Survey Report for 2022 SKILLS

Strategic Knowledge + Innovation Legal Leaders' Summit

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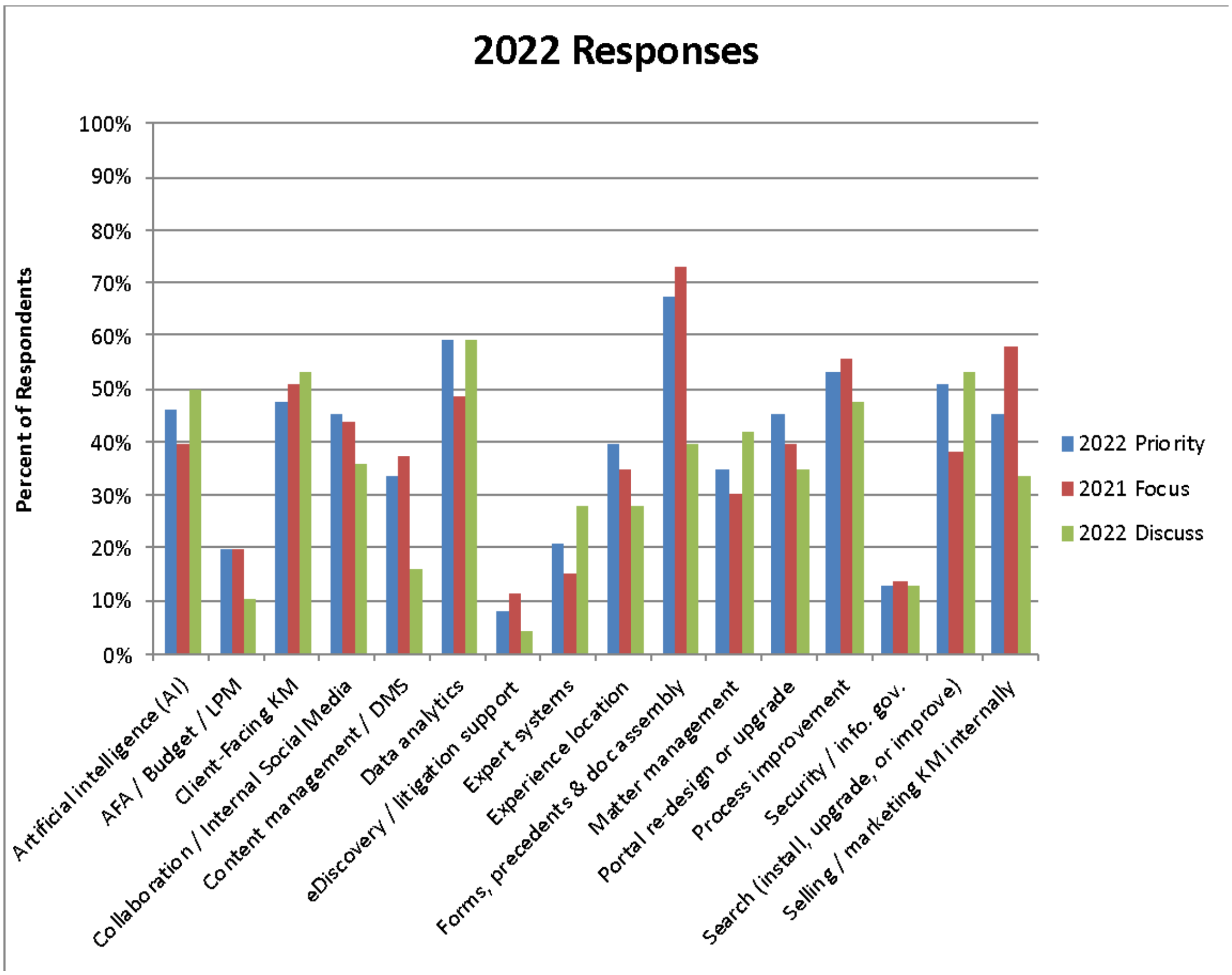
NOTE: Because of liberal use of charts, many pages have substantial blank space at the bottom.

