

*“Technology is never a panacea. It won’t make our laws more just, or make lawyers more ethical or more collegial. But it is a valuable tool; a tool for making ourselves more efficient and more competent; a tool for making the legal system more accessible; a tool for making the legal profession easier on the legal profession.”*

Justice Sandra Day O’Connor

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## **I - IT PLANNING & INVESTMENT**

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## **A. Why Embrace Technology In Your Law Practice?**

### **1. Introduction**

The legal profession today faces unprecedented levels of competition from de-regulation, and from other professions (accountants, business consultants) providing legal services. Your client is also likely to be more sophisticated today and expect faster, better and cheaper services. The extensive "e-citizen" initiatives by the Government has given access to legal resources and information to the lay person eg, your client can now conduct their own searches online, access legislation and legal information and even take their own case to the tribunals.

To maintain a competitive edge, law firms are compelled to find new ways to –  
Lower their running costs, while increasing productivity  
Deliver value-added services to existing clients that will result in greater client retention.

Technology can help you to lower cost and increase productivity in the following ways -

1. Reduce staff to lawyer ratio
2. Automate routine tasks and work processes [case management and document assembly]
3. Give you quick access to information [document management systems]
4. Better management and collaboration [practice management systems with shared calendars, case management systems]

Technology can also provide the necessary communication tools and value-added services that will result in greater client retention. Some examples of communication and collaborative tools used by progressive law firms today are -

1. Video-conferencing with clients
2. Extranets / Online Dealrooms which provide the clients with 24 by 7 access to information relating to their case: eg case status, documents, billing information
3. Online document collaboration / assembly tools

### **2. Resistance to Change**

In our consultancy practice, we meet many law firms who are resistant to technology even while they recognise that practice management tools CAN help them practice more efficiently.

Some of the arguments against the adoption of technology are -

- I will be charging fewer billable hours if I work more efficiently
- I don't see why I have to be at my clients' beck and call (this is from a lawyer who was asked why he had not set up an email account for his law firm)

In a services industry however, most law firms realise they have to use all their resourcefulness to win clients and stay ahead of the competition.

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## **B. The Basics & The Frills**

### **1. Hardware is the foundation**

Think of your hardware as the foundation on which your practice is built.

For a fully operational law office, you will need -

Workstations | Printer | Scanner | Server (if you have a server – client network) | Hub/Switch (if you have any sort of network) | Modems and Routers (for broadband internet access)

[Click Here to Read “PC Primer”](#)

### **2. Network is the glue**

The benefits of networking are so significant if you have 2 or more computers in your office, they should already be networked together to enable other peripheral equipment (printers, scanners, broadband access) to be shared.

Types of Networks

Broadly speaking, there are 2 types of networks – (a) Client – Server network; and (b) Peer-to-Peer network.

[Click here to read Bizibody Article – “Is it time to network your law office?”](#)

### **3. Operating Systems makes it run**

It's a Microsoft world and whether we like it or not, 99% of all government and corporate offices use either Win 95, 98, 2000 and XP to run applications on their workstations and Win NT or Win 2000 for their server. Essential Law Office Software includes -

- MS Office Suite, including MS Word (for word processing)
- MS Outlook (for calendaring and email)
- Microsoft Internet Explorer (for internet access)
- Firewall (for security)
- Norton Anti-virus (for virus protection)
- Tape backup / CD-RW software (for backups)

### **4. The Frills – Legal-Specific Software Applications**

Some examples of software applications that have been developed specifically for law practice are -

- Practice Management Software, including law office accounting, matter management & conflicts searches (Open Practice, Locus, DCS LegalPac, Solution 6, PCLaw, Elite)
- Case Management Software (Amicus Attorney, Open Practice)
- CRM Software (Open Practice)
- Document Management Software (Worldocs, Imanage)
- Document Assembly Software (Lawdocs / Hotdocs, Speedlegal)
- Extranets & Dealrooms (Consero, Webdocs)

## C. Planning and Implementing Technology

### 1. Business needs determine technology needs

Technology should be used to solve a business problem. Identify the problems that you want to solve and the possible technology solutions:

Problem	Possible Solutions
You are spending too much time monitoring the work of your Associate and training new staff on standard work flow procedures.	Case Management with automated workflows designed by you, shared calendar, electronic time keeping
Bills are taking too long to generate and because time is handwritten, disbursement information is not being captured into the accounting system	A networked legal accounting software with time keeping and billing functions
You have different databases (eg client and matter details, accounting, mailing list, title deeds, file closing and archiving information) tracking different information and want to consolidate them into one database.	A comprehensive and scaleable Practice Management System with a centralized and open database that can capture all the information that you need to track
You want to work from home.	Virtual office technologies such as VPN combined with paper digitizing
Taking too long to hunt down documents	Networked Document Management System

