Selecting a Law Practice Management Solution

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By Darla Jackson

Practice management solutions are not a one-size fits all proposition. When asked about which of the many law practice management solutions is best, I routinely respond with the same answer that many attorneys use to respond to client questions: It depends.

Just as your clients sometimes become annoyed with the lack of what they consider a concrete answer, I understand that those calling for guidance may become frustrated with the lack of a simple, straight-forward recommendation.

But “it depends” is truly the appropriate response. The rapidly changing market of practice management solution vendors and the available features from these vendors makes it difficult to select a single solution that is “best” in every situation. Further, I cannot be as familiar with the goals, workflows and client needs of a law practice as the attorneys and support staff. All of this information is essential when trying to determine the best practice management solution to help the firm or practice accomplish its goals and provide quality legal services.

WHAT IS A LAW PRACTICE MANAGEMENT SOLUTION?

Before continuing with a discussion of how to select a law practice management solution, let’s briefly try to define the term. A law practice management solution (LPMS) is a technology tool (software as a service) that assists with a wide variety of law firm management issues, ranging from billing and invoicing to organizing the documents in a digital client file and provide “…attorneys with a convenient method of effectively managing client and case information, including contacts, calendaring, documents, and other specifics by facilitating automation in law practices. It can be used to share information with other attorneys in the firm and … help prevent having to enter duplicate data in conjunction with [time and] billing …” functions or features.

While one might think that most attorneys know what LPMS are, the data from the 2016 ABA Legal Technology Survey indicates that “practice management adoption remains relatively low: just 46% of respondents reported having it available at their firm.” Additionally, because a limited number of law schools offer courses in law practice management and/or technology as part of their curriculum, attorneys may not have had any familiarity training with practice management solutions as part of their law school education.

Do not be concerned if you did not know what a LPMS is. You are not alone.

THE SUBJECTIVE NATURE OF INTUITIVENESS

How intuitive a particular practice management solution is may be a matter of subjective judgment. While one practice management solution may seem very intuitive to me, the same solution may not seem intuitive to others.
This is one of the primary reasons I strongly encourage inclusion of all staff and attorneys in the selection process. Their inclusion will help ensure selection of a system that is intuitive to the greatest number of users.

Because they are often very familiar with the sometimes-undocumented goals and operations of the firm and practice, support staff and other end users like junior attorneys can assist in choosing the solution that best integrates with the goals and current workflows of the practice. Involving members of the entire firm in the process will encourage buy-in and increase the likelihood that the practice management solution ultimately selected is used.

KEYS TO LPMS SELECTION PROCESS

The ABA TechReport 2016, written by Josh Poje, director of the ABA Law Practice Division, contains good advice on the process of selecting a practice management solution. In the section on practice management, Mr. Poje suggests that attorneys review their current systems, research their options, consider possible changes to business procedures and plan for training.

He points out:

Failing to clearly understand your current setup and how it is or isn’t working for you is the easiest way to waste a pile of money (and time) on technology. The pattern is all too common: lawyer is frustrated by their tech; lawyer throws money at the first alternative with a decent review (usually anecdotal from a colleague); lawyer switches and discovers a month or two later that the new tool did nothing to solve their problems.

It probably does not surprise many of you that a significant number of attorneys may be unaware of the full capability of their chosen solutions. I often hear evidence that this is the case. As a result, a review of current systems is an important early step in the selection process. However, you must consider the goals of your firm or practice prior to reviewing whether your current system is meeting those goals.

The Law Technology News article “Five Steps When Choosing Law Practice Management Software” also suggests starting the process by examining the goals of the firm.

... the starting process for deciding which tools a firm should use should begin with an analysis of the long-term goals of the firm. For instance, solo firms intending to remain solo should have different goals and needs than solo firms hoping to bring on additional attorneys and staff. Small firms hoping to add remote staff in the future have different needs than firms where everyone shares an office. Firms that offer alternative fee arrangements or document automation have different needs than firms that have no plans to ever alter their business model.