Summary of 2022 Responses

In preparation for the 2022 Strategic Knowledge + Innovation Legal Leaders' Summit, an annual private meeting for knowledge management and innovation leaders of large law firms, we surveyed our members. This report analyzes the 86 responses from leaders at firms in the US, UK, Canada, and Australia. Respondents answered several questions, including three we ask each year:

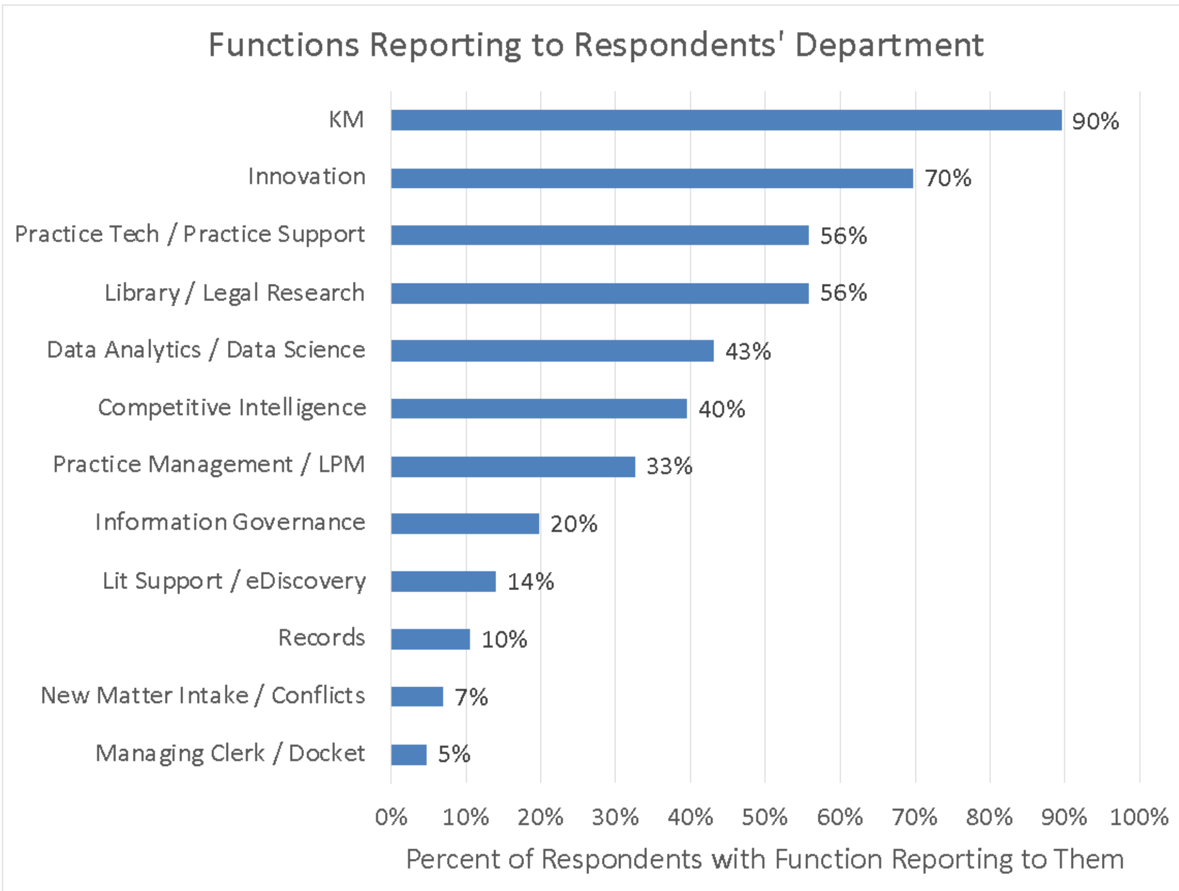
1. Work done in the past year, 2021 ("Focus").
2. Priorities for next year, 2022 ("Priority").
3. Topics of interest to discuss during our January 2022 virtual meeting ("Discuss").

