

A professional headshot of James D. Ford, a middle-aged man with short, light brown hair and a goatee, smiling slightly. He is wearing a dark navy blue suit jacket, a white dress shirt, and a blue patterned necktie. The background is a plain, light grey.

“Charting the future of the Legal Profession: A Blue Ocean perspective”

by James D. Ford GAICD, [iC][™] | Founder of Blue Ocean Law Group.

Introduction

This article shares my vision for the future of the legal profession. It is decidedly different, and boldly charts new markets rather than fighting for dwindling revenues and continual pressure on margins.

“Without the intervention of a lawyer”

Once large-scale automation of repetitive legal work has occurred, and this ability is placed in the hands of Clients (who will be able to satisfy their legal needs – “without the intervention of a lawyer”) this will forever change the legal landscape.

The Red Ocean will be in full-force, and old specialisations may not be enough to survive.

Lawyers may try new specialisations which might work to some extent. I predict that any advantage gained maybe only short-term.

To thrive and prosper, new skills and thinking will be required...

Blue Ocean Strategy, Design Thinking, Jobs to be Done, Multidisciplinary skills, Creativity, Legal Design, etc. will all have a role to play.

Lawyers will then have to ask, what else can we do to add value?

How can we move higher up the value-chain?

What products can we develop that can be duplicated, and sold many times over, rather than continuing to sell our time?

These are all questions I grapple with on a daily basis.

Let's start on:OW

Blue Ocean Law Group is a #NewLaw firm designed from a blank canvas embedding Blue Ocean Strategy in its DNA.

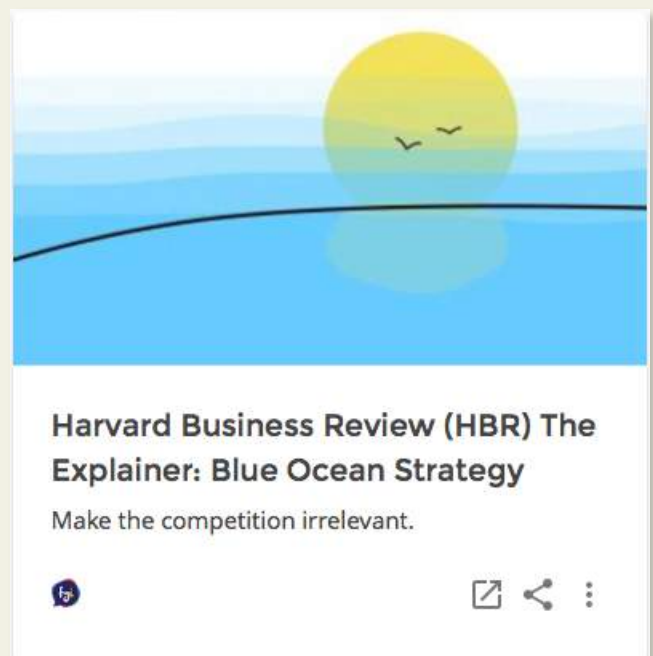
What does this mean I hear you asking!

First, let me begin by introducing you to Blue Ocean Strategy

What is Blue Ocean Strategy?

The term comes from a global bestselling business management book by INSEAD professors W. Chan Kim and Renée Mauborgne. The book was originally released in 2005 and has sold more than 3.6 million copies globally.

It is listed in the top 10 "must read" strategy books by Harvard Business Review, who have created a short video called *The Explainer: Blue Ocean Strategy*. (click box below)



The basic premise is that the existing legal industry is and will increasingly become a Red Ocean.

A mature market, with increasing levels of commoditization of legal services.

The common mantra for lawyers to focus on specialization, just splits up the market into smaller slices.

A focus on existing client needs provides incremental improvements. Cost-cutting pressures are driven by intense and increased competition, such as the entry of the BIG 4 accounting firms into the legal market.

Law firms are understandably conservative, and not currently highly motivated to transform in any way.

In 2018 we have had the perfect storm which has worked to rain money on traditional law firms, so it is currently not evident why they should change in any major way.

