How to get what you need (and what you want) out of legal practice management software

White paper

Legal technology has made incredible strides in the last 10 years, and it shows no signs of slowing down. This is as true for the law firm's back office as it is for the front office. Just as the legal technology that supports such functions as research and timekeeping for lawyers has rapidly advanced, it has advanced at an equal pace for billing, matter management, and related functions for business managers.

As much as technology has done to streamline key law firm functions and processes, many users are beginning to find the various tools difficult to manage. Law firm business managers need to address a number of challenges, including keeping data current across multiple systems, managing new version updates to individual solutions, and keeping stakeholders abreast of the most recent information related to their matters.

All of this has led law firm professionals at all levels to look for a better way. For firm administrators, it might be a better way to run timekeeper reports or assemble documents. Financial professionals need a more efficient way to post invoices and run accounting reports. And partners are always on the lookout for better ways to get work done.

For many firms, that means looking for a comprehensive practice management system that gathers all their critical functions under one umbrella. Finding the right solution can be a significant undertaking, and it can be difficult to know where to start. According to the 2020 Law Firm Business Leaders Report from the Thomson Reuters® Institute, a resounding 94% of respondents said that greater use of technology was a key step that they either definitely or probably would take to improve firm performance in 2021.

This white paper will discuss the key considerations that firms should look at when reviewing potential practice management solutions.

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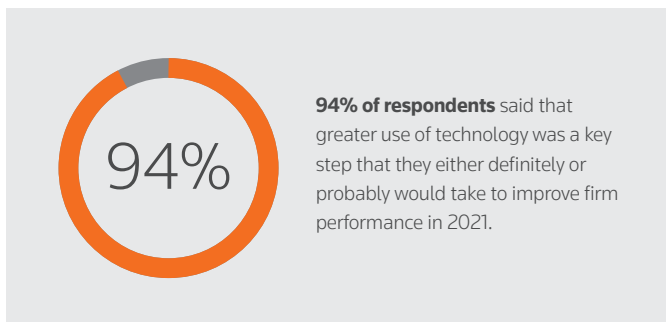
1. DOES THE SOLUTION DO EVERYTHING YOU NEED IT TO DO?

This might seem like a fairly fundamental point, but it's an absolutely essential one as the conversations begin about what to look for in a new practice management solution. There are essential pillars to every law firm's business. Having a solution that allows you to centralize them under a single umbrella will streamline operations, reduce redundancies, and increase productivity.

For many firms, those pillars often include financial management, client and matter management, business development, and risk management. Let's have a closer look at each of them.

Financial management: At the heart of many law firm practice management solutions is a robust financial management component. The technology has helped firms streamline accounting, time and billing, invoicing, and related functions in a way that has improved productivity and provides stakeholders with up-to-the-minute information.

Client and matter management: From initial client intake to the conclusion of a matter, there are countless steps and logistics to manage. Maintaining client contact information across multiple platforms and trying to keep all parties to a matter up to date on progress and next steps can be a lot to handle. A comprehensive practice management solution helps to streamline these activities and keep matters on track.

Business development: Another advantage of the client and contact management functionality in practice management software is the help it lends to business development activities. Having an easy way to keep track of client contacts and their business responsibilities makes it possible to stay on top of what's happening across client organizations and the legal needs that may be on the horizon.

Risk management: The legal profession is fraught with risk, and — rightly or not — the burden of mitigating it almost always falls on the law firm's shoulders. From screening client contacts to avoid conflicts of interest and protecting sensitive client data to docketing and meeting matter deadlines, risk is in plentiful supply. Many firms are finding that practice management software can help to automate many of the essential activities that support risk management.

Many firms also look at the scalability of the solution and whether it will be able to grow with the firm over time. Understanding the full functionality that will be needed to support your firm's operations will give you an important head start as you begin looking at available solutions and which one will do the best job for you.