IT IS NOT TIME TO LOOK AT FEATURES YET

Even with firms committed to following an appropriate process, there is a tendency to rush to an examination of the features available from particular practice management solutions. While law practice management solutions often have some similar features, they do not offer identical features. You need to establish the priority of your needs and then see how a product matches up to your priorities.

Tom Lambotte, president of GlobalMac IT, suggests that some of the more established case or practice management systems available have become what he terms “bloatware” because of the numerous features the vendors have added in response to user requests. “The problem with adding on every feature request for 5, 10, 15 years or more is that features, when you are not able to easily access them, become worthless. The software becomes so intimidating and non-inviting to the user that it simply goes unused.” This is just a reminder that when you do begin to consider features, you may not want to look at the number of features but the set of features that will meet your goals.

SET A BUDGET

Before you start to look at features and examine your options, you need to set your budget. As Mr. Poje says, “Shopping for new technology with a vague budget is an easy way to ensure you overspend.” Robert Ambrogi offers similar advice, “Determine your budget for a practice management system and then shop for systems that fit it. Prices range widely.” Mr. Ambrogi further notes that cloud-based systems charge monthly subscriptions ranging from $39 to $105 per user per month if paid annually.

Remember that your budget should be realistic. Issues such as whether you will select a
web-based system or a more traditional on-premises solution will influence your budget. If you select an on-premises solution you may also need to consider if you will need to include the cost of a technology consult or IT support in your budget. Support is included with a web-based system subscription.

You should be aware that consultants make money in three different ways:

… (1) the consulting fee you pay for their advice, (2) re-seller commissions when they refer a sale to particular vendors, and (3) on-going hosting/support/training/customization contracts … Pay particular attention to consultants who “always” or “never” recommend cloud-based software solutions for law firms, since those vendors may not be making recommendations based on the specific needs of their law firm clients, but on their own.

When working to set a realistic budget, you should also consider the “murkiness” of the web-based practice management solution subscription costs. While most LPMS vendors feature the subscription pricing on their websites, the cost of other applications integrated with the LPMS or other factors, may result in significant pricing increases. Thus, while there is some transparency regarding pricing of web-based systems, add-ons or upgrades may impact the pricing.

RESOURCES TO ASSIST YOU WHEN YOU CONSIDER FEATURES

Before you begin researching whether a specific practice management solution has a specific feature, Heidi Alexander suggests you make “… a list of all features you’d like from your ideal practice management program. Next, prioritize those features [that relate to your firm goals]. By using your feature list, along with your budget, you can home in on programs that might work in your practice. Look for the programs that excel in the features you need most …” As OBA Management Assistance Program (MAP) Director Jim Calloway describes it, you must “put in the time” planning and researching now before committing to a single practice management solution.

There are a number of resources available that collect information regarding practice management solutions. Websites like SoftwareAdvice and Capterra provide access to reviews. In addition to reviews, Capterra also provides a list of features for particular practice management solutions. Further, Capterra allows users to filter the list of practice management solutions to include only those having the combination of features the user selects. However, because the features information appears to be supplied by LPMS vendors rather than collected by independent parties, you should be cautious about relying strictly on this information without additional verification. Capterra also provides the Capterra Legal Software Blog. Occasionally, the Capterra blog will provide posts that compare a few of the more popular practice management solutions.

The website Lawyerist also provides a feature comparison chart. While Lawyerist’s chart is updated periodically, users have to refer to another webpage for feature descriptions that may be somewhat vague. Many practice management advisors, including myself, also maintain such charts, but because information changes so quickly, these charts are normally not distributed. In addition to discussing goals and budgeting, I generally discuss feature information with our members in person, by telephone or a videoconference so I can ensure I am providing the most current information available.

The ABA’s Legal Technology Resource Center previously provided a comparison of features available from a variety of practice management solutions. The resource center chart was similar to those described above. Because the resource center is no longer updating the comparison information, the link to the chart was temporarily removed, but it remains accessible via the Internet Archive and the link to the chart has been restored on at least one resource center webpage.