On the flipside, NewLaw entrants with Blue Ocean business models have launched and are making some waves, but so far, not enough to cause concern yet!

I am certain we are the focus of detailed observation, and already some NewLaw players have been acquired or funded by traditional law firms as a way to hedge their bets.

So let's call it an uneasy truce.

NewLaw have not yet barged their way into the main dining room. We are still in the reception area looking for opportunities to be invited in

It is only with an eye to the future that New-

Law, and also in my view Blue Ocean Strategy will take on increasing importance.

Blue Ocean opportunities once developed and formulated into differentiated, compelling, and profitable offerings: represent new markets with high margins, and no competition.

The objective is to protect and develop these opportunities to keep your ocean blue as long as possible.

What Clowns can teach Lawyers?

This article will help to explain how all this has relevance to the legal industry: What Clowns can teach Lawyers!



"What lawyers learn from clowns: Blue Ocean Strategy" -> Beaton Capital

Below you'll find an interview with Maciek Molynski from Beyond Billables (BB Podcast for Lawyers) where we discuss the application of Blue Ocean Strategy to the legal profession.



Value-focused

Blue Ocean Strategy® introduces the concept of “Value Innovation”.



Example: Decade Old + free technology -> Value Innovation

I often refer to our adoption of an online booking system as an example of one way a decade+ old technology (that is available for free) can be adopted by any law firm as standard practice.

It is a way to make it easier for prospective clients to select a time, location/appointment type that works best for them... be it, a phone call, videoconf., or face to face meeting.

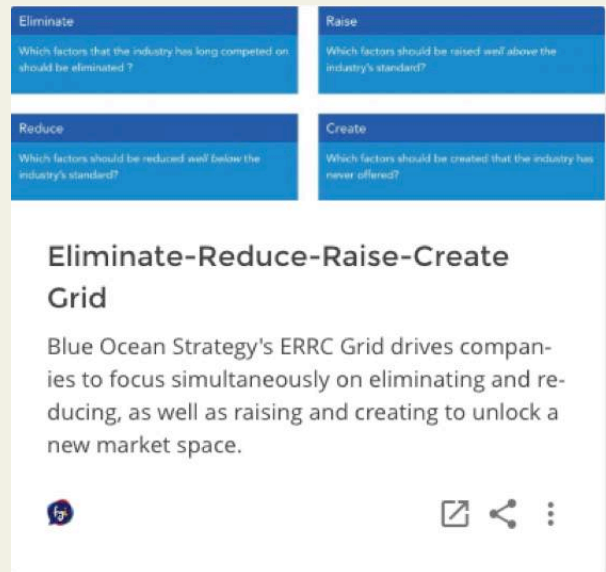
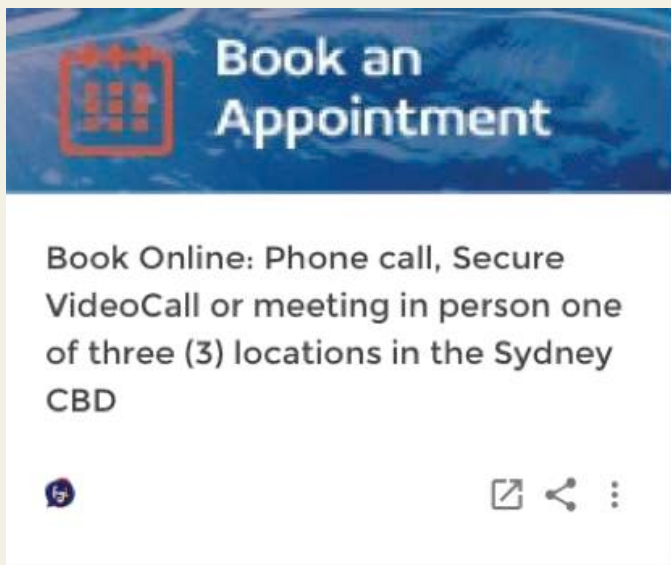
For out of town Clients, or where matters don't require a face-to-face meeting: if the law firm proceeds to offer and use a free and secure videoconf. tool like [Legaler.com] the potential market for legal services is greatly expanded, and the total technology spend starts from as little as \$0.