We administered the survey between September and November 2021 (see the Appendix for survey details). Respondents answered with free-form text and tagged their answers with a defined vocabulary. These tags serve as the X-axis labels for all charts below. Note that this year we slightly modified answer tags, breaking out artificial intelligence (AI) and data analytics, which we had previously combined. The chart below shows the 2022 results.

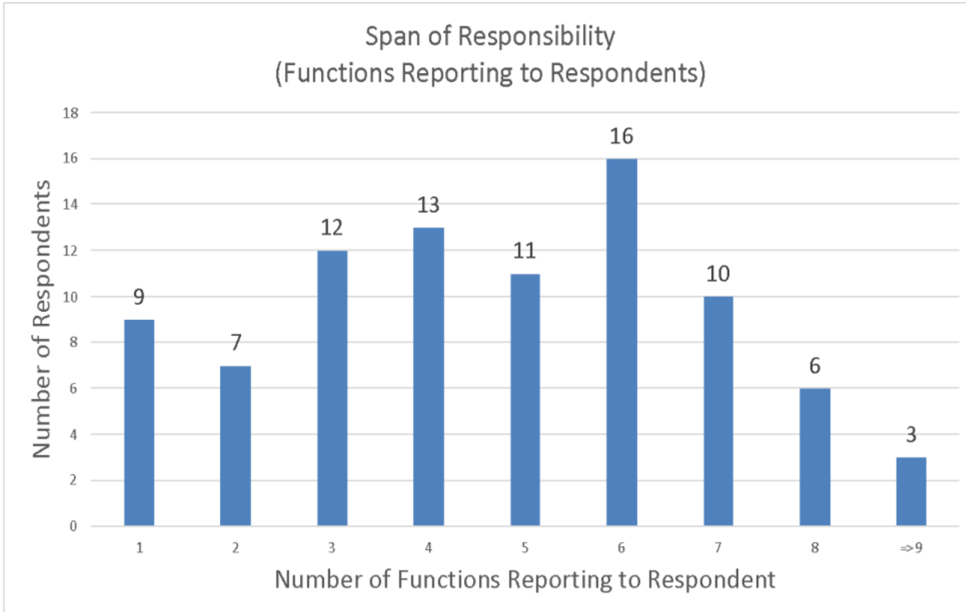


New This Year: Functions Reporting to Respondents

This year we asked respondents to list functions reporting to them. Not surprisingly, KM and innovation dominate but many of our members have multiple other functions they oversee:



The chart below tabulates how many other functions report to our members. Over one-half supervise five or more functions. The chart below shows the exact distribution of the number of functions managed by respondents.



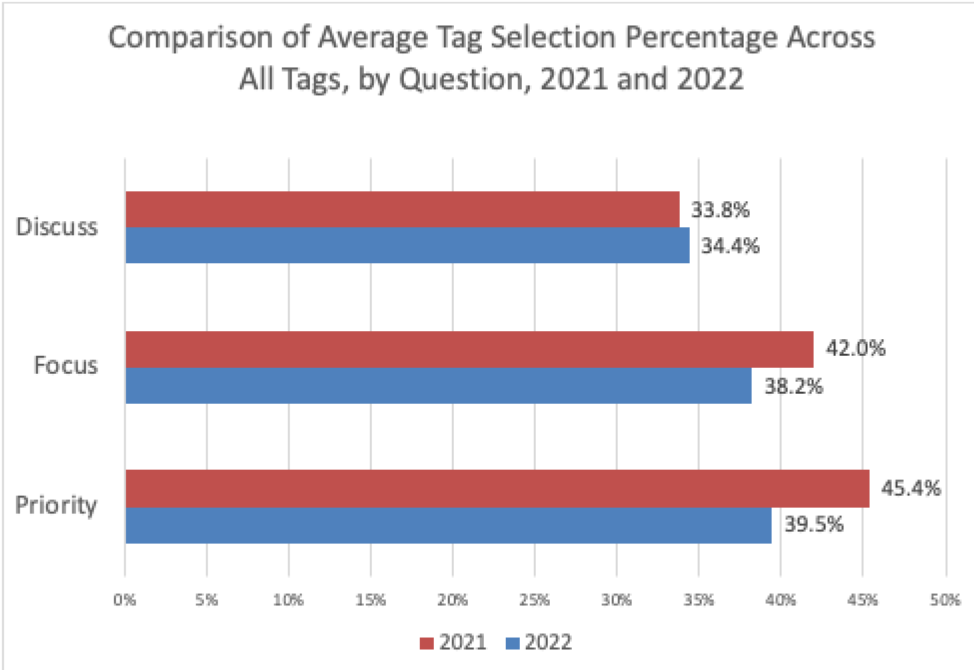
These data suggest that some of our members have many practice-facing and support functions of their firms reporting to them. And that poses an interesting question of whether more firms will consolidate practice functions under a single leader over time.

