

LB/DON/103/07

# APPLYING KNOWLEDGE MANAGEMENT WITH IT FOR SRI LANKAN LAW FIRMS

By

N.I Silva

LIBRARY  
UNIVERSITY OF MORATUWA, SRI LANKA  
MORATUWA



University of Moratuwa, Sri Lanka.

This Dissertation was submitted to Department of Computer Science & Engineering of the University of Moratuwa in partial fulfillment of the requirement for the Degree of Master of Business Administration in Information Technology.

004 "06"  
004 : 65 (043)

29448

Department of Computer Science & Engineering

University of Moratuwa

December 2006

University of Moratuwa



89448

89448



## Declaration

This thesis has no material that has been accepted for the award of any other degree or recognized qualification by an individual or an institute of higher learning to the best of my knowledge and belief. It contains no material previously published or written by another person except where due reference is made in the text of this thesis.

  
.....

N.I SILVA – MBA/IT/04/9082

December 2006

The above particulars are true and correct to the best of my ability.

**UOM Verified Signature** of Moratuwa, Sri Lanka.

.....  
Mr Shantha Fernando



Electronic Theses & Dissertations  
[www.lib.mrt.ac.lk](http://www.lib.mrt.ac.lk)

Department of Computer Science & Engineering,

Faculty of Engineering,

University of Moratuwa.

Moratuwa,

Sri Lanka.

December 2006

## ABSTRACT

In the *Journal of Information Law and Technology*, Professor Gottschalk argued that law firms represent an industry that seems very well suited for knowledge management research [16]. The term Knowledge management in law firms (KM in law firms) can be defined as: The way in which lawyers optimize the relation between knowledge and knowledge processes with the help of Information Technology.

Given the potential for improvement through the use of KM in law firms, I find it quite surprising that the popularity of knowledge management in legal circles stand at a very low level. I believe a contributing factor to this is the dearth of research and publications on Legal Knowledge Management by persons within and outside the legal industry.

Knowledge Management (KM) usually focuses on the level of an organization, while (academic) lawyers are known to be more people-oriented. This difference can be identified as another factor to the lack of interest towards KM in law firms.

The majority of law firms overseas use Information Technology (IT) for Knowledge Management. In some firms, highly sophisticated analytical tools are used to make expert judgments. Moreover, new advance technology, such as, mobile technology is used for KM within law firms. In comparison to these changes, the Legal industry in Sri Lanka is at a ground-level in terms of IT.

The primary aim of this research is to investigate the law firm industry in Sri Lanka. The detailed investigation includes the current "IT status" in these firms, for instance, Infrastructure, Software Usage (e.g., End-user tools, Who Knows What systems, What They Know Systems, and How They Think systems), Communications, Backup Policies, Virus Protection as well as the lawyer's IT literacy level. In terms of Knowledge Management the researcher is interested in identifying the knowledge management practices in these firms, for instance, Knowledge sharing attitudes, Knowledge Capture, and Disseminations. In addition to this, the researcher will focus on the possible relationship between Knowledge Sharing Perceptions and Reward attitudes for lawyers as well as the relationship between Knowledge Sharing and Information Technology.

Finally, the researcher will identify the barriers to Knowledge Management and suggest recommendations to improve the use of Knowledge Management perspectives in Sri Lankan Law firms.

## Acknowledgements

To begin with, I thank the Almighty God for giving me the strength and courage to make all my work a success.

This research report bears the imprint of many people. Without their immeasurable contribution this research project could not have a success.

My sincere gratitude goes to my supervisor Mr. Shantha Fernando for his valued guidance all through this project.

Special thanks to Mrs. Vishaka Nanayakkara, Dr. Anil Chandrakumara, Dr. Chatura De Silva, Dr. Sanath Jayasena, Mr. Kithsiri Samarasinghe and Mr. Raj Prasanna, for providing guidelines pertaining to the subject matters.

Thank you Attorneys Dilini Wilathgamuwa, Charath De Silva and Judge Ranga Dissanayake for all support rendered. Also, special thanks go to Mr. Jayantha Fernando, legal advisor for ICT, for providing an initial background to make this research a success. Also many thanks to all the partners in Sri Lankan law firms for spending their valuable time in having discussions to complete the questionnaire.

