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## :: The Innovative Power of Data Collaboration

When you hear the topic “voice and data communications,” it’s natural to assume that what will follow is an exploration of the methods and practices of transmitting voice over IP or transporting raw data across a network and an examination of all of the related complexities and challenges associated with environmental monitoring and management.

Taking a step back from infrastructure and examining what’s being communicated and why, voice and data communication can be explored from a different perspective. Specifically, there are several innovative ways law firms are communicating and connecting data throughout their organizations. By tying together information across systems and communicating relationships intelligently, firms are able to address some compelling problems and generate new opportunities, both for IT and the attorneys and staff they serve.

### Communicating Information Effectively

Steve Blackwell, COO of Holme Roberts Owen LLP recently stated: “All law firms are different, but every law firm is similar in some fundamental, basic ways . . . At the end of the day, we’re all trying to get to much the same place, so there are only variations on the theme.”

This sentiment holds true on many levels, including IT goals and practices. While firms differ in culture, technology portfolios and strategies, all organizations face the need to address a common set of data communication challenges. While some may be more technologically sophisticated than others, every firm has evolved a set of practices they rely upon to address the movement of information as part of important firm processes such as new business intake and new user resource provisioning.

In the case of legal IT, necessity always has been the mother of invention, and there are many areas where forward-thinking firms have implemented new ways of managing data communications connecting people, process and information. Looking to their peers, organizations can find rich opportunities to learn from one another. Here are some noteworthy projects and possibilities.

### Matter Management

Improved attorney productivity and satisfaction are just a few of the benefits available through creative data communication that accurately and quickly provides timekeepers with the information they need. Innovative examples of more sophisticated data practices include:

**Synchronizing Recent Matter Lists.** Several legal applications provide timekeepers with fast access to recent work by maintaining a record of frequent matters. Like the “documents” menu in Microsoft Windows, this functionality reduces the time users must spend tracking down information. Unfortunately for the end users, these lists operate strictly on a per-application basis. By allowing all productivity applications to share recent matter data, firms can synchronize these lists so that when an attorney moves from one application to another, the matter he is working on is immediately and conveniently accessible. A good example of where frequent matter lists are important is in intellectual property practices where attorneys wrestle with an ever-growing explosion of matter numbers.

**Enhancing Matter-Centricity.** According to ILTA’s *2006 Technology Survey*, more than half of all law firms are either working in a matter-centric environment or working to implement one. Matter-centricity is easier said than done, and firms face several

barriers to successfully implementing and using matter-centric approaches. One such barrier is streamlining the DM setup as part of new matter intake. By communicating the right information across systems, firms can ensure that workspaces are created automatically and configured in document management libraries immediately upon matter intake and assignment within the financial system.

**Automating Matter Transfer.** Whether due to clerical error, a legitimate need to reclassify a matter, or corporate restructuring on the part of either the client or the firm, from time to time the need arises for firms to change the numbering of existing matters. While some applications provide native matter transfer functionality, others do not. When manual intervention is required, firms face delays and users face potential confusion. By tying together applications and communicating matter updates immediately, firms can make the process transparent to end users. In such an environment, software communicates applicable matter transfer data across relevant systems and immediately reconfigures them as necessary.

## Revenue Generation

By connecting the right data streams and automating analysis, IT organizations can help deliver fresher information to the firm that has the potential to stimulate new business development and revenue opportunities directly.

**Court Filing Notification.** Many firms subscribe to commercial services that provide court filing data. This information is valuable because a firm can provide its client (or a client it hopes to win) with early notice and pitch its own litigation services for that particular matter. But barriers to the effective utilization of this information often necessitate significant manual staff intervention.

External brokers supply data in multiple formats. Furthermore, these vendors may or may not provide the means to configure when and how different updates should be communicated. For example, one vendor provides firms with the ability to specify particular client names to monitor; another simply provides a log of all filings from subscribed jurisdictions. In the latter case, information overload becomes an issue. Unable to filter the deluge of data, the firm turns to a pragmatic solution — eyeballing the list in search of firm clients — the anti-automation solution.

Similarly, vendors provide varying levels of flexibility with regard to notification capabilities. Without intelligent notification, firms must manually review filings to intelligently route the right data to the appropriate stakeholders. Otherwise, they have to send everything to everyone and hope the right people are paying attention to the flood of information and spotting relevant records.

To maximize the value of raw data provided by these information brokers, some firms have implemented systems that crossreference incoming data against other firm repositories such as financial and CRM systems. This approach allows organizations to centralize incoming data, evaluate filings and automatically alert the appropriate internal stakeholders.