Taking this further, for face-to-face meetings, let's give the Client a choice of three potential locations in the CBD, or even [for paying Clients] the option of booking a meeting with our lawyer in their own office.

This is an example of “Value Innovation”, which breaks through the belief that it costs more to deliver more value.

Adding everything together, the entire Client experience is transformed, yet it actually costs us less to deliver this service than our competitors.

Here is a link to the more advanced [than the free services] online booking system we use that is specifically designed for lawyers called LawTap. (see box next page)



Introducing the ERRC Grid

The ERRC (Eliminate, Reduce, Raise, Create) Grid is a Blue Ocean Strategy tool that helps to provide the space for “Value Innovation”, which is at the core of creating Blue Ocean Opportunities.

Eliminate costs that don’t add value

The majority of New Law business models eliminate one of the largest fixed costs of traditional law firms, the long-term CBD Office Lease and the expensive foyer, reception, and fit-out.

Photos from 2 of our 3 co-working spaces in the Sydney CBD.





Clients are suitably impressed, collaboration with other innovative businesses are possible, and the risks + costs are negligible compared to leasing and fit-out at the top end of the CBD

office space market.

Reduce expenditure that doesn't add value

Use the savings to Raise and Create new value

Product, People, Profit

The point to raise here is that innovation is traditionally only thought about along one axis such as your product or service or how it is delivered.

This may not create much of a blue ocean... or if it does, it may not last very long... as it is simply too easy for your strategy to be duplicated.

Where innovation occurs simultaneously across your product/service, your business model, and the way it is resourced: this combination can be very difficult to emulate.

Blue Ocean Law Group have and continue to innovate across all three (3) aspects which will ensure our Blue Ocean market lasts as long as possible.

Blue Ocean Law Group –> Service + New Products

1. provide a better Client Experience than your traditional law firm;
2. offer complete flexibility to price on an agreed (fixed-fee) basis; and
3. offer new subscription style pricing models aimed at minimising business and legal risks so that clients can focus on what's important: their business;
4. extend past the boundaries of the traditional law firm to assist our Clients with Governance Renewal; Blue Ocean Strategic Services (BOSS), and Business and/or Legal Technology Solutions (BOLTS);

Blue Ocean Law Group –> People

1. pay up to 80% of legal fees to the lawyer;

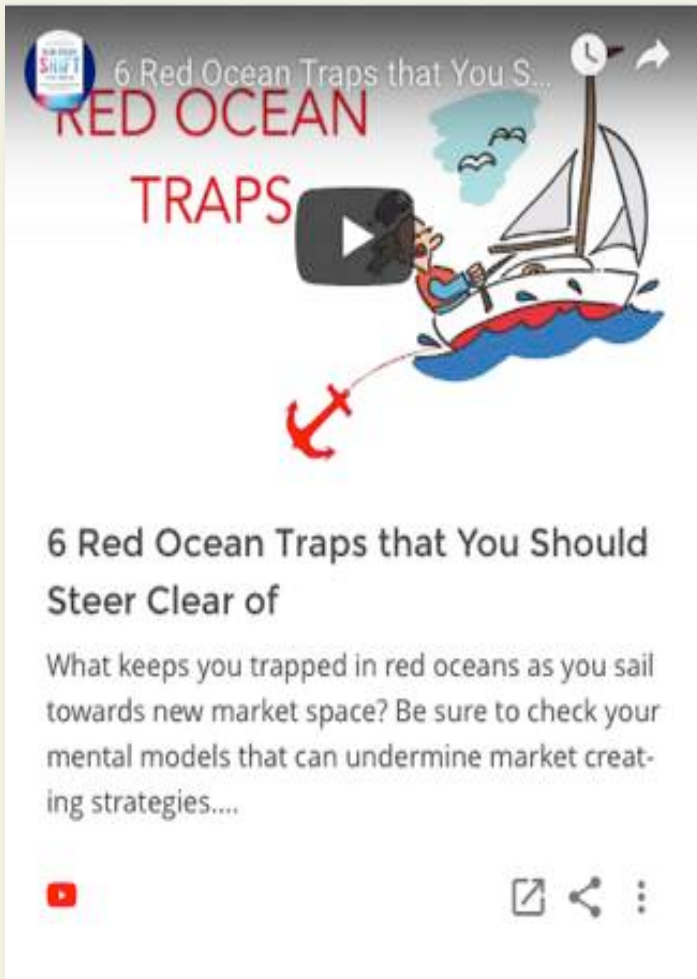
2. fast track path to equity discussions -> 12 months instead of 5-10 yrs;
3. lawyers have “a life”, with true work flexibility;
4. lawyers can develop multidisciplinary skills -> variety, deliver more value, multiple streams of income;
5. systems developed to save lawyers admin time, and so that lawyers can use their preferred devices from anywhere;
6. embedded fair process + transparency;
7. no inherent financial conflicts of interest or cultural friction which occur when traditional law firms acquire or plug-on New-Law business models -> who gets the new whale of a client? -> are external lawyers treated differently to internal lawyers? -> is equity on the table?

