

Facilitator and challenger

Wim Dejonghe, senior partner, Allen & Overy

Wim Dejonghe joined Allen & Overy as a partner in 2001, having previously been a partner at Loeff Claey's Verbeke. In May, he became A&O's senior partner. Before that, he was global managing partner of the firm for eight years.

"I see my role more as a facilitator and a challenger," he says. "A facilitator for the people who come up with innovative ideas and a challenger for those who don't." He points to a range of new products, services and technology at A&O that "either improve delivery of legal services or make it more efficient". He explains: "If you look at it with some perspective, in the end it's about the delivery model and the processes around it."

Technology, he suggests, is "probably overrated" and "the process piece is underrated, because in the end technology allows you to improve the way you deliver services to the client by introducing more efficiencies and taking out human error and replacing it by technology".

He points to several initiatives: the firm's new online legal services platform Aosphere, the legal services centre in Belfast, and Peerpoint. Aosphere is an online monthly subscription service for A&O clients, offering 10 different products targeted at financial institutions: there are currently about 10,000 individual users. Dejonghe cites the example of shareholder disclosure products.

"Each time you buy or sell shares, you have disclosure obligations under a wide range of legislation in different jurisdictions," he says. "That can mean up to 70 disclosure obligations on any given transaction. Aosphere delivers an online tool where you answer five to 10 questions, depending on the complexity, and it will then automatically either send the notifications that you need to send online, deliver the documents that you have to sign to send, or tell you what disclosure obligations you have. For clients, it is quick, cost effective and provides certainty that it's up to date. The funds industry, for example, is very interested."



The success of the Belfast launch in 2011 is covered in David Morley's profile: the office now has 80 lawyers on client work and total staff of about 450, making it the firm's second largest office after London. "We were lucky with one or two high profile deals

to start with, and the rest is history,” says Dejonghe. “We now have around 60% of our partners using our Belfast legal services.” He would like it to grow further but “our building is full”.

Another key innovation steered by Dejonghe is Peerpoint, which enlists the firm’s alumni to assist on projects in periods of high demand. It has been operating in the UK since late 2013 and was launched in Hong Kong last year. It now has approaching 160 lawyers.

“Peerpoint is made up of experienced senior lawyers,” explains Dejonghe, “who, for whatever reasons, don’t want to work full time but have specific experience or knowledge. They work on a project basis, either within A&O or with our clients. We call them in to work on a project, typically for between three months and a year, either sitting with us or with clients.

“Peerpoint caters for a specific client need, it deals with fluctuations in demand within A&O, and it caters to individual needs for individual lawyers, who don’t want to work long hours every day. The talent pool is vast: young women with children, musicians, people who want to try a writing career. Lots of very interesting people who have a wider view of the world but are bloody good lawyers.”

Although A&O already has 95 US-qualified partners and just under 400 US-qualified lawyers around the world, Dejonghe agrees that “innovations like this will help us crack the US market and build our US practice”.

Dejonghe also believes that having different delivery models such as Peerpoint, in combination with the traditional model, enables A&O to gain market share. “For many of the bigger projects we get in from clients,” he says, “we deliver legal services and advice through a combination of Belfast, Peerpoint, technology and the traditional law firm. The fact that you can offer that under one brand, one insurance, one reputation, is what is attractive to clients.”

He concedes that if you process map all the legal work that A&O does, some of it is commoditised. “There’s still a denial in the industry,” he says, “that we’re all doing that. Every quality firm claims that they’re only doing the highest complexity work, which is true, but all of the highest complexity work also contains an element of commoditised services. As long as you deny that is part of what you offer, you will not think about how you can deliver more effectively.”

Dejonghe was instrumental in the highly innovative MarginMatrix, a new digital derivatives compliance system launched by A&O in June. MarginMatrix helps major banks deal with new regulatory requirements that came into force for the \$500tn over-the-counter derivatives market from 1 September 2016. The system is being deployed as an end-to-end managed service in collaboration with Deloitte, which manages and

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resources the client outreach and counterparty negotiation process.

“Every country has introduced the rules in a slightly different way, which means the banks have a big problem: they need to renegotiate all these agreements,” says Dejonghe. “Rather than renegotiating them one by one and then have a legal opinion, what we have done is to preload the new requirements on the software that we have developed internally.

“We’ve gone out to the banks and said: you’re subject to Singapore, HK, EU and US law, this software will give you the margin within which you have to renegotiate those agreements. So any negotiator can go to their counterparties, plug in the data of his negotiation into the software and it will give a green number or a red light. You don’t need the lawyer any more to negotiate.”

As a technical and commercial innovation, it has been very successful. “We went to sell it to the banks and it sold out,” says Dejonghe. “I cannot disclose the names but we’ve sold it to all the major banks around the world. At this stage, I don’t think there is a product available that competes. It reverses the process: by putting legal advice in the system first and then you negotiate agreements within the system, rather than negotiate a contract and then go for legal advice and ask whether it’s fine.”

Dejonghe sees the wider development of innovation within A&O as key: “Not all our lawyers are innovators. I don’t come up with all these great ideas myself. But what you do is you encourage. In any law firm there are probably 5-10% of lawyers that come up with ideas. It’s a matter of encouraging them, freeing them up and saying: this is a brilliant idea, let’s take the risk, investigate further, invest a bit, get some technology, do a dry run in the market to see whether there’s any appetite.

“And if it fails, it fails. It’s been good marketing. If you go to clients with an idea and it doesn’t work, you still demonstrate that you’ve been thinking about their problems; you’re not just waiting for their phonecall to share a problem with you, you’re going proactively out into the market.”