**Automatic Time Journaling.** While they have every incentive to be punctual, the truth is that attorneys often dawdle when it comes to entering their time. Parker Houser Consulting recently conducted a time management survey of the Toledo Group, a national network of independent law firms. The results validated common experience, timekeepers typically wait until the firm's time entry deadline, whether it's weekly or monthly, to record time. Specifically, fewer than half of polled attorneys enter their time within one day of the corresponding activity, and nearly one-third wait at least one business week to record time. Such delays not only create a perennial headache for CFOs and firm management, they also increase the likelihood of missed or underbilled time.

But there is hope beyond the penalties or incentives that many firms employ. Increasingly, firms are also taking steps to streamline the time tracking process for attorneys with software that can monitor, extract and crossreference the wealth of existing data within the organization. By collecting information from the applications attorneys use regularly including DM, phone, e-mail and calendar systems, firms can create automatic journals of core timekeeper activity.

Configured by and e-mailed to attorneys, these reports deliver multiple benefits. First, they streamline attorney time entry by removing barriers to efficient record keeping. Increased attorney satisfaction is often the best and only necessary reward, but time journaling also increases the accuracy of time records, protecting and potentially enhancing revenue by capturing unbilled or underbilled time increments.

Finally, integrating an automatic time journal with the firm's existing time entry system provides additional benefits and further streamlines the process by enabling "click to convert" functionality. This allows attorneys to view and edit journal data while retaining the time entry applications to which they are accustomed.

**Edge Case Matter Data Propagation.** As discussed previously, most firms have some mechanism in place to propagate new client matter data to core business applications. Those methods may include vendor-supplied or custom batch scripts, sophisticated integration software or simple manual entry by support staff.

While every firm tries to communicate new client and matter data to the most critical systems, they may not make the effort to populate this information across every matter-based application within the organization. For example, firms may use systems to order catering or car services. These are not "core" to the business and are not heavily used when compared with document management, time entry or cost recovery applications. Therefore, the perceived returns of extending matter propagation are diminished.

A firm that manually enters new matter numbers or writes custom batch scripts that run nightly may not have the resources to address these "edge applications." Thus, instead of selecting from a dropdown list or using a search interface to identify the correct matter number, users are required to enter the correct matter number manually. This approach creates the opportunity for user error, prevents validation

against a master list of active matters and encourages the use of temporary or overhead codes. Errors or temporary codes result in hard costs in the form of additional staff reconciliation overhead or unrecovered expenses. By unifying matter data communications across all applications using centralized approaches, firms increasingly are able to address these edge cases.

## Finance

By improving data communication between applications, firms can accelerate financial processes and provide more valuable and timely information to attorneys while reducing finance department burdens and overhead.

**Pre-Cost, Time and Other Data Imports.** To generate client bills, firms typically import a variety of data, including cost and time information, into their accounting application. These financial systems usually provide one or more mechanisms to take in such information, but the process can be needlessly difficult. Complexities include limited native integration capabilities and varying export processes and data formats provided by source systems. In response, firms often write custom batch scripts or even depend on human intervention for seemingly simple tasks like capturing research service expenses in time to incorporate into client billing. By automating data communications from source systems, firms can reduce errors, speed up the entire process and free staff resources.

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**“Full Circle Time.”** During the prebill review that occurs as attorney-reported time data is processed, firms may adjust and write off attorney time. In some organizations, these adjustments are not always communicated back to the billing timekeeper. The net result is the potential for an unhappy revelation by associates at the end of the fiscal year as they work to reach billable hour requirements. One way to solve this problem is to “close the time loop” and communicate updates back to attorneys either by updating records in the time entry system or by providing alternative reporting mechanisms. By propagating adjusted time, firms can reduce the element of surprise and improve the attorneys’ visibility into and satisfaction with the billing process.

## Communication Enhancements

By extending the ways in which they manage communication, firms are increasing timekeeper and staff productivity and improving internal and external collaboration.

**Distribution List Management.** Mailing lists are excellent collaboration tools; however, managing, updating and reporting on list membership quickly can become a burdensome task that consumes

substantial resources. Large firms can maintain upwards of 1,000 mailing lists, often including nested and subnested lists. In these scenarios, simply determining which users receive communications from which lists can be a complex undertaking. Through improved data management, firms can automate not only reporting but also membership management by tying list configuration to external systems such as human resources or practice management applications. In these cases, as attorneys and staff join or move within the organization, lists are updated automatically.

**Document Routing.** Inbound and outbound communication management is another area ripe for tighter integration. For example, firms can automate data communications among print, scan, fax, e-mail and document management systems. In such scenarios, firms that routinely scan inbound documents or use server-based fax solutions can connect these applications so that inbound and outbound documents are transported automatically and stored in appropriate repositories based on sender, matter designation or other criteria. Such optimization can cut the time spent moving documents throughout the organization, improve accessibility and increase records management efficiency.

