

ELITE CASE STUDY ALLEN & OVERY

A PREMIER GLOBAL LAW FIRM REAPS BENEFITS OF 3E UPGRADE



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ONE VERSION OF THE TRUTH

It's no wonder that Allen & Overy (A&O) requires a sophisticated financial and practice management system that addresses its complex business and operational needs. The global firm currently operates 36 offices in 26 countries with more than 2,800 attorneys and more than 5,000 total employees.

A long-time Elite Enterprise client, the firm experienced steady growth over the past several years. But as the growth rate increased, client demands became more involved and local tax and accounting compliance became more critical, the firm reached a point where it needed a more advanced business operating platform that would enable the firm to reach a whole new level of efficiency.

After a year of intensive due diligence, the A&O team selected ELITE® 3E. 3E offers powerful core financial and practice management features and built-in application development capabilities—all seamlessly integrated into one global system. In March 2009, A&O became the largest international firm to go live on the system.

"Any technology investment we make must enable the firm to operate more efficiently and ultimately be more responsive to our clients," says Brian Dunlop, Chief Financial Officer, London. "3E not only delivers relevant information to decision makers throughout the firm, it also allows the firm to operate in a more consistent, streamlined and ultimately more efficient manner."

Furthermore, A&O now has a single financial and practice management system for the entire firm. This has implications in many areas including the elimination of local third-party accounting software, global standardization of processes and procedures, such as billing, and a single database that produces one version of the truth for all firm data.

"All of our reporting comes from 3E, so that a partner in Australia is seeing the exact same data as a partner in London, all of which is delivered in close to real time. Although we had global reporting capabilities previously,

much of it was manual and paper-based, which could cause significant delay," adds Group Head of Finance Helen Sheeran.

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Brian Dunlop
Chief Financial Officer, London

3E PROVIDES COMPLIANCE, CONTROLS AND GROWTH

In addition to providing a single technology platform, 3E was placed at the top of A&O's list because its modern architecture could support the firm in three main areas: compliance, controls and future growth.

Compliance

Before 3E, the firm was maintaining nine different local accounting systems in order to be compliant with local accounting and tax laws, which required re-entry of data and manual spreadsheet-type reporting.

3E eliminated the need for these third-party systems and has made it significantly easier to introduce new legal entities into the system. Since the firm went live on 3E, three new offices have been established and the team was able to seamlessly port 3E's Web-based interface to each desktop. 3E features full support of multi-currency and multi-jurisdiction accounting and it has been approved by local tax offices in most locations worldwide. Plus, users have the advantage of entering data in their native language, including full local character sets where needed.

ALLEN & OVERY

Allen & Overy is a global law firm with 36 offices in 26 countries and more than 2,800 attorneys in a staff of more than 5,000.

A member of the UK's Magic Circle of leading law firms, Allen & Overy is widely considered to be one of the world's global elite law firms, advising national and multinational corporations, financial institutions, and governments.

MISSION

To unify the firm on one financial and practice management system for local accounting compliance, embedded controls and support for future growth.

WHY ELITE 3E?

3E is a next-generation financial and practice management system that accommodates the sophisticated requirements of a global law firm.

BENEFITS

- More accurate and accessible data provides one version of the truth for all users
- Flexibility to proactively respond to business needs
- Provides significant headroom for future growth

“There’s no question that 3E is able to meet the specific billing requirements of a global law firm.”

Brian Dunlop
Chief Financial Officer, London

For internal compliance, 3E provides very powerful billing functionality that supports how a global firm operates. A&O’s clients have quite complicated billing requirements and 3E allows the Finance team to analyze and organize data all the way down to individual time cards on a global basis.

“There’s no question that 3E is able to meet the specific billing requirements of a global law firm,” says Dunlop.

Controls

Providing global legal services is a highly regulated endeavor, requiring enforcement of controls via a practice management system to ensure protocols are followed correctly. Through 3E’s built in workflow and security roles, client information is properly entered in all fields and accessible for editing by only select staff. This level of control also helps mitigate risk in Conflicts searches through comprehensive and accurate checks.

