

Best Practice Clinic: Best of both worlds

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By Greg Dwyer

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QUALITY CERTIFICATION FOR LEGAL practices has only been around in an organised way for about ten years. QL Inc (or Quality in Law as it was then known) was launched in 1994, Lexcel in the UK and the West Australian Law Society's Quality Practice Scheme in the mid-90s, and the ISO guide for the legal profession in 1995.

Despite its recognition by LawCover since 2002 as a basis for premium discounts, legal practices have not rushed into certification, with around 70 organisations (mainly private practices) certified by QL, mostly in NSW, and a similar number achieving ISO certification throughout Australia. The WA scheme, also attracting premium discounts, has been more successful with around 30 per cent take-up.

Nonetheless, a new certification scheme called Law 9000 has now been launched which claims to offer the best of both worlds by integrating the legal profession specific language of QL with the nationally-recognised ISO standard.

Law 9000

Law 9000 has two levels. Tier 1 *Legal Best Practice*, now in place; and Tier 2 *Excellence in Law*, based on the Australian Business Excellence Framework (as was QL III – IV), to be introduced later.

Tier 1 follows the structure and terminology of the AS/NZS ISO 9001 Quality Management Systems, integrating additional requirements from QL II Best Practice Gateway. It also includes the Legal Services Commissioner's requirements for appropriate management systems for incorporated legal practices.

Certification is carried out by SAI Global (Standards Australia), with SAI's well-known 5-tick logo, indicating the organisation is quality-endorsed to ISO, as well as a legal industry-specific logo.

In summary, the main points are: certification costs are higher than QL, but comparable to ISO; its certification logo is recognised nationally and internationally in the general business community; it is legal industry-specific; its language is more amenable to legal practices than ISO; it will require a more rigorous approach to systems and procedures than QL, including an identifiable internal audit process; certification will be for three years with a major audit in year one and six-monthly maintenance audits thereafter; QL certifications will lapse at the end of their current period, with the final expiry date 30 June 2005.

Implementation – what's different?

As part of the development of Law 9000, Wollongong firm Russell McLelland Brown, which was in the process of moving from QL II to QL IV, offered to trial the new framework. It was successfully audited by ISO to the new Tier 1, and is the first firm in Australia to be certified to Law 9000. What did the firm learn from the process? Managing partner Craig Osborne highlighted four main areas:

Rigour: "The assessment process involved far greater scrutiny and required a much more sophisticated written business strategy. While QL II required financial data, Law 9000 is concerned with how we use data such as client numbers, financial information, inactive files, staff, partner and client satisfaction, to manage our business. It is more balanced and three-dimensional, considering financial and non-financial aspects and things like strategic planning, processes, marketing and creating new products."

Innovation: "As part of our Law 9000 assessment process we developed a 'turnover matrix' which has become the engine room for production of our legal work and customer satisfaction. It ensures that no lawyer has too many files. When the lawyer reaches a set limit, subject to a client veto, new cases automatically pass to another lawyer. When all our lawyers reach their limit we hire a new lawyer. This is all about getting cases finished and providing staff and customer satisfaction, and has had an extremely positive impact on our business. Litigation-file turnover, for example, has improved by 25 per cent. Clients are delighted and all our lawyers feel they are getting their fair share of work."

Business Blueprint: "We had to produce a document available to all our staff explaining everything we do – every policy and procedure, staff and management issues. A living document, amended as we develop new strategies, we call it our 'Business

Blueprint' and it is currently around 300 pages long."

Examination: "The Law 9000 auditors were not lawyers, but from a range of business backgrounds. They brought with them a very different perspective, and were hard and rigorous in their examination of our management practices and business strategies. For example I was examined face-to-face for six hours about the firm's processes."

The actual cost to the firm in application, audit and registration fees, over the three years, is around \$12,000. Craig Osborne thinks it will be money well spent.