I would also like to take this opportunity to acknowledge the following for their assistance in providing guidelines for conducting research: Dr. Karine Barzilai-Nahoon, Dr. Ingo Forstenlechner, Ms. Gretta Rusanow, Mr. Martin Apistola, Mr. Arno R. Lodder, and Professor Gottschalk.

My sincere thanks go to Mrs. Manel De Silva and Mr Althaf, for helping me in numerous ways throughout the research..

Many thanks to my friend Thanuja for helping me in various ways.

My company friends, Tracy, Saheeka and Yohanna I am grateful for all your help.

Thanks also to my beloved parents, aunt, and brother for being a constant source of strength and support.

Last but (definitely) not least, my most heartfelt thanks to my loving husband, for his unwavering support, patience and encouragement.

## TABLE OF CONTENTS

### PART I – Research Preparation

<b>1</b>	<b>Introduction .....</b>	<b>2</b>
1.1	Background .....	2
1.2	Why I selected this Research Topic .....	3
1.3	Problem Statement .....	3
1.4	Research Objectives .....	4
1.5	Importance and Benefits of the Study .....	4
<b>2</b>	<b>Literature Review .....</b>	<b>5</b>
2.1	What is Knowledge Management? .....	5
2.2	What is a Law Firm? .....	5
2.3	What is Law firm Knowledge Management (Law firm KM)? .....	6
2.4	Types of Knowledge found in a law firm .....	6
2.5	The role of Information Technology for Law firm KM .....	8
2.6	Knowledge Management Technology Stage Model .....	9
2.7	Technology advancements with regard to Legal circles in Sri Lanka? .....	17
2.8	Global Research on Law firm KM .....	18



University of Moratuwa, Sri Lanka.

Electronic Theses & Dissertations

[www.lib.mrt.ac.lk](http://www.lib.mrt.ac.lk)

### PART II – Research Formulation

<b>3</b>	<b>Research Formulation .....</b>	<b>40</b>
3.1	Refining Research Objectives .....	40
3.2	Preparing Questionnaire .....	41
3.3	Collection of Data Samples .....	41
3.4	Sample Characteristics .....	42
3.4.1	Number of Partners .....	42
3.4.2	Number of Senior Lawyers .....	43
3.4.3	Number of Junior Lawyers .....	43
3.4.4	Number of Clerical Staff .....	44
3.4.5	Number of Administrative Staff .....	44
3.4.6	Number of Years in Industry .....	45
3.4.7	Persons Engaged in IT functions .....	45
3.4.8	Areas of Expertise .....	45

## **PART III – Designing Research Methodology & Data Analysis**

<b>4</b>	<b>Research Methodology.....</b>	<b>47</b>
4.1	Information Technology Assessment .....	47
4.1.1	Conceptualization .....	47
4.2	Knowledge Management Perspective at the Law Firm .....	51
4.2.1	Conceptualization .....	51
4.3	Potential barriers to Knowledge Management.....	56
4.3.1	Conceptualization .....	57
<b>5</b>	<b>Data Analysis .....</b>	<b>58</b>
5.1	Information Technology Assessment .....	58
5.2	Knowledge Management Perspective at the Law Firm .....	69
5.3	Relationship between Knowledge Sharing and Reward perceptions .....	74
5.4	Relationship between Knowledge Sharing perspectives and IT .....	79
5.5	Top Management involvement for KM .....	84
5.6	Barriers to KM .....	86

## **PART IV – Conclusions Recommendations & Future Research Ideas**



University of Moratuwa, Sri Lanka  
Electronic Theses & Dissertations  
[www.lib.mrt.ac.lk](http://www.lib.mrt.ac.lk)

<b>6</b>	<b>Conclusions .....</b>	<b>89</b>
6.1	About Information Technology Assessment .....	89
6.2	About Knowledge Management Perspective.....	90
6.3	About the relationship between Knowledge Sharing and Reward perceptions	91
6.4	About the relationship between Knowledge Sharing perspectives and IT .....	91
6.5	About potential barriers to Knowledge Management.....	92
<b>7</b>	<b>Recommendations and Future Research Ideas.....</b>	<b>95</b>
7.1	Recommendations.....	95
7.2	Future research ideas.....	100