A QUICK DETOUR

Rather than engage in a lengthier process that begins with consideration of the firm’s goals and includes examination of features, some attorneys may desire to turn to the state bar’s listing of member benefits to see what practice management solutions provide a discount and are “acceptable” according to the bar.

Some take the following to mean that they should only select a practice management solution that is endorsed by the state bar association:

Many cloud service providers are upstarts or new side ventures for existing companies. The cloud service provider your firm
often provide a disclaimer stating as much. But endorsement and inclusion on a membership benefits list are very different procedures. Most bars do not endorse practice management solutions despite the fact that the vendors of these solutions may offer discounts to members of the bar association. In fact, bar associations often provide a disclaimer stating as much. As a result, attorneys should not interpret any list of member benefits as indicating that a practice management solution includes specific features or meets the security requirements for acceptable storage of confidential client information in the cloud.

Currently the OBA does not include any LPMS vendors on our member benefits listing, but that is subject to change.

TIME TO TALK FEATURES

As I indicated previously, most attorneys (and support staff) want to know about the features of specific practice management solutions. While a discussion of all of the features of the most popular practice management solutions is beyond the scope of this article, it is important to discuss at least some of the features that are currently available via several practice management solutions and to call attention to a few features that currently are available only through a limited number of solutions.

LPMS features are often divided into functional categories: 1) client management; 2) secure communication and email functionality; 3) tasks and workflows; 4) document storage, management and assembly (automation); 5) research and knowledge management; 6) integration; and 7) time and financial management.

Client Management Features

According to the ABA TechReport 2016, client management features include conflict checking, contact management and client relations management (commonly called CRM). All attorneys need a conflict checking system. Many of the popular practice management solutions have a conflict checking feature.

In early 2016, it was noted that some “case management systems feature CRM tools as well, but those are in the most nascent of development stages.” CRM tools allow solo practitioners and firms to track potential clients “from leads to conversions.” Few practice management solutions have features such as Clio’s campaign tracker, which provides firms with the ability to determine return on investment for their marketing campaigns. Yet, an increasing number of solutions, including PracticePanther and RocketMatter, do provide automated intake forms that can be embed directly onto the firm website. When a new form is submitted, a new contact and matter may be automatically created. For those with a desire or goal of growing their firms or practices, these CRM-like features may be important.

Secure Communication and Email Clients

Secure client portals are a powerful feature that falls in this category. Many of the LPMS provide client portals. However, the ABA TechReport 2016 suggests that use of “secure client portals have not hit the mainstream. This is likely due to a convenience factor...” Additionally ABA TechReport 2016 notes that secure client portals, such as those available from practice management solution Clio and MyCase, although available, are not fully utilized. “Only 4.3% of respondents indicated that they use the Clio client portal (Clio Connect) and 3.7% for MyCase. If lawyers used the client portals to collaborate with clients, those secure messages would be directly tied to that client’s matter(s) ...”

The staff members of the OBA MAP are big fans of client portals, especially as unencrypted email is increasingly recognized as inappropriate for confidential communications.

Email functionality is also a feature within this category. While most LPMS have some email functionality, Lawyerist’s feature comparison reflects that only a few practice management solutions have an email client. While this may be technically true, it is confusing. For example, I am occasionally asked about automated message email from Outlook to practice management solutions. At this time, I am only aware of a few web-based practice management solutions, including CosmoLex, that provide the ability to forward email into a solution and attach the message to a matter based on subject and sender data. Other practice management solutions require the user to manually attach the email to a particular matter. However, as more solutions integrate with Office 365 and Outlook, the number of solutions

entrusts its data to should be recognized by the ABA, multiple state bar associations, and generally be well regarded in both the legal and technical communities.
offering this feature will increase. Yet, Lawyerist does not reflect this unique email-related feature of CosmoLex, noting instead that CosmoLex does not have an “email client” feature.

