

Data chaos

Thomas Berman of Berman & Associates discusses how to integrate information across practice management systems

Since the advent of the personal computer, law firms have been wrestling with software applications and data management. At least in the beginning, the software generally emulated the patterns and practice of the firms' earlier manual methodologies. As lawyers often have difficulty with change, this was the means by which some in the profession were able to garner enough support to purchase and distribute computers in their firms at that juncture.

After the initial phase – during which lawyers began to utilise computers (initially almost entirely for time and billing software) – a different pattern unfolded. More forward-thinking firms purchased enormous numbers of programmes, but these were still designed to emulate what firms had been doing for years before using manual systems.

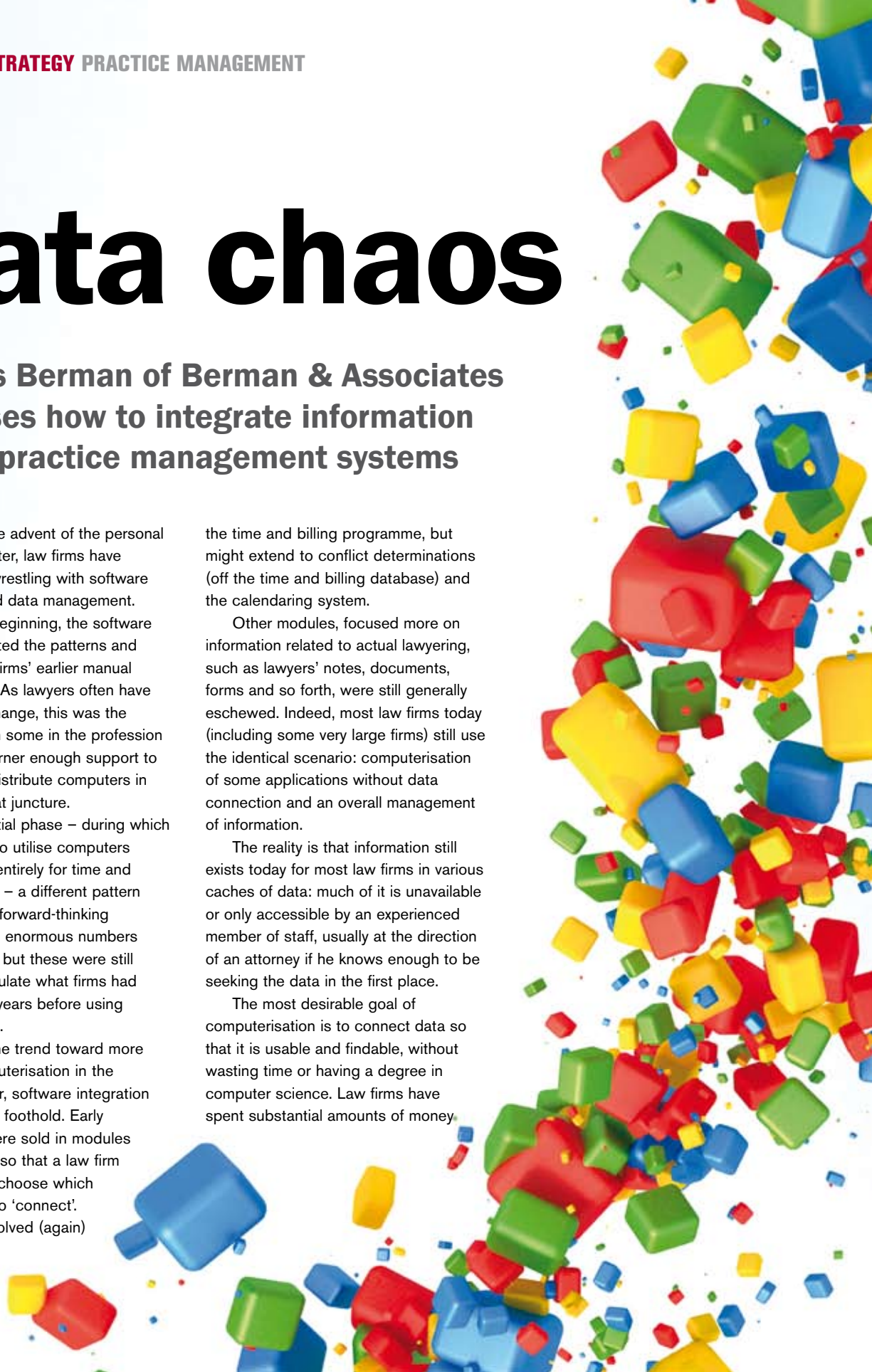
Following the trend toward more extensive computerisation in the 1990s, however, software integration began to gain a foothold. Early programmes were sold in modules (many still are), so that a law firm could pick and choose which data it wished to 'connect'. Usually, this involved (again)

the time and billing programme, but might extend to conflict determinations (off the time and billing database) and the calendaring system.