Blue Ocean Law Group –> Profit: Business Model

1. use online booking systems, outsourced call-centre -> no receptionist salary;
2. high quality co-working spaces -> no office Lease;
3. no salaried lawyers -> can hand-pick best legal talent as needed;
4. no up-front costs -> no need to take on debt;
5. leverage “Blue Ocean” brand -> “purple cow” stands out as different in the market [not Ford Lawyers which has no point of differentiation], therefore lower marketing costs;
6. multidisciplinary -> more potential streams of income for lawyers;
7. outsource paralegal/back office support -> only pay for when needed.

A focus on Technology alone is one of many Red Ocean traps

The problem globally is that there is too much focus on Technology (as a means to an end), and not enough focus on delivering Value to the Client.



What is needed is to apply Technology in such a way that compelling Value Innovation is created.

Extracted from Harvard Business Review article “Red Ocean Traps” by W. Chan Kim and Renée Mauborgne: “*At the time of the product’s release, a prescient Time magazine arti-*

cle about Dean Kamen, Segway’s inventor struck a cautionary note:

“One of the hardest truths for any technologist to hear is that success or failure in business is rarely determined by the quality of the technology.”

Value Innovation, not technology innovation, is what launches commercially compelling new markets. Successful new products or services open market spaces by offering a leap in productivity, simplicity, ease of use, convenience, fun, or environmental friendliness. But when companies mistakenly assume that market creation hinges on breakthrough technologies, their organisations tend to push for products or services that are too “out there”, too complicated, or, like the Segway, lacking a necessary ecosystem.”

Law Firms are too focused on the latest shiny technology

Law Firms in general are currently caught in this Red Ocean Trap. They are starting with the latest technology and then attempting to find a way to use it... this generally leads to a waste of time and resources, as some of the latest technologies are expensive, complicated + simply not yet ready to deliver on their hype.

Not enough space here to give justice to the depth of the Blue Ocean Strategic Planning process: Recommend you read the books/articles

There is insufficient space here to continue to elaborate on more of the frameworks and toolkits used in Blue Ocean Strategy. There are already two (2) books in print and many articles published in the Harvard Business Review.

Introducing the [iC]TM -> a Lawyer 2.0 version of General Counsel (GC)

Not being entirely satisfied with the attempts by others to coin a term to define the new breed of lawyers who will be needed to drive the legal profession forward into the future such as “T-shaped lawyer”, I started playing with terms of my own such as “hybrid lawyer”. This didn’t cut the mustard, so I continued my search.

Ben Chiriboga of Legal Sifter helped greatly when he suggested the “nearly there” term Innovation Counsel, earlier this year.