**Task and Workflow**

Perhaps one of the most effective features of an LPMS is the workflow feature. Workflow features allow the user to set up a number of tasks and apply the task list to any matter. Individual tasks included in the workflow may be calendared as well as delegated to other system users. For instance, if there are a number of tasks associated with opening a new matter, all of these tasks can be included in the workflow and applied to each new matter. As a result, it is not necessary to manually input each new task into every matter. While initially only a few LPMS provided this feature, the feature is now available via a growing number of practice management solutions including PracticePanther, RocketMatter (which refers to the feature as a matter template) and CosmoLex.

**Document Storage, Management and Assembly (Automation)**

Document storage is an essential feature for those firms desiring to go paperless. As such, almost all the LPMS options now provide a native document storage feature. However, some solutions limit the amount of storage or provide for the purchase of additional storage capacity. Most LPMS also allow integration with external file storage and sharing services such as Dropbox and Box.

Document management is a term of art referring to functionality such as versioning and document checkout. The advanced document management tools are very helpful, but not necessarily essential. Advanced document management functions, if necessary, can be incorporated into the LPMS through integration of document management service providers such as NetDocuments. Clio provides for just such an integration with NetDocuments.

**Research and Knowledge Management**

Several of the practice management solutions have exclusive agreements with legal research providers. For example, Clio integrates with Fastcase, CaseMaker integrates with CosmoLex and Firm Central is a sister product of Westlaw. These integrations have advantages, including the ability to store research results in the practice management solution. Firm Central displays legal authority cited in documents stored on the system with Keycite symbols and facilitates the ability to update the law cited in briefs, memorandums and other documents stored in the practice management solution. Firm Central also provides a light version of a knowledge management tool at a cost that is affordable for solo and small firms not wanting the expense of the full West KM knowledge management tool.

**Integration**

If, after review of your current system, you find that there are legacy applications you want to continue to use, despite the additional cost, then you will likely want to look at those practice management solutions with the widest opportunity for program integration. Clio is recognized for its wide range of integrations. PracticePanther with its adoption of Zapier also allows significant integration.

Many adopters of LPMS have found that the web-based systems do not provide what they desire in the area of accounting. As a result, they have often integrated programs like QuickBooks into systems providing such opportunities. PracticePanther recently launched a “suite of accounting tools” and a “comprehensive QuickBooks integration.”

**Time and Financial Management**

Because time and billing are essential features for all users of practice management solutions, time and billing features are available universally. However, the customization available for included functions such as invoice preparation varies widely.

Available on a much more limited basis are several financial analytics reports. RocketMatter and LEAP also provide the ability to set and track matter budgets. The matter budget feature allows you to set a monetary cap on billable time within the matter. Determining this limit will allow you to track the amount billed against your projections.

**CONCLUSION**

There are numerous reasons attorneys and firms should adopt and use practice management solutions. Among these reasons is increased efficiency. This increased efficiency allows less time to be spent completing administrative responsibilities and more time to be spent on providing quality, billable legal services for clients. Other advantages of using a
cloud-based LPMS include increased mobility, avoidance of malpractice claims (based on calendaring and docketing errors or incomplete conflicts checking) and improved security and protection of confidential client information. Additionally, a good process for getting all documents and notes scanned into the digital client file will mean no more wasted time looking for lost documents.

Despite these advantages and increased adoption of LPMS, in 2016 there was a less than 50 percent adoption rate reflected in the ABA TechReport 2016.40

Attorneys may cite multiple reasons for their reluctance to adopt practice management solutions regardless of the advantages associated with their use. The change in work processes is a concern. Change is difficult. Cost is an often-discussed reason for reluctance. However, there is evidence that the return on investment resulting from use of these practice management tools would more than cover the cost.41

Lack of technical knowledge or understanding of the security concerns raised by cloud-based practice management solutions are also often cited reasons for failing to adopt a practice management solution. However, cloud-based practice management solutions actually reduce the need for technical knowledge and continuous IT support. Further, it is not difficult to establish security requirements that should currently be in place to protect client information in a cloud-based environment.42 Additionally, most legal consumers can easily understand that the cloud-based law practice management solutions were designed with attorney-client privilege and confidentiality requirements in mind. As a result, these practice management solutions often provide greater security than could be attained via the use of on-premise servers/networks, particularly in a smaller firm without IT staff.