Other modules, focused more on information related to actual lawyering, such as lawyers' notes, documents, forms and so forth, were still generally eschewed. Indeed, most law firms today (including some very large firms) still use the identical scenario: computerisation of some applications without data connection and an overall management of information.

The reality is that information still exists today for most law firms in various caches of data: much of it is unavailable or only accessible by an experienced member of staff, usually at the direction of an attorney if he knows enough to be seeking the data in the first place.

The most desirable goal of computerisation is to connect data so that it is usable and findable, without wasting time or having a degree in computer science. Law firms have spent substantial amounts of money





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on computerisation but, by using standalone software solutions, the result has been a pastiche of solutions. Some of the programmes are no longer in common use and others were arguably either not the right decisions in the first place or

the result of one lawyer or one group’s hegemony over the purchase process at the time of the acquisition.

Desirable information

The key is to ask yourself this question: “What is the most significant information that a managing lawyer might have in a law firm today?” Then ask yourself what it is that you have available now. Here are the basics.

- The firm’s complete open case list
- The section’s case list
- The individual’s case list
- Complete billing record, including accounts receivable for each file
- The daily mail (immediately scanned into the system)
- The calendar/docket available for the individual, section and/or entire firm

- The statute of limitations (for a contingency-based practice)
- Lawyer and support staff notes and other relevant information relating to each individual case
- All of the documents/filings/court records related to that case, searchable by keyword, date, category or author
- The ‘best forms’ library (the firm’s collective memory)

Bear in mind that the goal is to have all of this information instantly available. If you have to create a report which provides it or you have to ask an assistant for it, you don’t have it available in a contemporaneous and usable form. That’s the crucial test: How available is the information which you need to accomplish your tasks?

With one click of the mouse, information should be readily available to the managing partner. One example is case reports – completely up-to-date renditions of each open file in the office. Here again is a sample of the information which should be instantly available – and will be, using an integrated practice management system (IPMS):

- Opening case date
- Assigned attorney/firm
- Name of opposing counsel
- Judge/jurisdiction
- Date last reviewed

- Initial assessment/summary
- Current assessment
- Original budget estimate
 - time
 - expense
 - staff
- Time to date
- Expenses to date
- Litigation posture
 - complaint filed
 - answered
- Estimate of time to conclusion
- Other
- Comments

Creating this report takes time and effort, if it is to be achievable at all. Because of the effort that is required to pull this information together, the issue of supervision becomes a very important one.

Time and again, professional liability claims are caused by a lack of proper stewardship of a file. Often, more than one individual is involved and the responsibilities for handling a particular assignment are not clearly made, the result sometimes being a disaster for the client and for the firm.

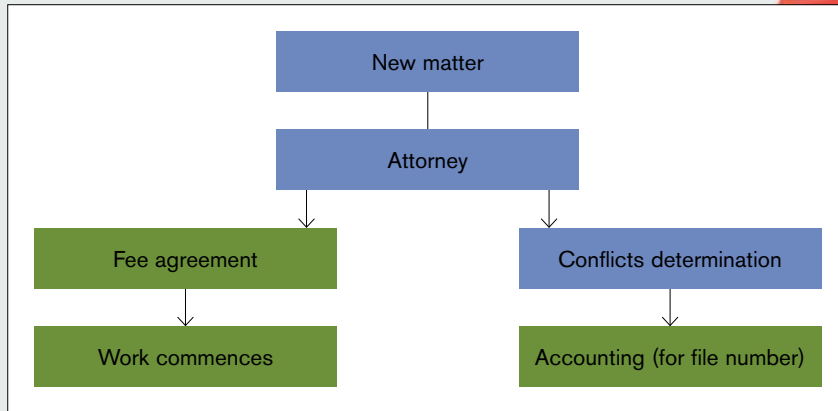
Alternatively, there is no supervision because only one individual in the firm is handling a particular type of casework and there is no one watching over that individual and his file handling. It is axiomatic to say that a partner or shareholder should never have to rely upon the proactive reporting of another partner or a supervisee. Yet, for the most part, that’s how it works much of the time.

Initial case selection

Another good example of where the timing of information availability is strategically important is within the process of the initial case selection. Figure 1 shows how this process works at its most basic level today in many law firms.

The difficulty, of course, is that the process fails in its efforts to:

FIGURE 1: CURRENT MATTER PROCESS IN MANY LAW FIRMS



- ‘certify’ a client;
- determine a new client’s value to the firm;
- determine whether the lawyer involved has the expertise or time necessary to handle the matter at hand; and
- ensure that an appropriate fee agreement is utilised.