After gaining feedback from a non-lawyer Kerryn Zwag of Blue Bike Solutions at the Sydney Domo City Tour I settled on my preferred new term: **Innovative Counsel [iC]TM**:

A new breed of general practice lawyer -> multidisciplinary, proactive + value-focused

An [iC]TM might exist as a Lawyer 2.0 version of General Counsel (GC), like Anna Lozynski, GC of Loreal and author of the book “Legally Innovative”, or will increasingly operate on a more freelance basis. This is the day-to-day role that I aspire to both in designing + refining Blue Ocean Law Group as well as when I am acting directly for our clients.

Multidisciplinary

The multidisciplinary component of being an [iC]TM requires lawyers to retain their core skills, whilst broadening their perspective and skill base to increase the value they are capable of delivering across a wider range of increasingly complex matters.

For myself, law is my third career, so it has been easier for me than most.

The majority of law students (other than those who have studied in a cross disciplinary manner – which will increasingly become the norm) or currently practicing lawyers didn’t arrive at the start of their legal career with such diversity in their backgrounds.

Lawyers who are already practising may have limited opportunities to broaden their skill base.

For my part, since the inception of Blue Ocean Law Group, I have actively worked to gain accreditation as a Blue Ocean Strategy Consultant, as well as recently (Oct 2018) graduating from the AICD’s (Australian Institute of Company Directors) - Company Director’s Course to gain the well-regarded post-nominal (GAICD).

Each lawyer’s path will be different. I strongly recommend this approach, as well as being as widely read as possible, and/or listening to podcasts. To start you on your journey: please click on these links to our Reading List + Legal Podcasts -> Smart Lists.





Proactive

Example: Adopting existing solutions -> Protection from Litigation Risk

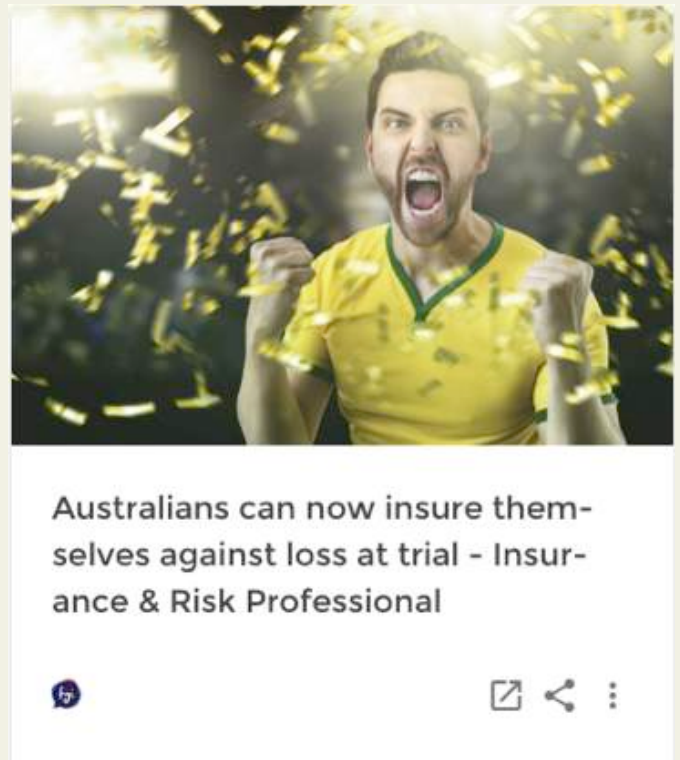
When considering the pain legal Clients endure throughout long expensive and protracted litigation - I started looking into ways to proactively help to protect our clients against litigation risk.

I ended up having a series of conversations with insurance brokers who had “litigation insurance” listed on their websites.

They told me they were sick of calls from prospective clients asking about insurance "after the event", that is, after they had been sued or gained a cause of action to pursue, and that they were in the process of removing any mention of “litigation insurance” from their websites in a bid to stop the calls.

Not satisfied, I continued my search...

Not long after, I discovered that there was a pre-existing insurance product that had been released to the Australian market in October 2016, which offers insurance coverage "after the event".



