billing process

The financial team now has more visibility over all invoices and visibility into all time entries, write-ups, write-downs, and WIP across each office, which was difficult, if not impossible, to track in their old system. Invoices are generated more quickly and consistently and are no longer sitting on someone’s desk for a long period of time. “3E gives us a lot more control over the environment to more efficiently manage our billing process,” says Pichler.

More efficient month-end process

“With these basic controls in place, there’s no doubt our overall month-end process has been reduced,” says Donna Gramolt, Finance Controller. “Prior to 3E, we would have to manually reconcile several spreadsheets that contained data that was not easy to verify. Now we just press a button to generate month-end reports and it’s done. We’ve been able to shave days off our process and we’re more confident in the numbers.”

Better management through dashboards

3E enables the firm to post tailored reports on the desktops of lawyers and secretaries. “Now when they log in each morning, reports are presented that relate directly to their portfolio of matters. They no longer have to go looking for what they need,” explains Corfe. For example, partners receive a working capital report on their dashboard where they get an instant snapshot of WIP and AR on the matters they are responsible for, which can be broken down by fee earner.

“I am certain that any information we want to track exists within 3E,” says Pichler.

LESSONS LEARNED FOR SUCCESS

As an early pioneer of 3E, the team has learned many lessons and recognized the need to take full ownership of the platform. “3E is a complicated system with numerous options. Our first objective is to understand and tame the system so it works in the fashion that we require,” notes Pichler.

For example, the team has been fastidious in keeping core control elements clean, namely the posting results and post queue data, which they feel are the two main indicators of the health of their accounting records. Along with 3E Support, they spent time and resources to make sure these always remained in good working order and didn't become out of control. Although the team knows there is more work to be done, they are comforted knowing the system is working like it should.

Ultimately, the team at Mourant Ozannes knows they are operating a new accounting system with lots of potential and have developed extensive experience of 3E. "It's good to have a market-leading product that we expect to grow with us for the next 20 years," says Pichler.

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To learn more about 3E or for a global list of office locations, visit elite.com.