2. CAN THE PROVIDER CONVERT YOUR EXISTING DATA TO WORK IN THE NEW SOLUTION?

Law firms, like any business, rely on data to manage their operations. From client contacts and matter details to budgeting and billing information, accurate data is critical to your firm's success. When considering a move to a more comprehensive practice management solution, preserving essential data is always a top priority.

As you begin reviewing new tech options, it is important to consider the level of support the provider offers in the data conversion process. Can the provider convert data from varying sources, in different formats, and configure it into a single new solution that works for your firm? It's also important to consider the provider's experience handling custom data conversions. In many cases, firms might not need all of their data pulled into the new solution. Perhaps they only need a certain number of years' worth of data or some other specific criteria.

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In situations like these, it's important to know that you have a provider who will take the time to fully understand your needs. They should be ready to talk through the goals of moving to a new solution and what data will be necessary to support them. Having a provider that partners with the firm in this way not only helps to ensure a smooth conversion initially, it also saves the firm time and money in the long run.

Experience is a serious consideration in the hiring of any service provider. But there is a lot more to the equation when it comes to preserving critical firm data for a move to a new practice management solution. It's one thing to know that your provider can preserve and move the data. It's entirely another to have a provider that knows what to do with it once it's been loaded to the new platform. Be sure you select a provider that has a plan for how to align the data in your current systems with the components of the new one in a way that makes sense for you and your team and allows for the most seamless transition possible.

3. CAN THE NEW SOLUTION HELP YOU IMPROVE YOUR FIRM'S BUSINESS PROCESSES?

Change doesn't come easy for most organizations, and breaking old habits can be a challenge. This can be especially true in situations where the habits that are set to be broken have been a part of the daily lives of people across the firm for several years. Nevertheless, when your firm adopts a new practice management solution, change is inevitable. So, it's a good time for an honest evaluation of all aspects of the ways things get done across the business.

As you're identifying where there is room for improvement with your technology, also consider where there is room for improvement in your work processes. Perhaps in the way stakeholders receive information. Or in the way tasks are completed and tracked. In any worthwhile practice management system, there is functionality that helps to streamline all of these things and provides better ways of working overall. Many providers offer business process reviews designed to help firms get a clearer picture of where things can be streamlined without losing functionality.

It's worth mentioning that fully enjoying the benefits that new technology brings to the business is at least partially dependent on the firm's willingness to embrace the opportunities presented by it. There must also be a willingness to let go of the ways things have been done in the past.

In too many instances, though, business leaders focus on recreating a process that is already known to need improvement. For example, there's no point in spending time and resources reproducing a report that has "always been part of our jobs" if nobody can remember its intended purpose. So, being open to process improvement recommendations can go a long way toward realizing the full potential of new legal tech.

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4. CAN THE NEW SOLUTION INTEGRATE WITH OTHER LAW FIRM SYSTEMS THAT CAN'T BE TERMINATED?

Depending on your law firm's tech stack and the nature of its practice, it is possible that the available practice management solutions will not cover every function required to accommodate current operations. When this happens, it is important to ensure that the solution you choose will integrate with any remaining systems.

Any good legal practice management software builds in application programming interfaces (APIs) that allow the external systems to communicate and work with the new platform. The use of APIs has become commonplace in today's technology, and the developers of new legal tech plan for them in their designs. Nevertheless, you should be sure to ask prospective practice management solutions providers if they have a way to integrate specific external systems.

Two systems that many firms need to integrate are e-billing and document management.

E-billing

According to the most recent Dynamic Law Firms Report from the Thomson Reuters Institute, "dynamic" firms — which are known to adopt technology more readily and to make more effective use of it once it has been implemented — consistently receive higher marks from users across the firm for the support they receive from the finance team. In fact, the number of respondents from dynamic firms who responded favorably regarding the level of billing support they received was nearly three times that of their counterparts from non-dynamic, or "static," firms.

In addition, many law firm clients prefer e-billing because of the benefits it offers for setting out clear guidelines as to which work is billable by the firm and which is not. With e-billing increasing in importance for many firms, having a solution that integrates cleanly with its broader practice management solution is a must.

