

Hanging Your Shingle:

A Practical Approach to Starting and Growing Your Own Law Firm

Technology Planning for Startup Law Firms

General Considerations

Computers

Deciding on the type of computer and the exact specifications for that computer depends on what you need the computer to do for you. Consider the software you need to run and what other functions you require. Typical law firm computing functions include word processing, legal research on the Internet, email, and time keeping. What else do you need to do? What else are you considering? What about voice recognition or digital dictation? Do you need to prepare graphics for trial presentations? Perhaps, you want the computer to also run scanning or optical character recognition. You should consider all of these questions before deciding which computer is right for you.

Workstations

If you decide that you need a workstation computer, what type should you buy? Some general guides are:

- Core 2 Duo Processor
- 2 GB RAM (more never hurts!)
- 160 GB Hard Drive (again, more never hurts)
- DVD+RW Drive
- Video card with 128MB RAM
- 7.1 Channel Sound Integrated
- 10/100/1000 Ethernet Adapter
- Ports for USB (at least 4), Dual Video, Sound, Network
- Windows XP, Vista Business or Vista Ultimate
- 17" LCD Flat Panel Monitor

A workstation in this configuration will cost somewhere between \$1000 and \$1500. Buying from a name brand manufacturer (e.g. Dell, IBM or HP) with a solid warranty is recommended. If this will serve as your only computer, increase the hard drive space and consider dual hard drives in a RAID (Redundant Array) configuration. This provides a duplicate drive as a fall back should the first drive fail.

Laptops

If you spend time working in multiple locations, consider a laptop instead of a workstation. A comparable laptop will cost more. Identical docking stations with identical peripherals will make

working at home and the office much easier. That way, you will never forget your power cord, keyboard, mouse, etc., at the office.

If you can afford it, having a workstation at the office and a laptop for the road is a great idea. Simply remote into the office and control your main system from your laptop.

Servers

A solo or small firm lawyer can certainly get by without a server. However, this is another area where you should consider your needs. There are many benefits to a server, including:

- Eliminates many of the headaches associated with Vista
- Network operating system to control security
- Network email management
- Better backup options
- Databases run better in a server environment
- Additional remote access options

Even an entry level server (\$2500-\$3500) can accomplish all of these tasks. Having a server often means that you can automate many things that you have to do manually on your workstation (e.g. backup, database indexing).

Software

There are five critical pieces of software for a law firm. While others are important or useful, the five most important things you need your software to do are create documents, read and answer email, save documents, bill your clients and manage your practice.

Word Processing

Whether it is briefs, pleadings, correspondence or memos, documents are the primary work product of attorneys. For years, a debate has raged regarding Word or WordPerfect. Which one should you use? All things being equal, the easy answer is to use whichever one helps you (and your staff) produce documents in the fastest, most efficient way. After all, documents created in either system look the same on paper or when printed to an Adobe Acrobat file.

What else should you consider? Do you need to collaborate on documents with your clients or with others? If you do, consider which word processing system they use. What about the accompanying products in the office suite? Many lawyers who do not like Word do prefer Excel and PowerPoint.

Email

There are many good email programs available for free. These include Thunderbird and Outlook Express. If these work for you, use them.

Microsoft Outlook is the most widely used email application. Reasons for this are its inclusion with the Microsoft Office suite, its ability to run email in a post office like environment (Exchange), the many add-on products to control spam, and its ability to link with many other applications. For example, from a legal prospective, most document or practice management will link better with Outlook than any other email product.

Document Management

Document management is the way that you save both documents and email for retrieval and archival purposes. In its simplest form, document management means that you are saving your documents in an organized way to directories on your computer system. A document management system is a significant improvement because it increases the ways you can search for documents, allows you to enforce a system for saves and can also save emails.

Worldox is probably the most widely used standalone document management system used in the small to medium legal market. Today, most practice management systems also include document management at no extra cost.

Time and Billing

You should get paid for all of your hard work. A billing system can help you capture more time, create more professional looking bills, shorten the time entry process, and send critical information to your accounting system.

There are many players in the billing market including TABS, PCLaw, Billing Matters, and TimeSlips. All of them do a good job of time keeping, bill generation and recording trust activity. Where they differ is in how they link to accounting systems and generate reports.

