Law Office Management

The Modern Law Office in 2014

by Kellam T. Parks

Technology has brought significant change to the practice of law, especially since the invention and adoption of computers and the internet. One of the largest changes modern technology has brought about is the ability of lawyers to start and run solo or small firm practices. What used to be a cost-prohibitive endeavor can now be achieved for very little initial investment and ongoing maintenance. An exhaustive discussion of all of the components and choices for running a technologically advanced modern law practice would fill a book (and would likely be obsolete by the time completed). While that endeavor is beyond the scope of this article, I hope a survey of the basics with practical pointers from someone who runs such an office will be helpful.[1]

Office Space

The first choice to be made is the office itself. Traditionally, one rented or bought office space to open a law practice. Technology has allowed more freedom when considering how to run a practice - physical offices are no longer necessary. One option is an executive suite arrangement, where you would have a small interior office with shared receptionist and conference areas. An even more minimal choice would be to not have a physical office at all, rather rent conference space on as-needed basis for meeting with clients. This would be described as a "Virtual Law Office (VLO)."

It is important to note that states have different ethical landscapes when dealing with VLOs. Virginia issued LEO 1872 on March 29, 2013[2] approving the practice so long as certain existing ethical obligations were met: (1) Maintaining client confidences by ensuring the technological methods of communicating with clients and maintaining client documents were secure; (2) Creating reasonable systems to supervise staff, which could vary if said staff were not physically present where the lawyer works; and (3) Not misleading the public as to the location of the "office" if renting space, or having numerous "offices" to appear more geographically diverse than the lawyer may be in reality. LEO 1872 discusses in some detail the factors to consider when determining what may be appropriate and should be consulted before generating letterhead or advertising to ensure there are no issues with the Bar.

Computers

Running a modern law practice requires properly utilizing technology. One of the first decisions to be made when considering technology is what type of computers will be used. While the majority of the legal community still uses PC machines, the number of firms using Apple computers is growing. The hardware itself is not as critical as it once was so long as you have the computing power to handle the needs of the office (i.e.

processing speed, sufficient RAM, etc.). This is especially true if you choose to utilize Cloud solutions rather than traditional software.[3]

Beyond the type of computers, you must decide if you are going to use the standard desktop computer set-up or make the move to laptops as the primary computers for the office. With the use of modern docking stations, a keyboard, and monitors, laptops offer sufficient computing power while also offering immediate portability. You may even choose to mix the setups, having desktops for staff and laptops for attorneys. Whatever your choice, it is imperative for the modern practice to have enough display real estate, which requires at least two monitors per station. This is because the modern practice will be "paperless" and as such, document viewing and manipulation will take place on monitors rather than spread out on a desk. Trust me when I say once you have moved to two (or more) monitors, you'll never go back. It is truly transformative.[4]

Regardless of what type of computers you choose, you'll need to decide how to set up the office's overall system. The traditional choice was having your own complete server system in-house. This is both expensive and costly. If you choose to have a physical server system, it is much easier to have a computer running localized server software and utilizing hosted exchange or Office 365. The initial expense for the machine is reasonable and there is simply a monthly charge for each user for utilizing the external server's resources.

My office uses a computer running Microsoft Small Business Server Essentials software. I use Microsoft Office 365 to remotely administer and handle my email management and website controls versus the traditional server racks, more robust server software, and Microsoft Exchange in-house. In essence, the core controls are localized and the Exchange and more robust controls are outsourced to outside servers through Office 365.

Another alternative is to have an entirely Cloud-based system where all of your firm's files are hosted in the Cloud (i.e. remotely on servers elsewhere). A few advantages of this choice are forgoing any equipment beyond individual computers for each user and allowing access to all of your files from anywhere without the need for remote log-ins to a central system. One negative is the need for an internet connection to access your files; no connection = no access. Whenever I discuss the Cloud with other attorneys, I inevitably get concerns about security - the knee-jerk reaction is that because the law practice's files are not physically with the attorney, they are not safe. The truth is that if you are using an appropriate housing vendor that has proper server security and geosynched locations for your data, your files are much safer than paper files sitting in your office where a break-in, the cleaning staff, or a fire can compromise everything in

an instant. The key is to do your due diligence in researching who will be hosting your data - this is beyond good business sense; it is ethically required.

Jim McCauley, Ethics Counsel for the Virginia State Bar, wrote an excellent article (see also article in this issue of *The Journal*) going into detail as to the ethical concerns surrounding the Cloud and questions you need answered before taking the leap.[5] As you may expect, you must continue to safeguard confidential client information (Rule 1.6 of the Virginia Rules of Professional Conduct). This Rule only requires lawyers to act with reasonable care to protect client information - not guarantee safety. LEO 1872 addresses this very point when discussing VLOs.