The Pandemic Has Not Changed Long-Term Trends

Last year we saw, not surprisingly, that the pandemic changed the Focus of our respondents. The return to stable, longer-term trends becomes apparent with the results this year, as discussed in the next three subsections.

A Tightening Focus

As we have reported for years running, visually comparing the 2022 summary results (chart in the first section above) with prior-year ones show few significant changes in the overall pattern. We did note, however, that the 2022 summary bars seemed lower than in 2021. To check our visual read, we computed the average tag selection percentages for each of Discuss, Focus, and Response. Sure enough, for Focus and Priority, the average response rates for 2022 (blue) are lower than in 2021 (red):

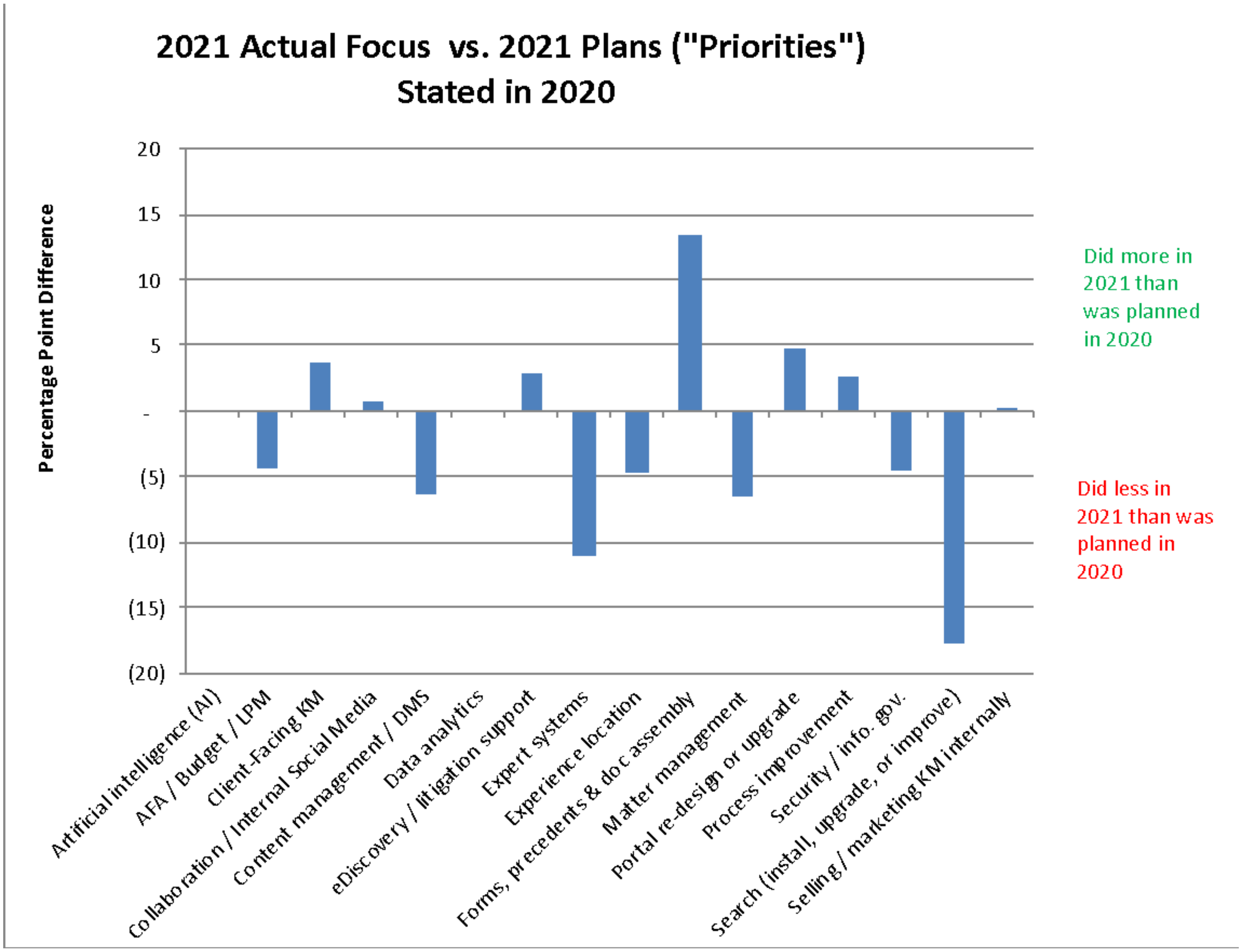


More specifically, Focus is down about four points and Priority down six. We are not certain these changes are statistically significant. Aside from that caveat, we have several theories about this. First, the change could mean our participants are more realistic about 2022. Second, respondents will be spread less thinly in 2022 than in 2021. And third, the drops may reflect the impact of the pandemic.

On pandemic effects, we know from our 2020 survey, and from many discussions in the last 18 months, that KM and innovation professionals had to support transitions to work from home and, subsequently, support expanded use of collaboration technology. With many of the pandemic transitions in how we work now behind us, however, our group had fewer distractions from core KM and Innovation activities, both in 2021 and looking forward to 2022.

2021 Largely Played Out as Expected in 2020

The return to stability is also apparent in comparing what respondents did in 2021 with what they had planned to do based on their year-end 2020 responses:

