

# Big Changes

## The Metamorphosis of Facilities Management Services

BY DOUG GERSTNER

The legal community has long partnered with companies that provide facilities management (FM) services. For those of us that don't mind showing our age, we can cite companies such as Ameriscribe, Charles P. Young, Pandick Press, R.R. Donnelley, and others that were leaders in the FM service industry. These companies, however, have since left the FM industry, and the names of the service providers have changed. Nevertheless, the paradigm associated with FM services remains.

Under the original paradigm, FM service providers offered on-site solutions for firms that included staffing, equipment, and basic office support. Services typically included mail, copy, fax, messenger, and hospitality. While firms sometimes expanded services into reception, records management, or other support areas, the basic paradigm of mail/copy/fax/hospitality represented 90 percent or more of on-site FM solutions in the legal community. The equipment to support these services included copiers, faxes, mail machines, and, in some instances, cost recovery technology. Some service providers focused on staffing and services while also providing equipment, and others utilized the FM contract almost exclusively as a channel for selling equipment. However, in both scenarios, the ultimate solution looked about the same.

### THE ORIGINS OF FM OUTSOURCING

The concept of outsourcing FM services started in the legal community, and by the early 1990s it had become a standard way of doing business for most U.S. law firms. FM service providers at the time estimated that 50 percent to 60 percent of firms with 40 attorneys or more utilized FM companies. By the late 1990s, "new" opportunities for FM companies were often found in replacing other providers, as opposed to persuading new law firm clients to outsource for the first time. The industry became increasingly competitive, and law firms seeking bids to provide services often received more value for their annual FM investments.

Meanwhile, outsourcing also became a key business strategy in corporate America, as entire enterprises hired outsource companies to run their mail rooms, copy centers, warehouses, print shops, and other departments. This became a major focus for some traditional legal FM providers.

Through this changing landscape, however, the service deliverables to the legal community did not change substantially. If anything, the primary change was the increase in the number of firms that included records management as part of their solutions. While some new technology solutions, such as fax servers and networked copiers, became more common, the basic mail/copy/fax/hospitality service and copier/fax equipment solution remained standard. Much of this was due to the limited offering or adoption of new technologies, as well as the somewhat limited role that IT had in firms with respect to outsourced services. Part was also due to the invisible wall that existed between the firm's operational management and the actual practice of law.

### TECHNOLOGY'S EVOLVING ROLE

By the late 1990s, however, IT's role was evolving. With new technologies including document management systems, voice over IP, bar coding or RFID for files, and the explosion of litigation support databases and tools, IT took a more "front and center" role in firms. In addition, the invisible wall between firm operations and the practice of law broke down. As they have become more defined within firms, litigation support departments have also become more involved in identifying outsourced services and selecting FM providers. These internal developments led to significant changes in expectations regarding FM service solutions.



Law firms increasingly want "best in class" basics and more value-added services from facilities management service providers.



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In turn, the FM service industry is experiencing a metamorphosis. No longer are traditional mail/copy/fax/hospitality services the benchmark for the industry. FM service offerings are now intertwined with litigation support, and FM service providers and the technologies they provide are expected to significantly enhance a firm's productivity, increase the firm's billable revenue, and offer new services and solutions that improve a firm's ability to win cases and clients. To stay competitive, firms must take advantage of new value-added technology and service solutions.

While not every FM on-site solution will include all available services and technology, and while some service providers approach this changing environment differently, several elements have become more "standard" as part of the FM value proposition. Among them:

- Networked MFDs (multi-functional devices) consolidate previously separate office devices utilized for copying, scanning, faxing, and printing.
- Walk-up devices with scan to file, scan to fax, scan to e-mail, and scan to print capabilities significantly increase the productivity of end users and legal secretaries.
- Device-driven and desktop-driven document routing allows for scanning/routing hard copy documents to a workstation and/or distributing to work groups in multiple formats.
- Business color combines effectively with black/white and highlight color capabilities in a cost-effective, billable on-site capability.
- Litigation service solutions include on-site image capture, optical character recognition (OCR), branding, Bates labeling, and blowback printing of litigation and discovery documents.
- Electronic or "virtual" closing binders are used for real estate and financial transactions.
- Impression management and upgraded cost recovery solutions ensure proper charge back of these shifting costs and capabilities.

### NEW APPROACHES TO STAFFING, SERVICES

While many of the aforementioned elements are technology-driven, they also demand new approaches to staffing and services by FM providers. Firms today expect more than just a "Copy Center" or "Copy Operator" as part of the team. Instead, firms are looking for a "Full Service Center" that includes litigation services and expertise.

On-site FM teams must be much more familiar with the workflow of litigation documents within a firm and bring significant expertise in terms of scanning, OCR, branding, blowback printing, and more. In addition, document routing has become a primary methodology for firms to increase end-user productivity and improve secretarial and support staff ratios. If service providers do not offer expertise at implementing these solutions along with staff fully trained in the technology, they will not enable their clients to remain competitive in the ever-changing legal landscape.

Furthermore, it's no longer just about the on-site FM solution. Law firms now understand that these on-site, expanded FM services must be actively supported by an off-site expertise that includes production level support for larger litigation needs – from litigation copy and scanning services to forensics, hosting, software training, and electronic discovery. An FM service provider not only has to understand how to scan the documents, but also must be able to consult and support the loading of these files into litigation support database applications such as LexisNexis Concordance and CT Summation. Successful service providers do not merely need to provide the technology; they must also have proven methodologies for ensuring proper training and facilitating adoption.

### A QUANTUM LEAP

This rapidly changing business landscape is not about incremental improvements or changes. Instead, the legal community increasingly expects to see a "quantum leap" in the added value received for FM annual spend, along with a total paradigm shift in terms of the elements that make up the solution or value proposition. This is not to insinuate that traditional services are not still included in an FM service provider's offerings. They are still included, but clients expect perfection in these service areas because they are now considered "the basics." Law firms want "best in class" basics and the benefits of more value-added services, creating a new reality for FM service providers. \*

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