While it is a great accounting tool, QuickBooks is not the best legal billing system. It is more difficult to use for time keeping and it is difficult to create different bill styles based on different clients and matter types. Your accountant may desire you to use QuickBooks. If this is the case, I recommend using a legal-specific billing program linked to QuickBooks.

Finally, consider hiring a consultant to get your time and billing system up to speed. While you can probably figure out how to use the system once it is up and running, the reality is that very few people have ever setup a law firm billing system. Having expert assistance in this process is highly recommended.

Practice Management

You pick the analogy. Practice Management software is the “hub” of your practice, the “glue” that holds everything else together, or the “director” that helps run everything else. Today’s practice management systems manage your calendar, manage your clients and contacts, track critical case data, save your documents, manage email, etc. Many include document management and all of them have links to popular legal billing systems.

Popular case management systems for solos and small firms include Time Matters, Practice Master, and Amicus Attorney. All three include the features described above. Once again, don’t expect to get the most out of a practice management system without seeking expert advice.

Other Hardware

In addition to the software listed above, there are certain pieces of hardware that are necessary in even the smallest law office.

Printer

No law office can function without a printer and, because it is such a critical piece of equipment, don't waste your time or money on anything other than a laser printer. Print quality is usually better on a laser printer. In addition, the cost of consumables for an ink jet printer will drive you crazy. A quality black and white laser printer can be found for \$200 and a color laser for as little as \$350. Important options to consider are additional paper trays and envelope feeders. These will cost more but save you time that you would otherwise spend changing paper in a single tray system. Need more? For \$500, you can get a very good laser printer, fax machine and scanner multi-function model.

Scanner

Let's face it, hard drive space is much cheaper than file cabinet space and these days a scanner is a critical piece of law office equipment. When you think of a scanner, don't think of OCR (Optical Character Recognition). You may do some OCR but the real reason you want a scanner is to turn physical paper into digital paper. Scan incoming documents and save them into your document management system for easy retrieval. You can always print them later if you need to – but you will find that you do this less than you think.

Save your scans to Adobe Acrobat PDF files. Creating a PDF means that your scanned images are portable, can be viewed by almost anyone, take up almost no space and can be in more than one place at a time. Try that with a piece of paper.

Fax

Fax is so 1990's! While there is no question that fax is still in use today, I think there is a good chance that fax will go the way of steam locomotives, bag phones and floppy drives. It is going to be replaced by emerging technologies that do the same thing – only better.

I don't have a fax machine. Very few people ask me for a fax. If someone does, I print the document (or scan it) to PDF. I then use a service called MyFax which allows me to upload the document on my end and have it delivered as a fax on the other end. It also allows me to receive faxes sent to me in the form of PDF email attachments. At \$10 per month, it is cheaper than a dedicated fax line and requires no equipment.

Backup

Backup will save your practice some day. Whether your office is completely destroyed by fire or someone accidentally deletes or incorrectly saves an important document, having a reliable backup is critical. While tape is still available, today there are many backup options for the small firm. External USB hard drives are available for \$100 that can easily backup your entire system. Buy several for a revolving system. Another option is a cartridge drive system that features small interchangeable hard drives in a small cartridge. These look like and are used the same fashion as tape drives but are much faster and more reliable. Finally, online backup is an option that more and more firms are considering. Make sure you do your homework before going this route.

USB Thumb Drive

Only fifteen years ago, it would have sounded like science fiction if I told you that you could fit thousands of documents, photographs and other files on a portable device that can connect to any computer and fit on a keychain. Today, this technology can be yours for as little as \$20. A thumb drive can be used to share files with others or make an impromptu backup.

Smartphone

If you want to take your calendar, client list, email and even documents with you, a smartphone is the way to go. Smartphones synchronize with Outlook or your case management system so that all of this information can be with you in your car, in the courthouse or on the beach. Just like a computer, the rule of thumb here is to determine what you need the phone to do before you go out and buy it. A critical question is what software you will use to synchronize with the phone. Different phones will work better with different practice management systems but may not be as flexible when it comes to email. Decide what you need to do and get the right phone.