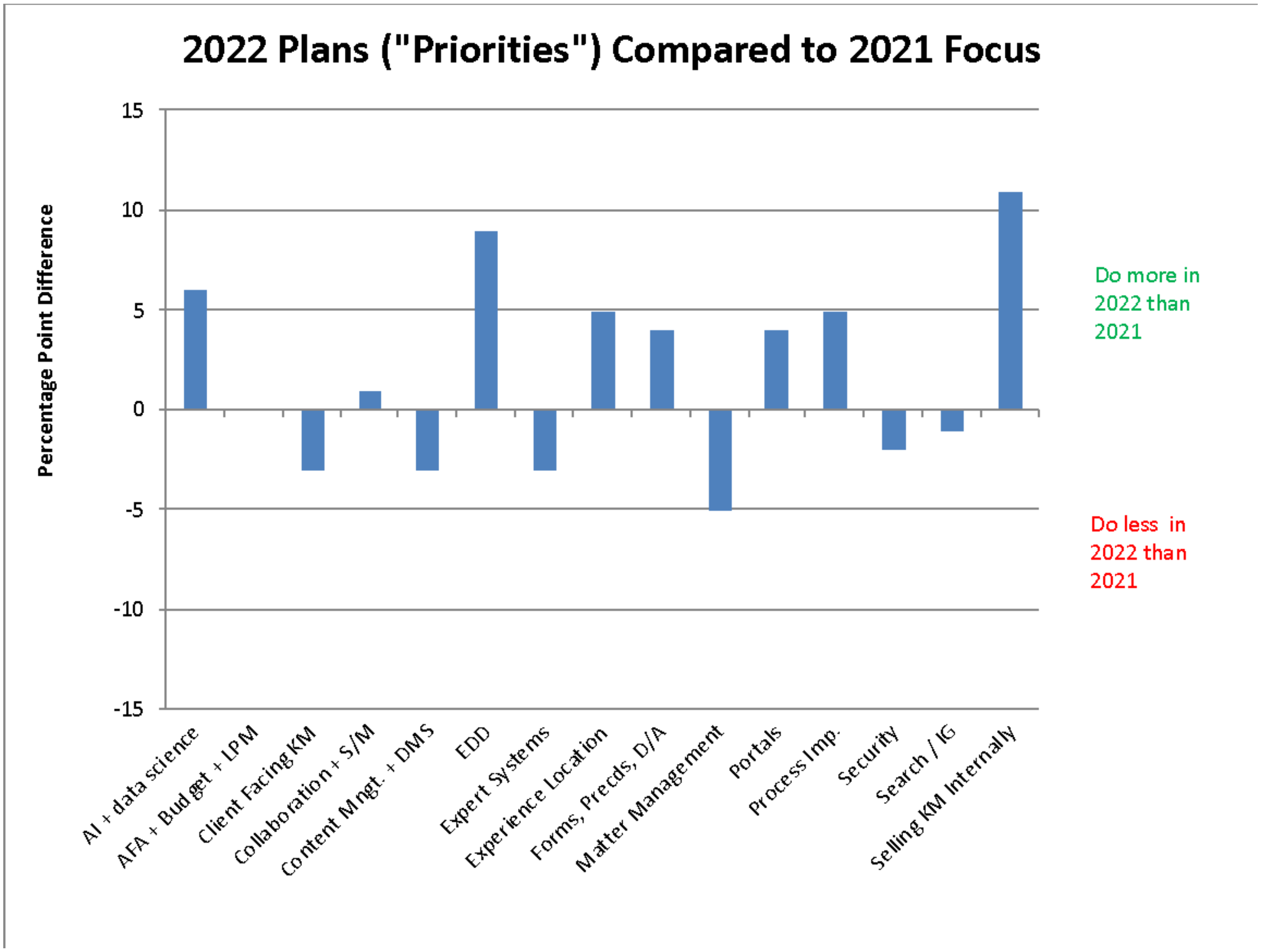


The equivalent chart last year showed bigger changes across the board, reflecting the need to respond, at least short term, to the immediate pandemic impact. The magnitude of changes here is relatively small and comparable to what we have seen pre-pandemic, with one exception.

The outlier is search, with less done than planned. Our hypothesis – and this stems from community discussions, not the data here – is that many firms encountered unexpected challenges with upgrading or migrating search strategy and systems. Conversations suggest that a combination of data clean-up challenges internally and product issues (*e.g.*, challenges of indexing cloud instances of document storage) meant that fewer firms improved search than had hoped or expected.