To find out more: 1. Click on the image above. 2. When the Smart List appears, Scroll down until you find a “Recommended for You” tile, 3. click Ok to reveal the link.

Blue Ocean Law Group now have the ability to provide this option to our Clients so they can consider using it to protect themselves against litigation risks both before and after the event.

Example: Designing new solutions -> Proactive management of Business + Legal Risk

Taking this further, I asked what causes the majority of litigation, and what steps could be taken to minimise the chance of it occurring in the first place.

The “root cause” of the majority of litigation we see our Clients involved in is due to either:

1. not engaging legal assistance routinely or early enough; or
2. engaging poor quality (buying an off-the-shelf legal contract + hoping it will suffice) or ill-considered (clauses directing resolution via Court proceedings rather than Alternative Dispute Resolution, etc.) legal advice.

In an attempt to address the above + circumvent or reduce the chance of litigation occurring, we have designed + soft-launched the concept of a subscription based "Business + Legal Risk Navigation Plan".



Business Legal Risk Navigation Plan

Contact us to find out more about our Business Legal Risk Navigation Plan (starting from \$99 per month for a single shareholder, sole director company/sole trader, plus initial setup costs*)...



We are currently seeking feedback as to whether or not the market is ready for such a product.

Business + Legal Risk Navigation Plan

In exchange for an affordable flat monthly fee, plus setup costs (per Contract Review using

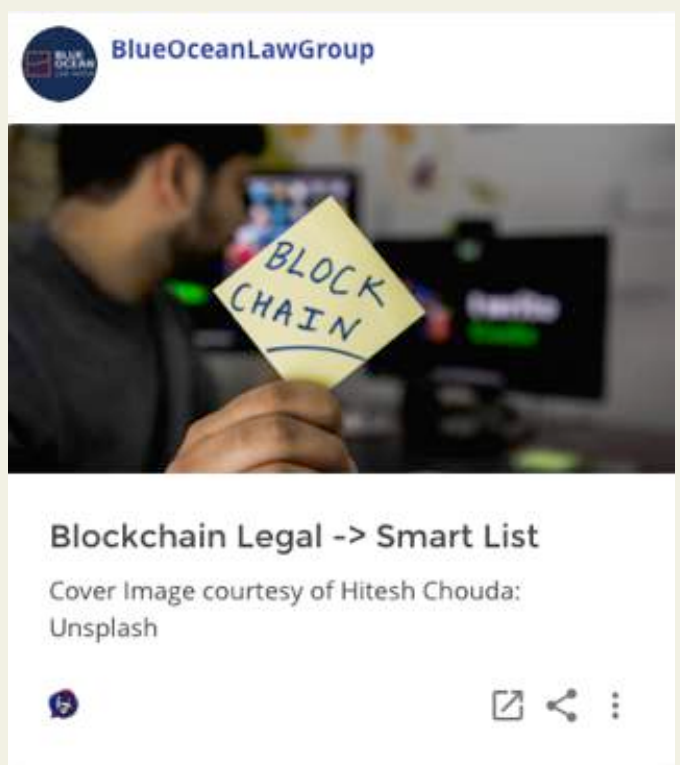
AI) our Clients can work to fortify their level of legal protection so that the risk of becoming involved in expensive litigation is minimised.