If you are utilizing a paperless office, a tablet is an easy way to work when away from the office, including having whatever files you need with you for court appearances. The iPad was the first and still the major player in the field of tablets, but Android and Windows tablets are fighting for the market. Although I use PCs in my office and at home, I use an iPad for the Apps that are available (still many more than with Android or Windows tablets). As a litigator, my iPad allows me to bring the entirety of whatever case files I need with me for that particular day – no need for large cases, or boxes in the case of large trials. The only papers I need to bring are copies of things to submit to the Court or to show witnesses.

If you plan to do any significant work with your tablet, you'll want a good keyboard and case to accompany the device. There are numerous good choices. I use a Mac Bluetooth keyboard with the Incase Origami Workstation case for the keyboard. The keyboard case opens and two flaps fold back to make a triangle on which I can set my iPad. I chose this layout to allow for both vertical and horizontal orientation of my tablet - the tablet cases with keyboards built-in require horizontal orientation at all times. For the iPad itself I use a soft clear rubber back case (Cosmos CLEAR Soft Flexi Back Case) and Apple's magnetic screen cover.

As for using your tablet in court for trials, you'll need to ensure the necessary equipment is available for presentations or bring your own. Most courts that have electronics available provide either a projector or a computer system to hook into and connections are important. I personally prefer wireless connections to allow me to roam with my iPad during trials, rather than staying tethered with a cord to the projector/computer. I use a mobile hotspot to connect my iPad to an Apple TV device, which in turn is connected to the projector or computer system via a cable. To ensure compatibility, I purchased a VGI/HDMI adaptor (as many of the computers and projectors do not have HDMI connections and the Apple TV only has HDMI). The one I use is the Kanex ATV Pro and it works well. With this set up, I can use my tablet's built in Air-

Play connection to show whatever is on my tablet and I have several Apps to assist with trial presentations. There are numerous publications and CLEs that go into great length about using iPads in the practice of law and I recommend you research your options if you choose to utilize this technology.[6]

Although the battery life of an iPad is good, when I have presentations or trials, I always carry an external battery with me so that both my iPad and my mobile hotspot stay juiced. There are a variety of sizes/capacities available; you just need to choose one that suits your particular needs.

Communications

It is imperative to have fast and reliable internet access in order to run a modern practice, especially if you are utilizing the Cloud in any way. I recommend having a back-up available should your primary internet service go down, such as a dedicated alternative service (DSL if you are running Cable or vice-versa) or a hotspot connected to your wireless service (this works especially well if you are in a 4G network area where speeds are comparable to mid-level regular internet service).

In addition to internet, you must decide your telephone access. Beyond the traditional telephone service, there is digital telephony using your cable service, and the most modern option is VOIP (Voice Over Internet Protocol). Some of the advantages of going with VOIP are the features and costs.

Features

You can get all the traditional features, such as caller ID, call forwarding, three-way calling, voicemail, etc. and also have access to additional flexibility because "lines," which in traditional telephones are one line = one phone call, are now more like "user names or seats" which allow many calls per "seat." These can be accessed through any computer or tablet, as well as instant modifications through internet portals or apps. Other enhanced features most business VOIP plans offer include enhanced voicemail, such as emailing voicemails to you as sound files for instant, remote access as needed (and even turning those recordings into text files to read) and converting faxes to .pdf files automatically, emailed where you direct.

Costs

Traditional phone set-ups can be expensive, especially when you consider the old-school PBX systems. VOIP offers the functionality of the old PBX systems remotely if you chose to have it hosted in the Cloud versus on-site. Regular phone systems traditionally require long-term contracts. Many VOIP offerings are monthly so you can switch if needed as time goes on. You also do not need hardware beyond phones and an internet connection, which saves on initial equipments costs, upgrading, and ongoing maintenance expenses.

Another useful communication tool is video conferencing. HD webcams are inexpensive and allow for low-cost or even free video conferencing (such as through Skype or Google Hangouts). I have an HD webcam attached to my computer (Microsoft's LifeCam Studio) and have used it for committee meetings, overseas communications with clients, and it allows me to offer "face-to-face" communications with clients without the need for them to come to my physical office. Whatever webcam you purchase, just ensure it has at least 720p capability and good sound.