As another example, A&O recently implemented a write-offs workflow process whereby attorneys must seek approval for write-offs above a certain amount and below a certain profitability margin. This built-in authorization allows management to control and analyze such write-offs on a global basis.

“Our understanding of what is being written off and the reasons why has improved enormously. We are now able to manage this in a proactive rather than reactive fashion,” says Dunlop.

Growth

As noted, A&O has already added three new offices since implementing 3E. In fact it has opened a total of 12 new offices in the past four years—giving it the largest global footprint of any of its major competitors. This is a trend that is expected to continue and A&O is confident that 3E will be able to support future growth of the firm.

“3E is a technology built for the 21st century that is scalable and in line with the potential growth of the firm,” says Sheeran.

STANDOUT FEATURES & BENEFITS

Customization: The ability to integrate the firm’s business rules into 3E workflows has standardized most routine tasks. In the case of billing, everyone performs the same function each time to raise an invoice. The flexibility of 3E enables the firm to create enhanced processes from scratch or to simply embed the firm’s existing business rules.

Analysis: The way data is structured within 3E allows the Finance team to easily slice and dice it to develop an endless range of reports—both regular and on demand. “The accessibility and quality of the data is a major improvement on what we had previously,” adds Sheeran.

In particular, 3E has improved the ability of the Finance staff to analyze profitability at a client and matter level. Now they can measure its margins from standard prices and not on agreed-upon prices on a client basis. And 3E can automatically allocate client volume discount arrangements across matters and timekeepers.

Dashboards: One of the first tangible enhancements the firm experienced with 3E is the use of Dashboards. Every user has their own view of key performance indicators (KPIs) and other relevant information to do their jobs more efficiently. Whether it is a secretary keeping up with billing, an attorney working on a specific file or a partner who wants to review billable hours in their department—all the data can be easily accessed through their Dashboard.

Partners also have access to all the financial information they need to manage the firm’s overall relationship with a client institution, while at the same time giving matter partners all the financial information they need to keep the client informed about fees on individual matters. The Dashboards are Web-based via 3E, so partners can access these sophisticated tools in the office, at home or when travelling.

BIG BANG IMPLEMENTATION

The A&O implementation team was serious about using 3E for the same functions across the firm. Every single office went live on the system the same day, which was an enormous undertaking. A&O worked with the Elite team to closely manage the scope of the project, which led to a strategic list of items that were “de-scoped” from the initial implementation.

"At first, 3E was like a shiny new toy. We were excited about all the potential functionality we could gain right away. However we didn't want the implementation to get out of control, so we focused on the elements of key importance," explains Dunlop. "The adoption process was by no means painless, but we did ensure that the project was properly resourced for the scale of what we were implementing."

"We are excited about the tremendous potential within 3E that we have not yet tapped."

Helen Sheeran
Group Head of Finance

LESSONS LEARNED

If they had to do it all over again, the implementation team would not change the Big Bang approach to going live. However, they would have changed how they delivered training. Bringing all the Finance staff to London for in-depth training by those Finance staff who were involved

with implementation worked well. However, attorneys and secretaries were trained by the IT training team who didn't have the same deep understanding of 3E, which proved problematic.

"It seemed like a good idea at the time, but in retrospect we should've had the Finance team—who really knew the system well—deliver the training so they could effectively respond to all the questions that came up," says Sheeran. "This didn't give the best possible impression of 3E in the beginning and so attorneys and secretaries had difficulty embracing the system. We hope that other firms can learn from this."

Dunlop and Sheeran have been active in the 3E user community as it has proven to be a valuable resource. "We are thrilled to see more peer firms of all sizes implementing 3E, which we feel will strengthen future development of the product and benefit all users," adds Sheeran.

JUST THE BEGINNING

For A&O, going live on 3E was just the beginning "We are excited about the tremendous potential within 3E that we have not yet tapped."

For more information about ELITE 3E, visit elite.com.



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