In other words, this approach is wholly inadequate to the task on a number of levels.

Every part of the process is a standalone event without a trail and is often dependent upon several individuals working in concert.

Figure 2 shows a different approach, utilising other notable elements to the process of new casework inclusion. The reason that this diagram is much more complex than Figure 1 is that it is designed to accomplish many other important objectives.

It is designed to ensure that:

- more than one lawyer evaluates new work;
- conflicts are managed using a second lawyer’s opinion; and
- there is a better determination as to whether a client is appropriate for the firm.

An IPMS gets all of this done on auto-pilot. The initial data is distributed

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contemporaneously to every part of the firm. A managing attorney knows that a new file is in the offing as soon as it is entered into the database. Issues related to potential calendaring questions are immediately addressed. The potential client and its file are quickly and efficiently given proper attention.

Calendar access

The final example of the advantages of having an IPMS is in the firm’s calendar or docket. For many firms, this is still managed by individual lawyers, with all of their own personal proclivities. An IPMS pulls the process together and makes it manageable.

Admittedly, it takes away the ability of an individual to personally manage a calendar (using a hardcover book in some

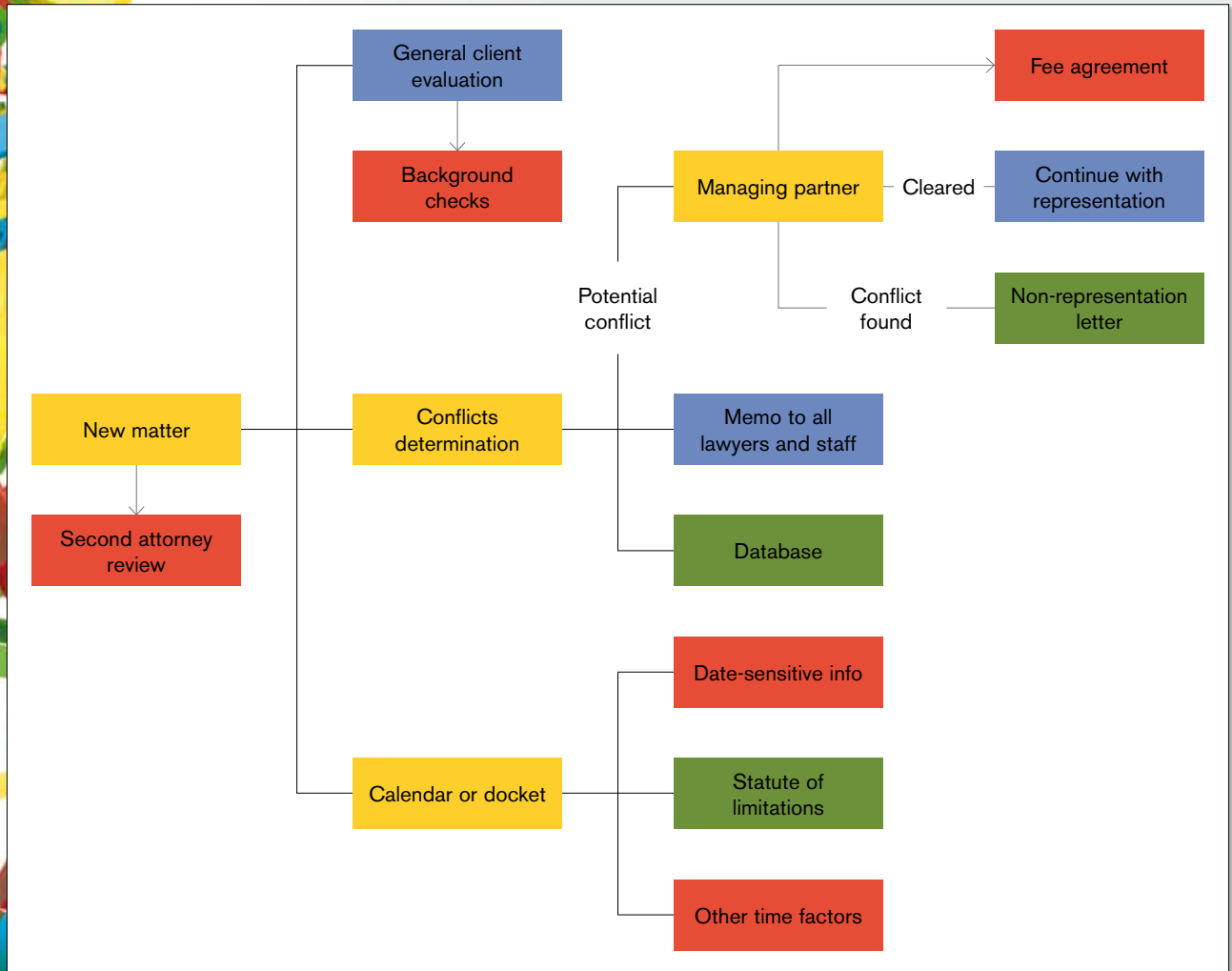
cases). It requires a managing individual, but gives everyone the ability to see the calendar instantly with the arrival of the mail or other information. It also creates a methodology by which information is distributed accurately and quickly, with points along the way to ensure information goes where it is needed. Figure 3 shows how this might look.