While you are modernizing your communications, you can upgrade the way you handle snail mail. Gone are the days of large postage machines or using individual stamps. With postage on demand solutions such as Stamps.com or Endicia.com, you can use software to purchase postage, weigh the package, and print out what you need, when you need it. If you often use certified mail, Simplecertifiedmail.com also improves upon the traditional system with generation and electronic tracking.

Document management

As discussed earlier, one of the primary reasons to modernize your practice is to embrace the concept of running a paperless office. While some paper is inevitable (until the day comes everyone is paperless), you can minimize paper to a large extent once modernized. For instance, my one-lawyer practice (with additional staff) went through only one box of paper its first year and approximately two boxes its second full-year.

To run a paperless office requires reliable scanners and the first choice to make is whether to use a centralized larger scanner or desktop scanners attached to particular workstations. I've found that the Fujitsu ScanSnap line of desktop scanners works very well, enabling fast two-side color scanning at an affordable price. The newest version of the desktop scanner I use in my office is the ScanSnap iX500, retails for less than $500, and comes with a copy of Adobe Acrobat Standard (a $300 piece of software). I've used two of its predecessors (the S1500) for almost 2.5 years without one incident and they get a lot of use.[7]

LEO 1818, published September 30, 2005, addresses the topic of the ethical implications of maintaining digital-only files.[8] The committee opined that you do not need to maintain a paper file so long as the duties of competence, diligence, and communication are not compromised. To ensure that my clients agree with the method in which I maintain their information, I include an authorization to use my paperless systems in my retainer agreement. I follow this up with a detailed welcome letter describing in more detail how things work (and how my clients can access their files 24/7 through my cloud-based practice management system).

As you are doing away with the bulk of paper in your office, you no longer need a copier. A reliable color laser printer is all that is required, as you will print out whatever documents you may need as hard copies. As with all technology purchases, you want to research your options for the printer and the cost of toner. I personally use an HP LaserJet M551, which I've had no issues with since purchasing more than two years ago.

When exclusively maintaining digital documents, it is imperative that you have a system for saving your documents so they can be found later. When you scan documents, you will be making them word-searchable by converting them using OCR (optical character recognition). This is a feature you can enable (and should do so for all scans) in the scanning software. This will make the resulting .pdf documents word-searchable, enabling you to find any document in your practice with a keyword search. You can use the built-in search capability of your operating system or purchase third-party search programs to maximize this utility.

As to naming your files, there are a variety of methods. I personally use a date/name format for all saved files so that they are easily distinguished in the file folder. For instance, a judgment order entered on May 1, 2014 would be "2014-05-01 Judgment Order." This way the files organized by name will be in chronological order in your file folder for viewing. Whichever method you choose in organizing your files, it is important that it is universal throughout your organization to prevent misfilings.

One way to ensure universal compliance is to utilize a document management system (DMS). These systems organize all files and you can mandate certain information be entered for each saved document to ensure uniformity. There are many DMS products available; two popular choices are Worldox and NetDocuments. The larger your practice, the more a DMS system makes sense. In my practice, I haven't found the need yet; however, my practice consists of me and three staff, making universal compliance much easier to ensure without a forced DMS system.

Lastly, when you are dealing with digital files, you can archive them to ensure they can be viewed in the future, regardless of changes in programs. The International Standards Organization (ISO) established PDF/A as a universal archival standard.[9]

You can also easily archive emails. Adobe Acrobat also allows you to take an entire matter's emails and create one PDF with them organized within the one document for easy retention.

Practice management

In addition to managing the documents in your practice, you want a comprehensive practice management system. This system will handle your contacts, case/matter databases, calendaring, case/matter diaries, billing, invoicing, and reporting. The goal is to be as organized as possible to maximize your efficiency and prevent costly mistakes.

There are two initial options when it comes to practice management systems - in-house installed software or clould-based solutions. Cloud-based practice management systems (such as Clio and Rocket Matter) charge monthly for each user and do not require long-term contracts. As they are hosted by the companies' servers, they do not require any hardware other than whatever you are using to access the internet. They are also constantly updated at no cost to the user (though their monthly charges could increase, as was recently the case with Clio). Although the monthly costs can add up when you have more than a few users, it still may be more cost-effective versus the costs of an installed product. Software solutions (such as PracticeMaster, Needles, or ProLaw) are more expensive up-front and may require periodic upgrading of the software to newer versions, as well as support plans.

There are many choices for either solution and it is important to do your homework as to your needs and the total costs involved. The ABA generated a chart to compare some of the choices and it is a good starting point (though it is a bit outdated, last being updated in June 2012).[10] I chose Clio when I opened my own practice in January 2012, and continue to use it for my practice management; however, I keep my eyes open for new solutions that may fit my practice better as I continue to develop my business.