**Contact Cleansing.** Maintaining accurate contact information throughout a firm can be an elusive goal. Keeping this data fresh and accurate is often an inefficient, painful process. Several factors complicate matters. For one, contact information is typically distributed among stakeholders and is constantly changing. In addition, attorneys may store records in multiple private disconnected repositories such as PDAs and local Outlook folders. Some firms even create one-off contact repositories such as alumni extranets.

Centralized CRM systems are perfectly sensible approaches to address contact problems but often face adoption and usage problems. The bottom line is that while firms have an interest in synchronizing this information and keeping it up-to-date, attorneys have more pressing requirements than entering contact updates into multiple systems. By creating systems and interfaces to consolidate, crosscheck, resolve and synchronize contact data across applications, firms can improve contact accuracy dramatically.

## Risk Management

Data communication enhancements can also protect the firm against errors, oversight or more significant problems through proactive environmental monitoring and intelligent alerts.

**Suspicious Activity Alarms.** As technology permeates law firms, it delivers significant productivity benefits. However, the proliferation of information management tools often obscures staff activity as well. With a growing number of repositories storing sensitive information, it can be difficult to keep an eye out for warning signs indicating potential staff problems.

Through suitable monitoring of key law firm applications and intelligent data communication and analysis, firms can better protect their business interests. For example, unusual activity in document management, CRM or cost recovery systems can indicate that an attorney is preparing to leave the firm. If a timekeeper starts

harvesting CRM information or billing an unusually large volume of copies to an office overhead code, trouble may be brewing. Similarly, unusual staff metrics may indicate that some individuals are simply not adhering to firm processes, are overburdened or simply require additional help.

**Deadline Management.** It's not uncommon for firms to employ multiple tools and methods for tracking and enforcing deadlines. Docketing applications help ensure that firms do not miss important deadlines and as a result, incur financial penalties or disqualification. Groupware calendars and project management systems provide general purpose scheduling and collaboration capabilities.

With so many alerts being sent, some firms have actually deactivated general e-mail notifications in their software so as not to overload attorneys. Deadlines often are recorded in multiple places. By communicating among and crossreferencing systems, firms can improve staff visibility and reduce the risk of missing due dates.

Some organizations are using more sophisticated data management approaches to provide the appropriate highlight to notifications of unrecoverable events (where a missed deadline would result in forfeiture instead of just a fine). Similarly, firms also are extending native docketing notification mechanisms across other applications, including sending text and audible notifications to VoIP and cell phones.



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## Implementing and Managing Data Communication

Firms can take several approaches to connect their infrastructure and implement these data communication solutions. As with most IT projects, the options boil down to borrow, build or buy.

**Borrow (Staff)** — Some of these communications could be performed manually on a small scale, but it would be difficult to use this approach broadly. Notably, several of these projects could require complex crossreferencing and synchronization across applications. With success defined as accurate, timely and efficient data communications, firms would have to make a significant investment in personnel. Realistically, staff resources probably could be better utilized.

**Build (Scripts)** — IT is in the business of building technology solutions. Many firms have the technical skills necessary to develop custom data communication tools in-house to tackle several of these challenges. In practice, however, few organizations have the resources to build a complex, generalized data management solution, much less the time. Instead, they resort to using batch scripts, homegrown applications and, in some cases, coding wrappers for legacy applications. Often, they must turn to costly consultants because of resource and deadline constraints. On a per-project basis these approaches can work, but in practice, the resource requirements to design, build and maintain such tools on an ongoing basis often create new IT challenges for the organization including adding complexity and risk to the environment.

**Buy (Point Solutions)** — Various third-party tools exist that may address individual projects. For example, several vendors provide tools for the creation of matter-centric workspaces in the DMS. These tools may excel at their individual purposes. However, a firm using multiple tools to address multiple projects will quickly find its application portfolio expanding and along with it, additional configuration, training, maintenance and other IT challenges.

**Buy (Platform)** — Today, firms increasingly are moving to centralize application data communication. A 2006 legal IT integration survey conducted by Thomson Elite and Askew Network Solutions noted that: "Organizations are moving away from using *ad hoc* approaches [to application integration and data communication] to adopt more centralized approaches." Unified approaches provide organizations with a single means to implement, manage and monitor key data communication projects. Platforms also enable organizations to make more effective use of staff resources and better reduce their overall risk profile.

## Continuing the Discussion

This list of innovative projects is by no means exhaustive. Firms are adding ideas and experience all the time. With the collaborative forum of ILTA and the communal spirit of the legal IT community, all firms have the opportunity to benefit from this creativity and bring new data communication capabilities and innovation to their own organizations.