### 2. Think like a Business

Draw up Technology Feasibility and Implementation Plans

Consider your financial resources; including access to government grants and financial assistance  
Calculate your ROI – [Click here to read “Return on Investment Summary” if you need help](#)

Draw up a “Technology Feasibility Plan” that includes -

1. An assessment of your firm’s present technology capabilities;
2. Specific business goals
3. Solutions to be implemented over a 1 to 3-year period
4. A Budget and Implementation Timeline

Then draw up a “Technology Implementation Plan” that will help you to

1. Identify, articulate and prioritize requirements;
2. Identify and select among appropriate technology alternatives;
3. Refine the budget and calculate ROI;
4. Set out the financing options (Government Grants and Leasing options)

A legal technology consultant can assist you in drawing up an appropriate Technology Feasibility and Implementation Plan. They add value to the process because they possess specialized knowledge in legal technology solutions and have experience implementing such tools for other law firm clients.

A good legal technology consultant is one with technical expertise and well as a deep understanding of legal work processes and the practice of law. They need such practical knowledge in order to effectively communicate with lawyers and their supporting staff AND the technicians.

### **3. Don't reinvent the wheel**

We will not advise you to build your own technology tools for these reasons -

- a. Developing a system (whether in-house or otherwise) is a complex task. You are not likely to have sufficient (or the best) technical resources to develop or improve the system, and most outside developers will not have an understanding of the legal processes and workflow;
- b. At most, you can build a small component of a practice management system, and whilst this small component may work quite well (eg file opening system with its own database), it will probably not be able to integrate with other software (eg document management software, case management software, accounting software)
- c. Availability of tried and tested systems designed specifically for the legal industry. Practice Management, Case Management, Document Management applications are now widely available in the market to suit all practice types and sizes. If necessary, these can be customized to your own workflows or to meet your specific needs.

### **4. If possible, use software that is designed for the legal profession**

Legal profession has special needs which generic software cannot cater for. A good example of this is legal accounting software.

[Click here to read Bizibody Article - "Legal Accounting Software Makes More \\$ense".](#)

Also, you can be sure that makers of legal technology software will try to integrate their software with other legal technology software (eg a legal accounting software will usually integrate with other case management, a document management software will integrate with document assembly software).

### **5. Training, training and more training**

The key to success for any system that you have implemented is training, training and more training. When the system is first implemented, training is critical to ensure that the relevant people learn how to use the software and become familiar with any change in workflows.

Subsequently, on-going training is necessary for new users and to advance the skills of existing users. Advanced training is essential to ensure that you extract the maximum value of your software.

## **D. Outsourcing Your IT Needs**

### **1. What does outsourcing mean?**

It means hiring the services of a third party technology provider to meet the IT needs of the law firm.

Outsourcing your IT needs comprises two distinct components –

Firstly, hiring the services of IT systems engineers and professionals – for consultancy, systems integration, implementation and customization of new software; and regular ongoing maintenance (or system administration) of the computer systems in your office

Secondly, using Applications Software Providers (ASPs) – such ASPs will rent or lease 3<sup>rd</sup> party software applications and services which you can access through the Internet.

### **2. What can be outsourced?**

- Maintenance and Systems Administration of Computer Systems
- Data Backup, Document Storage and Retrieval
- Internet Services - Web Hosting / Extranets / Email Servers

### **3. Why Outsource?**

1. It makes good business sense.

Computer systems and software is not a lawyer's core competency. Leaving such onerous duties to the IT professionals will leave more time for the lawyer to practice law; as well as reduce overall technology stress induced by trying to understand and keep up to date with technology.

2. It is likely to save you costs.

Only the largest law firms running several servers and several hundred workstations are going to justify the cost of running an in house IT team to keep its computer systems running smoothly. In terms of using an ASP, it also means faster implementation and little need for capital expenditure upfront.

3. It gives you access to Better Expertise

Working in the technical support department of a corporate office is not likely to be the most challenging option for an IT professional. For this reason, you are not likely to be hiring the best or the most enthusiastic IT professionals in the market.

4. Third Party Responsibility

The ability to sue a third party for a job badly executed or when a failure in your computer systems causes loss to your firm should not be underestimated.

### **4. What to Look Out for?**

Some factors to consider when choosing a third party provider for your IT needs are -

- Vendor Stability & Size (from its size, you may infer the availability of their resources to deliver timely help in emergencies and faster response time)
- Ability to deliver the type of services that meets your needs (eg, helpdesk, onsite support, fast response time)
- Technical Expertise and Appropriate Support Levels
- Understanding of Legal Work Processes / Industry Knowledge and Experience
- Security (data confidentiality)
- Ease of Migrating (from one provider to another) upon termination of their contract.