Software/Apps

Your practice will require software and/or app tools to run, such as word processing and legal research, and can also include time-savers such as automation tools.

Word processing

Most law firms use Microsoft Word to generate their documents, though there are still some WordPerfect hold-outs. Many newer firms are using free offerings such as Google Docs or Open Office. If you use MS Word and utilize an iPad, Microsoft recently released their official iPad App for Word (and its whole office suite), which is free for viewing documents and included as part of their Cloud-based Office 365 plan for editing. It works very well. Like with many choices for the modern office, you can utilize local software or use cloud-based solutions.

Legal Research

In addition to the big (and often expensive) players Lexis and Westlaw, there are a number of low-cost or free alternatives, such as FastCase (which is free for Virginia State Bar members) or Google Scholar. Although I use Lexis for my office, I often just type a case or code citation into Google to pull

up the text when I just need a quick review. I save Lexis for research projects, checking citations, or pulling documents for court.

Automation Tools

One automation tool is an email organizer. I use Outlook at my office (as well as MS Office as the productivity suite) and utilize an add-on program to Outlook to help organize my e-mail. It uses algorithms to learn where emails are likely to go based on addresses, subject lines, and the text, and then allows me to file them with a simple click. No more misfiled emails due to a clumsy drag to a folder.[11]

A more robust automation system is form generation. This can be as simple as macros for your word processing program or more powerful (and effective) third-party solutions. Probably the best known software for document generation is HotDocs, which is incredibly powerful (and also expensive). There are newer solutions such as Pathagoras or TheFormTool (which is a Word add-on).[12] Using programs such as these will save countless hours, allow for more reliable flat-rate billing, and prevent many careless errors in documents. With these programs, the only variables for your documents are those which you insert and are unique to the new matter, the guts of the document remains constant each time.

Staffing

Modern technology has also opened up new options in getting assistance for your practice. The traditional method of hiring an on-site employee is no longer the only viable option - there are new choices in handing your reception or legal assistant/paralegal needs.

Especially useful for the solo or small firm is the concept of a virtual receptionist service. These services answer your incoming calls, directing them to the proper recipient or forwarding voicemails as required. Virtual receptionist services allow you to have someone professionally answer your calls without the need for a physical employee (and the associated costs and variables such as sick days). It is important, of course, to vet the company you have taking your calls, but there are good companies out there that can fill this need.[13]

The way my receptionist service works is that my main number goes to the call service. The service has a script and instructions on where to ring when calls come in. Existing clients or people I know come to my line, or one of my staff if the caller asks for them by name. All other calls, including potential new clients, go to my intake person. The service buzzes us on our lines and if we take the call, it transfers seamlessly. If we decline or are unavailable, the call goes to a voicemail system and we receive an email with both the voicemail as a sound file, as well as information with the caller's name and phone number and any notes the receptionist service passes along (if necessary).

Callers never know they are not talking to someone in my actual office and are frequently surprised when they visit and learn our receptionist isn't in-house. I pay for a certain number of minutes per month and a per-minute rate above that amount, which is far less than an employee would cost.

Another potentially useful service is that of a virtual legal assistant/paralegal. I personally have a paralegal and a full-time admin person in my office, but if you are running a true solo practice, or need temporary extra assistance, the virtual services available may be attractive. Due to the virtual nature, they can be working while you sleep (as many of the services are overseas, such as in the Philippines, India, or Australia). There are sites for temporary work (which includes legal work), such as oDesk or Elance, as well as companies that offer transcriptionist services or administrative assistance, such as SpeakWrite (an app-based dictation/transcriptionist service) or Zirtual.com.

Security/Backup

With the increased use of technology comes the added complexity of safeguarding client information, both inside and outside the practice. This is especially true with a paperless office, as there is not a physical file as there is with a traditional practice. Within the practice you must adequately back up the digital media to ensure that you do not lose any client information. There are several methods of backing up your data, from a physical copy using local drives, external backup drives, utilizing the Cloud to remotely back up your data, or some combination of all of these. Whichever methods you use, it is not something that is optional, you must ensure your clients' data is safe.

In our office, I back up our entire server files twice daily onto external drives which get swapped out each day and removed from the physical office. I swap a third external drive into the mix at least once a week which is stored at a third location. This way, even in the unlikely event that the local drive crashes and the daily external drive crashes, I have a back-up that is no more than a week old. The back-ups are monitored by our security software and I periodically check it manually to ensure it is working correctly.