If your firm remains unmotivated to adopt a LPMS, plan and research and prepare to “make the jump” now. You have the opportunity to serve as the change leader who facilitates better service to clients through technology. You increase your likelihood of being successful if you begin the process by considering your goals and current system, setting a realistic budget and researching and matching some system features with your goals. However, you should not stop with simply researching possible practice management solutions on vendor websites. Instead, as Mr. Poje explains:

Ask for a demo or even a free trial. Get hands on. Ask hard questions about the issues you’ve identified in your current workflow. And check in with your peers before you make the leap. It’s likely someone in your professional network has tried the tools you’re considering. Benefit from their experience. (And … consider attending ABA TECHSHOW where you can get both the hands on experience and the networking opportunity in one place.)

And remember the OBA MAP is here to assist you with information about documenting your goals, researching reviews, information about vendor reputations and issues, as well as current information about features.


11. Id.
12. Id.
13. Id.
14. Id.
15. See Wells H. Anderson and JoAnn Hathaway, supra note 8, at 51-53 for a discussion of traditional versus cloud applications. Sharon Nelson indicates that the decision between cloud or an on-premise alternative may be the first decision in selecting a practice management solution. Sharon Nelson, “Cloud Or On-Premise?” in “Tips for...

16. Aaron Street, supra note 9.


18. Id.


23. Id. 


26. For example, CosmoLex indicates that they have a major release every 5-6 weeks. In general, you can expect a major new release every 3-6 weeks. This has been our schedule for a long time as can be seen at: http://kb.cosmolex.com/support/solutions/folders/19000149075” Rick Kabra’s Comments to “Review of CosmoLex,” Lawyerist (May 2, 2016), www.lawyerist.com/74270/cosmolex-law-practice-management-software.

27. “Practice management/ technology hotline service – OBA members may contact the Management Assistance Program (MAP) staff…for brief answers about practical management and technology issues, such as law office software, understanding computer jargon, staff and personnel problems, software training opportunities, time management and trust account management.” Oklahoma Bar Association, “Member Perks: Benefits Your Association Provides,” www.okbar.org/members/Members/Benefits.


33. See, e.g., Santa Barbara County Bar Association’s membership benefits webpage, which specifically states, “Member should always use due diligence and exercise their own judgment regarding the use of any product or service provided by a third party. In no event shall SBCBA be responsible or liable, directly or indirectly, for any damage or loss caused or alleged to be caused by or in connection with the use of or reliance on any such content, goods, or services available on or through any third party site or resource.” Santa Barbara County Bar Association, “Membership Benefits,” www.sblaw.org/member/benefits.


38. Id.


41. See e.g. Jack Bostelman, “Leverage the Small Stuff,” KMJ Consulting (Jan. 05, 2014), (Explains how firms have identified matter completion through the knowledge management features and how that information has been used.)


46. Robert Ambroggi, “This Week in Legal Tech: 10 Reasons You Should Use Practice Management Software,” Above the Law, supra note 41.

47. The reputation of the practice management solution provider is an important indicator of the likelihood that the vendor will appropriately handle security requirements. However, attorneys should look for the following technical assurances when selecting a practice management solution: 1) 2048-bit SSL Certificate and secure HTTPS connection when connecting to the service via a Web browser; 2) ISO 27001 and SOC 2 Type II certification; 3) AES 256-bit data encryption (which is equivalent to the encryption standards used by financial institutions); 4) inclusion of intrusion detection and virus protection software as part of the providers own servers; and 5) a separate uninterruptible power supply at the server facilities of the practice management solution vendor.


ABOUT THE AUTHOR

Darla Jackson is the OBA practice management advisor. She earned her J.D. from the OU College of Law. She also holds a Masters of Library Science from OU and an LL.M. in international law from the University of Georgia School of Law. She has practiced as an Air Force judge advocate and served as a law library director at the University of South Dakota School of Law.