Document management

Document management can be one of the biggest challenges law firms face across their businesses. Keeping up with current versions, capturing changes from various stakeholders, and ensuring an accurate finished document can be difficult to say the least. Many firms have successfully implemented a document management tool that houses all of their matter and business documents.

When firms are considering new practice management solutions, the need for integration with the document management component is critical. With seamless integration between the document management and practice management systems, users can retrieve a document via either platform to make edits. Even though the document resides on the document management side, the changes are synced to the practice management side as well. The reverse is also true. So, regardless of which platform the document was accessed from, the changes are synced to the other — completely eliminating the need to maintain multiple versions.

YOU'VE EVALUATED THE FUNCTIONALITY — NOW HOW DO YOU CHOOSE THE RIGHT PROVIDER?

Once you've decided on the functionality you need, it's possible that there will be more than one software that checks all of your most essential boxes. So, the next decision you have to make is which provider is best equipped to deliver it? Here again, there are some key considerations that should be addressed as you evaluate your options.

Experience, reputation, and time in the industry

Of course, you want a provider that has experience building and delivering technology that addresses the specific issue you are trying to solve. You want a partner whose technology is field-tested and proven to perform. And you want a provider who is established and respected in the industry.

As you are vetting potential providers, learn as much as you can about the process, what the steps are and the timelines that go with them, and what will be required of you throughout. What's important here is that the provider you choose has a realistic plan and will stick to it. Many firms don't realize that properly installing and rolling out a practice management solution can take several months to complete. If you talk to a provider that tells you differently,
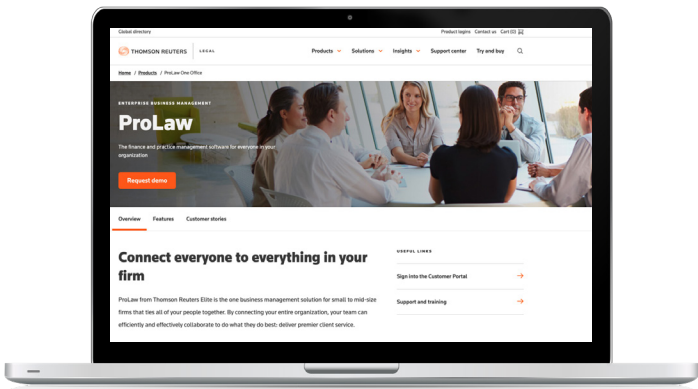
you should confirm what is included in terms of data conversion and transfer, set up, and support.

In the end, you want to be sure you have a provider who will get the job done right and will be there to support you over the long term.

Training and support

Of even greater importance to your firm may be the provider's training and support program after the practice management solution is installed. Does the vendor have a plan to properly onboard your firm's team, get them fully up to speed on the new solution's functionality, and show them how to use it? And once the initial training is complete, the best providers maintain a continually updated training database that provides how-to guides, information on new features and updates, troubleshooting, and other key components.

And what about onboarding new people who join the firm? A few providers have built online training programs that offer specific curricula for people of all experience levels. Some providers even make it possible to build learning paths where the learner can select customized programs for "a front-office end user" or "a back-office power user," for example, which can be a good option compared to going to the time and expense of organizing a formal training session.

MAKING THE CASE FOR YOUR LAW FIRM'S PRACTICE MANAGEMENT SOLUTION

With your evaluation of potential solutions complete, the next step is to make the case for your firm's investment in the technology. The benefits of legal tech are clear. Pulling critical functions onto one platform allows stakeholders to access up-to-the-minute information that previously required logging on to multiple systems.

The gains in accuracy, efficiency, and productivity create a strong foundation upon which to base your argument for investing in a new solution. The process of building a case for tech investment can be a long and complex one. Take the time to learn more about how to navigate it to give yourself the best chance of success.

Thomson Reuters ProLaw is one of the original practice management solutions built specifically for the way law firms work. If you're ready to learn more about the difference our market-leading solution can make for your firm, contact a representative to request a demo today.

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