Beyond backing up your practice's information, it is imperative that you maintain a secure system so as not to allow third parties access to client information. Much as you wouldn't leave your office unlocked, you should always lock down your system. This includes ensuring you have an adequate firewall in place, as well as virus and malware protection and scanning. You also need to ensure your operating system remains supported (e.g. the recent death of Windows XP) and that you install critical and security updates as they become available. You should also have protocols in place at the office as to who can install programs onto your system and monitor usage.

Passwords need to be strong on all computers and mobile devices - I recommend using a password manager, such as LastPass or RoboForm.[14] These password tools allow for easy management and ensure your passwords remain strong. In fact, LastPass even alerted me to which of the websites I visit were vulnerable to the recent HeartBleed security issue and followed up when the sites were updated so I knew when to change my password to ensure my data remained safe.

You need a comprehensive plan in place to address security, which includes practice policies on electronic communications, internet usage, social media, document retention, incident responses, disaster recovery, mobile security, etc. Sharon Nelson and John Simek of Sensei Enterprises, Inc. wrote an excellent article on this topic that I highly recommend reading.[15]

Conclusion

While the degree to which you utilize modern technology for your practice may vary, you cannot escape the effects technology has made, and continues to make, on our profession. Beyond the business advantages technology can provide in cost savings and efficiency, clients are beginning to expect the existence of, and expertise with, modern technology at their counsel's office. The need to understand and utilize modern technology has even been highlighted as an ethical obligation.[16] Rather than avoiding technology, becoming familiar with and implementing modern technological tools into your practice will serve you well.

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Endnotes

1. Throughout this article I share what software/apps/systems I am currently using which I have found to be effective. I am not affiliated with any of the companies I mention - I am just sharing what I use and what has worked for me. Although I am a member of the Virginia State Bar's ("VSB") Technology and the Practice of the Law Committee, I am not making any representation that the software/apps/systems I mention are approved and/or endorsed by the VSB or that the use of these things could and/or do meet the standard of practice for Virginia attorneys. You need to do your own due diligence before implementing anything mentioned herein.
2. http://www.vsb.org/docs/1872-final.pdf
3. I recommend finding a good IT person/company that is both up to date with the latest in technology and also familiar with the needs of law offices in particular. This will assist in choosing the right hardware/configurations for your specific needs and will save you a lot of time, headaches, and money in getting things done correctly at the outset.
4. As a bonus tip for Windows 7/8 users who are using more than one monitor, the shortcut key combo of [Windows Key] + [Left or Right Arrow Key] is indispensible. Using this key combo on an open window will snap the window to the far left, center, or right side of the screen (and will carry over to the next screen on your desk seamlessly). This will save a lot of time and hassle moving windows around when viewing documents/programs.
5. James M. McCauley, "Cloud Computing - A Silver Lining or Ethical Thunderstorm for Lawyers," *Virginia Lawyer*, Feb. 2011 at 49.
6. I also use a special case for trials/presentations to allow me to hold my iPad for long periods as I display documents or question witnesses. The one I use is Clutch for iPad, which has a cylinder on the back to hold the iPad comfortably. http://www.clutch4ipad.com/
7. The ScanSnap scanners are not TWAIN compliant. This is a little too detailed for this article, but if you are interested in a basic discussion of what this means, a video can be found here: https://www.youtube.com/watch?v=bZi1xC76oK8#t=29. The lack of TWAIN compatibility has not affected my practice given the software that comes with the scanner and how we use it in our office.
8. http://www.vsb.org/docs/LEO/1818.pdf
9. In fact, the federal courts are adopting that standard as the required format of filed documents, though no compliance date has yet been set.
10. http://www.americanbar.org/content/dam/aba/migrated/tech/ltrc/charts/pmtbchart.authcheckdam.pdf
11. I use SimplyFile by Techhit. http://www.techhit.com/
12. I use Doxserà, which is an upgraded version of TheFormTool Pro. http://www.theformtool.com/
13. I have used Call Ruby since opening my firm and have never had any complaints. http://www.callruby.com/
14. I use LastPass for the office and for home. www.lastpass.com
15. Sharon D. Nelson and John W. Simek, "Essential Law Firm Technology Policies and Plans," *Virginia Lawyer*, Feb. 2012 at 63.
16. While Virginia has not adopted any formal statement as to the necessity of competence with technology, the ABA did so with its August, 2012 amendment to Comment 8 to Model Rule ("MR") 1.1 on general competence: "To maintain the requisite knowledge and skill, a lawyer should keep abreast of changes in the law and its practice, *including the benefits and risks associated with relevant technology*, engage in continuing study and education and comply with all continuing legal education requirements to which the lawyer is subject." (emphasis added)