KEY COMPONENTS OF LAW PRACTICE MANAGEMENT

Overview of Law Practice Management Issues

In this assignment, we will look at the key elements of effective law practice management (LPM) systems. As we discussed in the last assignment, every lawyer and firm is unique. That means each firm you encounter will have its own way to practice law. Some lawyers embrace technology and understand its importance. Others still think technology means that an assistant pushes a button and the computer magically creates the finished product.

How do you balance individual preference with a firm-wide approach?

The Reality of Practice Today

The reality that you will face as you enter the legal field is that technology is more important than ever. In 2013 article, the ABA Journal interviewed a former general counsel for Kia Motors about his experience managing lawyers who did not have sufficient technology skills (in his opinion). Read the article here. There are many links listed inside the article with reference to lawyer's legal technology skills.

Suffice it to say, many lawyers will need your information management assistance as you enter the legal field. That's a good thing!

More People

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Need for Systems

Individual versus Firm-Wide Systems

Many lawyers work in solo or small firm environments. As we learned in the last assignment, lawyers often have their own approach to how to get work done. A lawyer and his or her assistant may have a particular way to their files. This includes both how to manage a paper based and electronic file, to say nothing of how the lawyer handles email. This is generally fine when both the lawyer and assistant are on the same page and no one else needs to access those files. But, what happens when the firm firm begins to grow?

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The more lawyers and staff are added to the firm, the more complicated it becomes to manage individual systems. Often, an assistant may be assigned to two or more different lawyers. If each lawyer has a specific way to accomplish the same task, the assistant needs to learn two or three ways to do the same thing. This can create inefficiency and frustration for the staff.

Having multiple systems for handling information can also can also create issues from accessing and retaining the information. If there is no consistent file naming structure, it may be difficult to find that last letter to the client. This is especially true in electronic files where an assistant or lawyer might have to open each individual file to locate the required information.

Elements of Law Practice Management

The following list is a non-exhaustive list of the needs for effective law practice management. There are many different software programs available that handle these various elements. We will explore the various types of software that is available in a later assignment.

For a good overview of practice management needs in a law firm environment, read this article from LexisNexis on 3 Basics for Choosing Law Firm Practice Management Software and then the descriptions below.

File Management (Paper/Electronic)

Good file management is critical to the success of any business. Given the additional ethical considerations faced by lawyers for securing and appropriately retaining client files, it is especially important for law firms.

Lawyers have to think through how they will manage both paper information and electronic information. Much of a lawyer's practice still involves managing paper and other tangible files for clients. This type of information will likely be handled with file folders (see the image to the right).

In addition, as technology use in the law firm environment continues to grow, lawyers must address how the firm will handle electronic information.

For more information, read the sub-section of Prof. Wilson's article on *Information and Client Security*, titled "The 4 K's of Information and Client Security." It will be attached to the assignment.

Case/Matter Management

Law firms generally call the cases they handle "matters." A LPM system will need to have a way of relating the matter and all the information related to the matter in an easy to access manner. The matter will contain case-specific information as well as generally applicable information.

The client's contact information is an example of case specific information. The name and address of the court would be something the firm might use across several matters and would be more generally applicable information.

Document Management

Every matter will have documents created during the life of a file. Those documents will usually be case-specific information and should be related to the matter. That way, if you are looking for the files related to that matter, you can see them all in one place.

Of course, there are many ways to accomplish this with file naming conventions, folders structures, and the like. However, most LPM systems have a way to “profile” a document record to help give those accessing the file the necessary information to know what the file is. This is important to help keep client files together and easy to retrieve, retain, and destroy when appropriate.

Calendar Management

One of the most critical portions of any LPM system is the calendar or docketing system. Lawyers live and die by deadlines and the calendar is the backbone of any practice. Key considerations here are the ability to related deadlines to matters, so it is easy for the lawyer to see all case-related deadlines in a case from one place.

In addition, an additional benefit for a firm is that most LPM systems have shared calendar systems so that an assistant can add events to the lawyer’s calendar and see where the lawyer is on any given day.

Be advised that lawyers often have a personal attachment to their calendars. Many lawyers like having a paper-based calendar which does not translate well into an LPM system. It will be helpful for the assistant to duplicate the paper calendar into the electronic system. While this takes some extra effort, the ability have all case related events in one place is very important.

Another consideration is having mobile access to the lawyer’s LPM calendar. Many programs will sync to the lawyer’s mobile device, but there are also ethical considerations that can come with using a cloud-based calendar system. Be sure to investigate the ramifications for any practice you find yourself working in.

Contacts Management

Having a good contacts database is also a critical component to an effective LPM system. Many lawyers have contacts in multiple locations (the paper file, on their phone, in their Microsoft Outlook datafile) and having a single place for those contacts is an important function for the LPM system. That way, anyone in the practice can update contact information and have that updated information “pushed” to the entire firm.

Task Management

One of the most underutilized functions of any personal/LPM system is the tasks or to-do system. Mobile devices are helping reverse that trend, but having a way to track case-related tasks is an important function of a good LPM system. This allows the lawyer and the staff to delegate and tasks the various components of a case in an effective manner.

One of the best task management methods we’ve run across is from the book Getting Things Done by David Allen. If you haven’t purchased this book yet, do yourself a favor and get a copy.

Time Capture/Billing

A LAWYER'S TIME AND ADVICE ARE HIS STOCK IN TRADE. ABRAHAM LINCOLN

Many firms still rely on the billable hour to account for their time. The lawyer and staff must be able to capture time spent working on client files and be able to send bills for that work in an effective manner.

Some LPM systems offer all-in-one type time capture and billing. Others do not. There are some stand-alone products for time capture and billing. The appropriate type will depend on the firm. You will get the chance to test out this function later in the course.

Accounting/Trust Accounting

We could spend a whole class on accounting for lawyers. Like time capture and billing, some LPM systems offer this type of feature. Many lawyers, however, use a stand-alone product to track these accounts. What software a law firm uses often depends on what the firm's accountant has recommended.

File Sharing/Client Portals

More and more, clients want direct access to their files. Some LPM systems have client portals that allow the client to log in and see the files the lawyer has created on their behalf. Lawyers can share files in a secure manner with their clients through these portals. These types of offerings will become more and more common as clients expect a more Facebook like interaction with their lawyer.

Concluding Thoughts

An effective LPM system can only happen if the lawyers and staff support it. Otherwise, the firm's information will be even more scattered and unorganized. Much has been written on the topic of organizing a law firm's information and we will explore more approaches in the week's to come.

For this week, read the material above and attached to the assignment. In the forums, post the key elements of an effective LPM system and why you think that is important to the firm. Address some issues you might face in convincing a firm to adopt a LPM system. Summarize the benefits to the firm in having a central location for client related information.