

Adding Value to Due Diligence with HighQ

Tracing its roots back almost 250 years, Addleshaw Goddard has always been a firm that has moved with the times; so much so, that it has been ranked as one of the top ten law firms in Europe for innovation by the *Financial Times*. With around 1,200 lawyers and 13 offices around the world, its client base spans start-ups to large corporates across a spectrum of sectors, including healthcare, financial services, and digital technology. The firm has used Thomson Reuters® HighQ—the connected, automated workplace collaboration solution—extensively for many years and in a variety of ways to enhance how it provides legal advice and insights, manages matters, and develops working relationships, as well as to deliver specific projects and products.

One such major project is transforming how Addleshaw Goddard conducts due diligence on behalf of its corporate clients as part of M&A transactions. The result of around two years of development from concept to launch in 2020, the firm has built a bespoke due diligence platform in HighQ to create a more efficient and collaborative process that adds real value to clients.

Due Diligence, Done Differently

Previously, due diligence was a relatively fragmented and manual process, in which the corporate team would stitch together reports submitted by various other specialist teams called upon for their input. The working environment was based in Microsoft® Word, which meant that documents had to be emailed, multiple versions of reports would exist, and data analytics opportunities were limited.

"We've used HighQ extensively for many years: we really do maximize it."

Ellen Catherall

Managing Associate, Innovation & Legal Technology

Addleshaw Goddard wanted to streamline its processes, facilitate better information sharing and, ultimately, improve its output to clients. This meant creating a system that would help break down silos and make the due diligence process more transparent and joined-up at every step along the way. The firm envisioned turning due diligence from a perceived deal "blocker" into a powerful source of deeper insight for clients with longer-term potential benefits.

To do so, the firm needed to undergo a fundamental shift of moving the drafting of due diligence documents out of Word entirely and creating a platform in HighQ. That could then position all the relevant deal information—from timescales and scope to progress and analysis—clearly for everyone involved internally to see. But the platform does not simply capture and store data, users mark relevant information for inclusion in the due diligence report, and the platform automatically pulls that content through into a client-facing report. Users can review and edit the report in HighQ before producing a final formatted PDF for clients via a bespoke internally developed service.

Populating each deal site with data and reviewing documents is easy, thanks to the iSheets module of HighQ. Ellen Catherall, managing associate in the Innovation and Legal Technology team, explains that



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iSheets can be configured to "ask the right questions" of those inputting data, making it easier and quicker to do. It also allows standardized checklists to be built in for any type of commercial document to help guide lawyers through the review process. And, having collated all the necessary data, the software provides many ways to analyze and present it.

"Most other tech tools are essentially point solutions designed to solve one specific issue, meaning you have to navigate between one solution and another to do different things," says Catherall. "HighQ is very different: It is a fully integrated solution, so we know we always have the right technology in place at the right point in the process.

"Having something that has so much functionality built-in, but that is malleable enough for our software developers to code in some really exciting bespoke features and frontend customizations, makes HighQ a fantastic development tool. Plus, new features are regularly being released which open the door for future possibilities and allow us to think outside the box. The fact that it is so well known in the market and has ISO27001 security, with the flexibility to set bespoke permissions as to who can access what, is also very important. While our DD platform is only accessible internally now, we are looking at how we might be able to open it to clients in the future, as is already the case with many of the other products and solutions we have built with HighQ as the foundation."

External and Internal Benefits

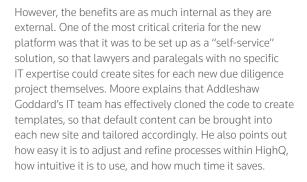
For Addleshaw Goddard, the purpose of the due diligence platform goes well beyond improved deal execution. It opens opportunities to deliver more insight and services to clients.

For instance, Legal Director Neville Moore points out that by creating greater cohesion and depth in the due diligence process, lawyers have a better overview of the full context of each deal and any potential issues that may arise either during the transaction or after it. Armed with that knowledge, they are better placed to tailor their advice accordingly, enhancing the quality of service delivery.

Moreover, by capturing more data and storing and presenting it in a smart way, the firm sees a major opportunity to expand its client relationships beyond deal delivery and into clients' day-to-day business as usual needs as well. "It's all about value for clients," say Moore. "Yes, we can report on the headline issues, but if we can do more analytics and map contract renewals, for example, that feeds into considerations around the integration and operation of the target company post-acquisition as well. This is becoming a key focus for many corporate legal teams who want to better understand those risks. The information is there, whether clients decide to use it or not, so it's a chance to have those conversations."

"Thinking about all the different ways that we use HighQ as a firm, it's no exaggeration that's been a vital factor in our winning a number of key mandates."

Neville Moore Legal Director



An Enthusiastic Reception

"Buy-in has been very good," Moore says. "From an initial small, core working group developing and testing ideas to getting senior approval, now there's enthusiasm across the firm. People can clearly see the positive features of HighQ that help in the due diligence process. Everyone likes how HighQ pulls together inputs from different teams into an online DD report and facilitates that data capture and contract review piece. They also like having visibility over deal details and clarity around what is within or outside the scope of due diligence on each deal at the click of a button. There's no need to trawl emails—it's all stored in one place."

In less than a year since launch, Addleshaw Goddard is now putting large volumes of deals through the system and has its eyes firmly fixed on the future possibilities offered by HighQ, such as integration with Al-powered document review tools. And although the due diligence platform was built with corporate M&A in mind, seeing HighQ in action in this way has sparked the interest of other departments such as the infrastructure team who are keen to find out how a similar model might work for them. As Moore puts it, "It has germinated an idea that has grown into other parts of the firm."

He adds, "Thinking about all the different ways that we use HighQ as a firm, it's no exaggeration that's been a vital factor in our winning a number of key mandates."



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Headquartered in London, Addleshaw Goddard has clients in more than 94 countries worldwide. Its legal expertise covers more than 50 specialist practice areas, including dispute resolution, employment, tax, intellectual property, and commercial services.

BUSINESS CHALLENGES

The firm was looking to streamline its processes, collaborate more effectively, and enhance client service. Rethinking how due diligence was conducted was high on its list of priorities in order to reduce its reliance on Word and email as the primary means of collating, reviewing, and sharing information and producing due diligence reports for clients.

WHY HIGHQ?

Having deployed HighQ extensively for many years, building many custom solutions, the firm knew it could deliver a comprehensive solution required for all clients' due diligence needs and more, capitalizing on its HighQ investment, increasing efficiency, and adding value in a way that could open new business opportunities.

BENEFITS

- Creates visibility and encourages collaboration
- Delivers powerful data structuring, review, and analytics functionality
- Empowers lawyers to provide value-added services to clients
- Allows for self-service sites to be set up by legal teams
- New features are added regularly, opening doors to future possibilities

For more information about HighQ, contact your HighQ Client Success Manager or visit HighQ.com.