Using an IPMS, each attorney and member of staff in the firm has a ‘dashboard’ on his computer representing varying levels of information availability based on pecking order within the firm. The dashboard for the managing partner makes virtually everything available (on an entirely customisable level).

Icons would represent section reports perhaps, rather than individual case information, providing a larger view of the firm as desired. Most lawyers would have a standard set of icons representing the master calendar and calendars related to individual cases, lawyers’ notes on these cases and a general report on each file.

New mail and other information would be represented by another icon,

FIGURE 2: AN INTEGRATED SYSTEM OF NEW MATTER EVALUATION



as would new matters, which lawyers and members of staff must review for potential conflicts considerations. Any other information germane to their work would be made part of their personal dashboards.

Substantial benefits

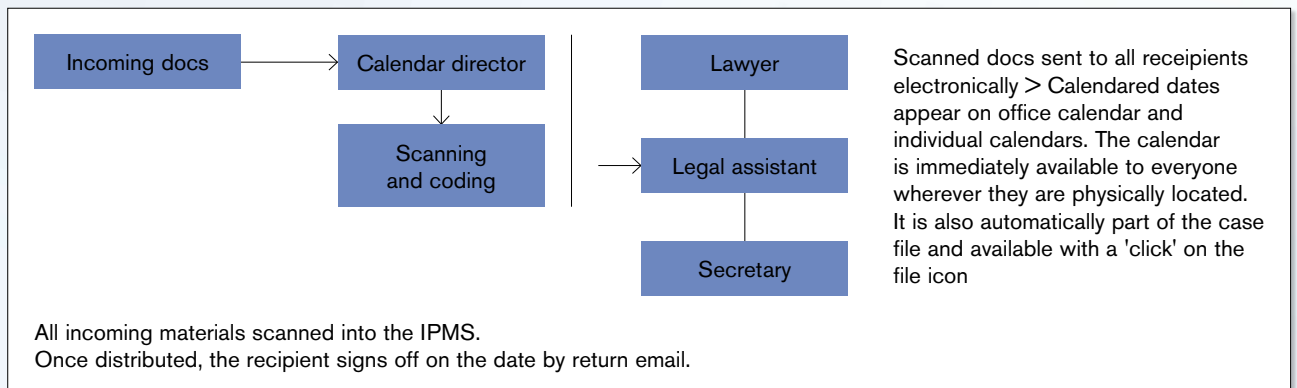
As anyone who has been a part of a law firm changeover to an IPMS will tell you, the results are most often night and day. The ability to manage data is intoxicating and, for many lawyers, their billings and collections increase by a substantial amount, without ever having to lift a

finger. The bottom line is often enhanced considerably and the ability of the firm to compete with other law firms in the same market is increased substantially.

From a risk management perspective, the potential for professional liability incidents diminishes considerably. There is, by definition, increasingly better supervision. Matters which may have fallen through the cracks previously are now managed. The capability or lack of it on the part of both partners and associates becomes easier and quicker to evaluate. New matter evaluation leads to better choices, which



FIGURE 3: IPMS DESIGNATED CALENDARING PROCESS



in turn means more profitability and income generation.

Information availability in law firms has changed with the advent of off-the-shelf IPMS' which have evolved over the past 15 to 20 years. Programmes such as ProLaw, ClientProfiles, Needles and TABS3 have developed methods by which any sized law firm has the ability to fashion an extremely effective and efficient practice, where data is available contemporaneously to whomever needs to have that information, regardless of where he may be located.

At this point in history, an effective and profitable law firm requires integration of its software and practice.

“Law firms that accomplish the task sooner will have a substantial advantage”

Without such centralisation, a law firm will be unable to compete on a level playing field with other firms that have since adopted an IPMS.

These programmes provide a supporting infrastructure which may be otherwise extant and enable an altogether

safer practice which can minimise the potential for professional liability claims. The capability made available by these products enhances a managing partner's ability to manage his firm and inures a direct benefit to the bottom line.

Smart law firms have jumped on board already or are in the process of making the leap. Firms which fail to see the benefits and refuse to make the change will find themselves up against the 'eight ball' in coming years. Those that accomplish the task sooner will have a substantial advantage over those that do not. **mp**

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