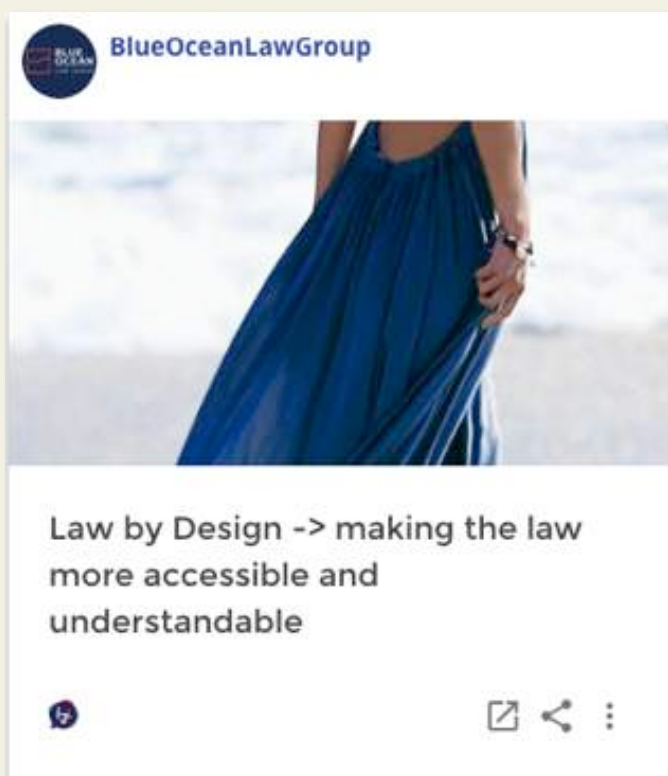
Charting Global Opportunities

From our Australian base, we have the ability to service the New Zealand market (outside of any local on the ground Court work - remotely), and the Self-Service Fast Contract Creation Tools we have selected have the ability to generate a Contract for the EU, USA, or Australian market, simply by selecting the relevant jurisdiction.

The legal profession is becoming more global and collaborative, with many inspiring initiatives being launched aiming to assist lawyers to upskill [the Blockchain, and Legal Design spaces are great examples] and work together to define the new landscape.

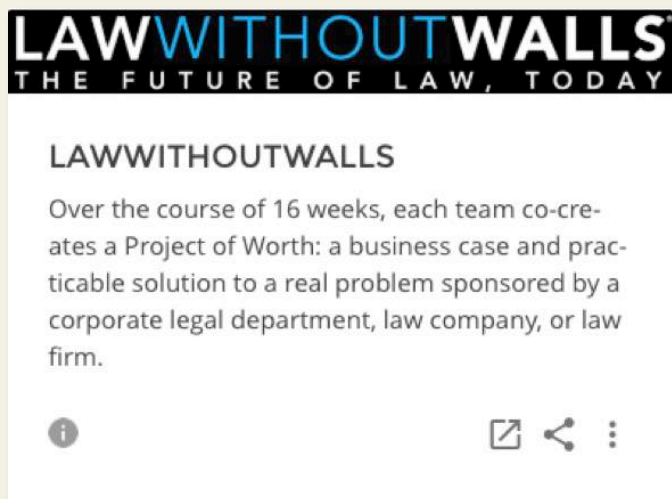
Find out more here:





hatched: The Legal Hackers movement is an example of a catalyst to generate new ideas, and involve and upskill both law students, and lawyers.

Another is LWOW -> Law Without Walls adds business to the mix.



GC’s are already focused on Value, let’s change that to “Value Innovation”

From what I have observed GC’s are already focused on Value -> by way of example the Association of Corporate Counsel (ACC) have an annual Value Challenge.

If we can educate GC’s about Value Innovation, it could become an annual “Value Innovation” Challenge.

The future path for law graduates/ young lawyers

My view is that given the automation of the tasks that law graduates were traditionally given, in response Law Schools have created cross-disciplinary degrees and are starting to collaborate more with law firms to better equip graduates for newer evolving roles.

New Globally focused organisations have

Knowledge and perspective are driven by the curriculum – yet to become a practising lawyer the legal profession itself mandates the minimum curriculum that must be covered.

This can be overcome by adding to the curriculum. When I studied law, it was as part of a combined Bachelor of Laws/Bachelor of Business – Accounting degree (5 years as opposed to 4).

If the legal profession conducted a review and was able to agree what could be eliminated and/or reduced within the traditional law curriculum, without impacting the quality of law graduates – this would allow for extra focus on curriculum that could produce even higher quality lawyers, as well as create the space for additional subjects that could supply the future skills needed.