2022 Likely Will Look Similar to 2021

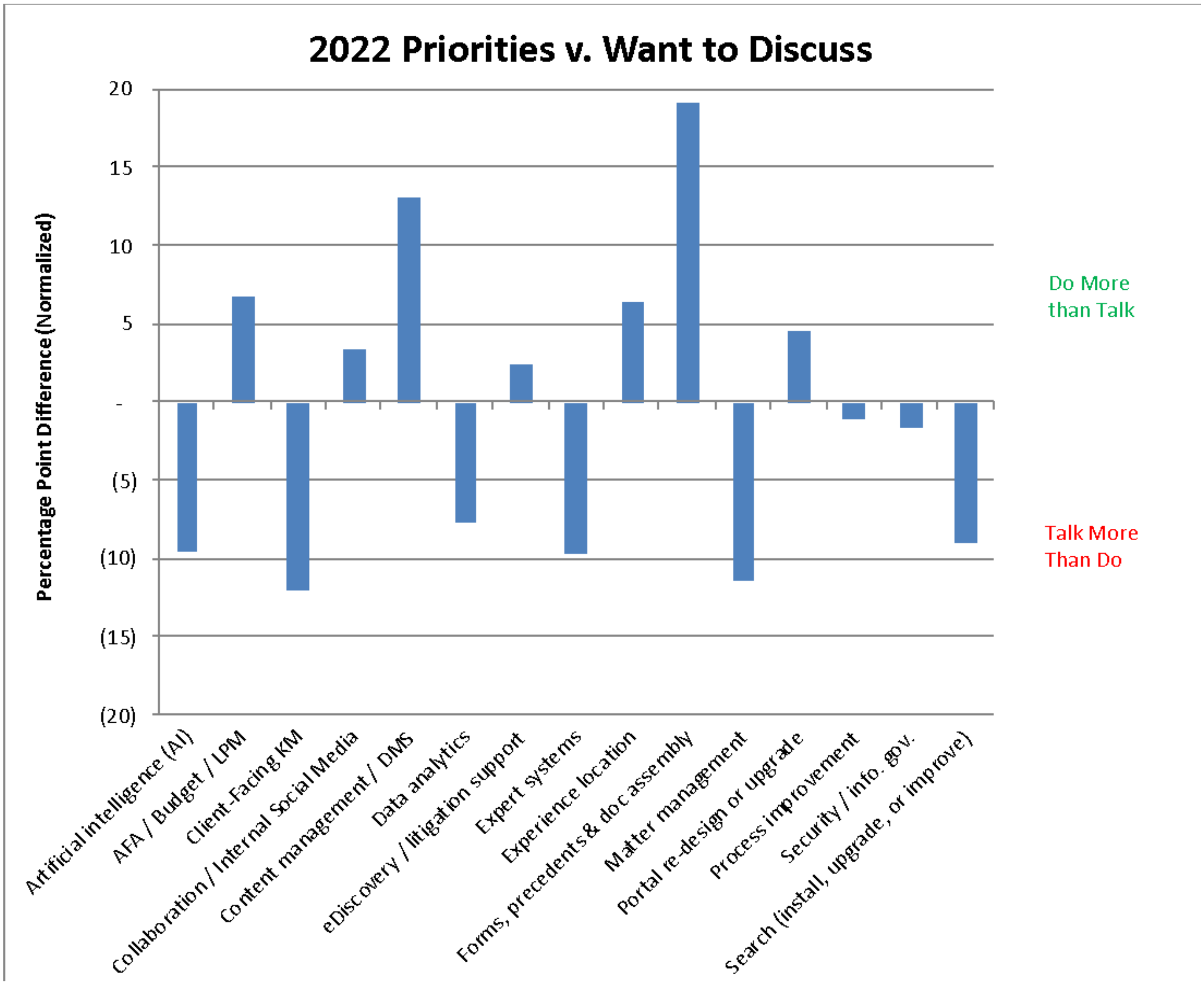
A comparison of 2022 plans and with actual 2021 focus shows relatively few changes:



In our view, these expected shifts are rather small and signal few big changes ahead. Of course, that could change but the data suggest that the impact of the pandemic on the work of KM and innovations professionals is now in the rear-view mirror. Commenting on the biggest expected shift, more emphasis on selling KM, we think that reflects a return to the status quo ante, returning to longer term trends and moving beyond the COVID distraction.

2022 Priorities Compared to 2022 Discussion Interests

Each year we compare respondents' Priorities ("Do") with what they would like to Discuss ("Talk"). The chart below shows this comparison.



We expect some variance between these two sets of replies, if only because of the passage of time and some changes in the respondent set. Consequently, we focus only on the three tags with differences of 12 points or greater:

- Client-facing KM, with 12 points more talk than do, is perennially a favorite topic where aspirations exceed action.
- Content management and DMS, with 13 points more do than talk, has never been a popular discussion topic. This is a difficult project with many moving parts such as data clean-up and more-than-usual change management challenges. We generally understand what needs to happen – it's just that doing it is rather hard.
- Forms and precedents, with 19 points more do than talk, is a long-standing and core function of KM. We know how to do it, it is hard, and it lacks the "sex appeal" of other topics.