<b>References and Webliography .....</b>	<b>101</b>
--	------------

<b>APPENDIX - RESEARCH QUESTIONNAIRE .....</b>	<b>107</b>
--	------------

## LIST OF FIGURES

Figure 1-The Stages of Growth Model for Knowledge Management Technology ....	10
Figure 2-Number of Partners .....	42
Figure 3-Number of Senior Lawyers .....	43
Figure 4-Number of Junior Lawyers.....	43
Figure 5-Number of clerical staff .....	44
Figure 6-Number of Administrative staff .....	44
Figure 7-Areas of Interests of Firms.....	45
Figure 8 - Distribution of Infrastructure .....	62
Figure 9 -Average response to systems use at each stage .....	65
Figure 10-Availability of a website for the firm .....	66
Figure 11-Availability of backup policy.....	66
Figure 12-Type of backup policy.....	67
Figure 13-Availability of antivirus program.....	67
Figure 14-Way in which anti virus programs are updated.....	68
Figure 15-How often antivirus software updated .....	68
Figure 16-Document sharing methods .....	70
Figure 17-Graphical view of knowledge capture.....	71
Figure 18-Graphical view of Document storage .....	72
Figure 19-Share formats and pleadings and deeds .....	72
Figure 20-Graphical view of case progress tracking mechanism. ....	73
Figure 21 - Top management awareness about KM .....	84
Figure 22 - The way in which the IT function is managed .....	85
Figure 23-The knowledge Pyramid .....	99





## LIST OF TABLES

Table 1-Examples of IS/IT in different Knowledge Management Stages .....	16
Table 2-Number of Years in the industry.....	45
Table 3-Persons engaged in the IT function .....	45
Table 4-Conceptualization of Information Technology Assessment.....	49
Table 5-Conceptualization of Knowledge Management Perspective .....	55
Table 6-Potential barriers to KM .....	57
Table 7-Number of PCs per Employee .....	58
Table 8-Assigned weights for Q4 .....	59
Table 9-Assigned weights for Q5 .....	59
Table 10-Assigned weights for Q6 .....	59
Table 11-Assigned weights for Q7 .....	60
Table 12-Infrastructure indexes for the sample law firms .....	61
Table 13-The extent of use of end-user-tools .....	62
Table 14-The extent of use of who-knows-what systems .....	63
Table 15-The extent of use of what-they-know systems .....	63
Table 16-The extent of use of how they think systems .....	63
Table 17-Average responses to systems use at each stage .....	64
Table 18-Average Internet use by employees in firms .....	65
Table 19-Current and Potential software packages .....	69
Table 20-Document sharing methods .....	69
Table 21-Average values of knowledge capture .....	70
Table 22-Average values for storage of documents .....	71
Table 23-Average values for case progress tracking .....	73
Table 24-Knowledge sharing perceptions .....	75
Table 25-Reward attitudes .....	76
Table 26-Correlation analysis knowledge sharing perceptions and reward attitudes..	76
Table 27-Correlation analysis knowledge sharing perceptions and reward attitudes..	77
Table 28-Knowledge sharing perceptions for firms with different IT project focus...	81
Table 29-Reward attitudes for firms with different IT project focus.....	82
Table 30-Knowledge sharing perceptions for firms with different IT project focus...	83
Table 31-Reward attitudes for firms with different IT project focus in Australia.....	84
Table 32-Average values for potential barriers .....	86
Table 33-Phased Implementation of KM in Law firm.....	96



## ABBREVIATIONS

KM	Knowledge Management
IT	Information Technology
CEJ	Center for Environment Justice
CEO	Chief Executive Officer
ROI	Return on Investment
COI	Cost of Information
NGO	Non Government Organization
ADB	Asian Development Bank
IPEP	Institute of Professional Environmental Practice
KFEM	Korean Federation for Environmental Movement
AI	Artificial Intelligence
CKO	Chief Knowledge Officer
LLP	Limited Liability Partnership
KMT	Knowledge Management Technology
CV	Curriculum Vitae
ELAW	Environment Law



University of Moratuwa, Sri Lanka.  
E-theses & Dissertations  
[www.lib.mrt.ac.lk](http://www.lib.mrt.ac.lk)