Richard Susskind's book, Tomorrow's Lawyers sets out a myriad of new legal jobs that do not yet exist... the new curriculum could be shaped towards these new careers

Advice to Law Students/Graduates

The traditional advice to law students/young legal professionals has been to start out in a large traditional law firm.

To some extent, I echo the same advice, if you can hack the pace and culture whilst understanding that you are being presented with an opportunity to observe, an opportunity to learn from the best, and an opportunity to hone and develop your legal skills.

Here is where my advice will diverge from tradition. Be on the lookout for your exit anytime ON:OW, as I do not believe that the traditional path holds the same level of career prospects/job security it did in the past. Look for new roles in LegalTech companies, NewLaw Firms, or start your own.

The reality is that with so many law graduates, the traditional path will not present itself to the majority of law students/young legal professionals, so you will need to be on the lookout and develop your side-hustle/business skills much faster.

Starting ON:OW, look for opportunities to expand your perspective, skillset, etc.

Closing remarks

It is an exciting time to be working in the legal profession.

For the lawyers who are prepared to expand their mindsets and diversify their skillsets be-

yond serving clients in the same way via traditional business models, prospects for a balanced and interesting legal career have never looked better.

Explore our Future Law -> Smart List here:



BlueOceanLawGroup

Future Law -> Smart List

The major shifts to the way lawyers might considering interacting with their clients in the future are already here, and they may not be inordinately expensive to implement.

Here is an example of our Jobs to be Done: Pop Quiz prototype.



Jobs to be done!
How can we be of service?

| | | | |
|---|---|--|--|
|  Certify Docs |  Get paid |  Urgent legal advice |  Settlement |
|  Dispute Court Battle |  Entry Judgment |  New Property Ventures |  Blue Ocean Strategy |

PopQuiz: Jobs to be Done!

About the Author

James is a General Practice Lawyer aka [iC]TM which stands for innovative Counsel: a new breed of lawyer [refer article].

He has a wide-range of legal experience, having worked for established boutique property, finance and commercial law firms prior to founding Blue Ocean Law. He has volunteered at the Caxton Legal Centre as part of his desire to give back to the community, and now offers pro bono (free) legal assistance in pre-qualified legal matters.

James also has extensive industry experience across Asia/Pacific with a decade spent IT consulting with Accenture, as well as another decade spent operating his own taxi and limousine company for many years whilst

developing strategic residential property projects (both luxury and affordable).

James' diverse background, and his innovative approach make him a valuable knowledge resource to any business.

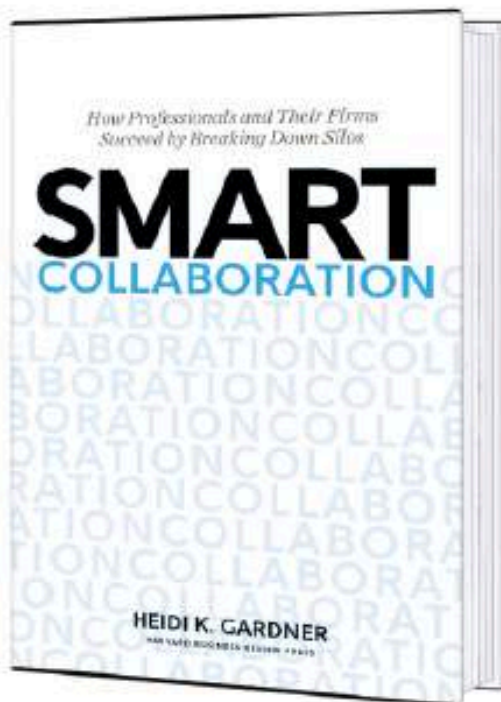
Legal Expertise

James is an experienced property & commercial lawyer. He is passionate about sustainable development and much of his "ideal" practice focuses on helping development clients identify innovative ways to achieve their commercial goals using green technology.

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Not all collaboration is smart. Make sure you do it right.

In this *Washington Post* bestseller, Heidi K. Gardner shows that firms earn higher margins, inspire greater client loyalty, attract and retain the best talent, and gain a competitive edge when specialists collaborate across functional boundaries.

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