We are somewhat surprised that neither AI nor data analytics showed larger “talk than do” results. In years past, the combined AI-data analytics tag regularly showed one of the bigger variances. We think that both have now been around long enough that expectations and actions have normalized.

Conclusions

To the extent that COVID disrupted KM or innovation, the firms represented here are back on track in pursuing both. In our tag analysis and reading the full text of respondents’ answers, we see both continuity and change.

The continuity is reflected in building, improving, and expanding core KM pursuits such as Intranets, precedents, and enterprise search. The change is reflected in how much more focus in recent years we see on innovation, AI, data and data strategy, and the cloud. And on those topics, we see increasing maturity, for example, firms moving DMS to the cloud and AI as a service within applications versus as stand-alone pursuits.

We also have some thoughts about titles. First, many of our respondents have Knowledge or Innovation in their titles and many oversee both. But some firms have separate senior leaders for each. We think these titles will continue to evolve. Second, we are struck by how many functions have been added this century: Practice Management / LPM, Competitive Intelligence, Data Analytics / Data Science, Practice Tech / Practice Support, and innovation. While elements of some of these functions existed previously, they have become entire departments, at least in some firms. Finally, we are struck by the number of functions reporting up to the KM – Innovation roles. When those roles were created, it was not obvious at the outset that so many functions would be moved under them. We think this reflects the increasingly pivotal role KM and innovation leaders have spanning practice and business management.

We conclude with a provocative question about titles and the number of functions reporting to KM and innovation leaders. Will some firms move to a new staff structure that replaces the COO with two heads that report to the managing partner (or chair), one for operations and finance, and one for practice support/legal service delivery?

Appendix: About This Survey

The Questions Asked and Chart Labels

At the end of each year, we ask three primary questions, listed below. The quoted parenthetical text corresponds to chart labels that appear in this report.

1. What are your top priorities for 2022? ("2022 Priority")
2. What did you focus on in 2021? ("2021 Focus")
3. What would you like to discuss with the group in 2022? ("2022 Discuss")

Survey Demographics and Caveats About Interpreting It

Here are demographic and other details about the survey that highlight potential limitations:

1. *Firm Size and Location:* Most respondents work at US, Canadian, and UK firms with 500 or more lawyers.

2. *Survey Not Representative of Market.* We survey large law firms with one or more senior KM or innovation professionals. Firms with these professionals are not necessarily representative of all large firms.

3. *Respondents Provide Free-Form Text Answers and Tag Answers:* Respondents answer each question with free-form text *and* tag their answers with one *or more* of 17 defined topics (tags). These tags, listed below, inform the survey interpretation.

   Artificial intelligence (AI)

   AFA / Budget / LPM

   Client-Facing KM

   Collaboration / Internal Social Media

   Content management / DMS

   Data analytics

   eDiscovery / litigation support

   Expert systems

   Experience location

   Forms, precedents & doc assembly

   Matter management

   Portal re-design or upgrade

   Process improvement

Security / info. gov.

Search (install, upgrade, or improve)

4. *Question + Tag Variation Over Time.* This year we split a single tag from prior years into two distinct tags: AI and data analytics. And we slightly renamed some tags though the concepts remain the same. Otherwise, our surveys since 2017 asked the same questions using the same tags.

5. *Caution on Year-to-Year Comparisons.* The table below shows the number of respondents and tags per answer for several years. When interpreting surveys over time, understanding changes in respondents and response options is key.

	2022	2021	2020	2019	2018
Respondents	86	93	68	101	107
TOTAL TAGS					
Priority this year	543	594	456	632	611
Focus last year	526	546	461	567	567
Want to discuss this year	473	444	311	467	434
TAGS PER RESPONDENT					
Priority this year	6.3	6.4	6.7	6.3	5.7
Focus last year	6.1	5.9	6.8	5.6	5.3
Want to discuss this year	5.5	4.8	4.6	4.6	4.1