

# Focus on Matter Management for Small Law Firms

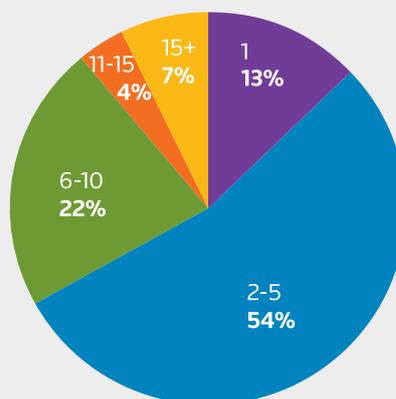
By Chris Jeffery, Head of Strategy for SME Law Firms, Thomson Reuters, Legal UK & Ireland

In Spring 2015, Thomson Reuters collaborated with research partners Winmark to produce the 2015 Looking Glass report – an annual look into the state of legal industry. Among the findings, the research revealed that 69% of law firms had already implemented matter management software and a further 9% were planning to do so in 2015.

But are smaller law firms who serve SME clients also adopting this technology? In May, Thomson Reuters surveyed small law firm practitioners on their use of, and preferences for, matter management software. This report summarises the findings.

## How many partners does your law firm have?

Our survey focussed on law firms serving SMEs



In line with the Looking Glass 2015 report, the majority of respondents in our research (71%) reported that their firm uses matter management software.

Our research also shows that as the number of fee-earners in a firm increases, so too does the likelihood of using matter management software. Not that surprising, given typical installation costs of such tools and the scale of work often required to ensure return on investment.

### Percentage of respondents who report using matter-management software:

- 57% of sole practitioners
- 67% of firms with 2-10 fee-earners
- 100% of firms with 11+ fee-earners

### A FRAGMENTED MARKET

When respondents were asked which matter management tools they had implemented, around 30 different providers were mentioned; and not one of them more than five times. While the market appears fragmented, it's possible to identify some common themes in the tools being used by our respondents:

- Software that is not developed specifically for lawyers or legal workflows – e.g. accounting software
- Software that is developed primarily for larger law firms
- Software that focuses on back-office functions (such as time recording and file management) and is not designed to improve service delivery to the client



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Interestingly, while all of the tools mentioned by respondents sought in some way to ease back-office pain points, when we asked legal professionals what they would hope to gain from implementing matter management software, it was the front office they cared about the most.

Two of the top three ranked reasons relate to improving collaboration and communication with clients. Benefits such as risk reduction and internal efficiency were considered less important.

## What benefits would you look to gain from implementing matter management software?

Top ranked answers

- Contact Management
- Improved reporting and project management
- Improved client communication
- Decreased turnaround time for matters
- Improved profitability
- Risk reduction
- Internal efficiency

## RELYING ON MANUAL PROCESSES

With so many matter management tools available, procurement is a challenge for IT and legal professionals in small law firms. What's more, installing these tools tends to be costly and might require in-house technical expertise which isn't always there.

Perhaps that's why 29% of our respondents report not using matter management software at all. Half of those said they didn't use any such tools, while others cited Microsoft Office tools such as Word, Excel and Outlook, as well as in-house precedents, diaries and paper checklists.

The inefficiencies and data security risks associated with a manual or piecemeal approach to matter management are obvious. What's more, such an approach is unlikely to give a good impression to clients. At a time of heightened competition, it's important for firms to be easy to do business with and to be seen to be managing matters efficiently.

## A SOLUTION THAT INTEGRATES

When we asked respondents what features and functionality they would expect to see in matter management software, the features most frequently mentioned were those that integrate with tools that lawyers use on a regular basis. For example, the ability to save emails from Microsoft Outlook alongside other file types in common matter folders. Also considered important were features that allowed practitioners to collaborate more effectively with each other – for example, by producing standard letters and forms, or by placing tasks to be completed in another fee-earner's diary.

## What functionality do you expect from your matter management solution?

Top ranked answers

- Integration with Outlook: email, calendars etc.
- Automate tasks whenever possible (e.g. produce standard letters and legal forms)
- Schedule tasks
- Place tasks to be completed in fee earners electronic diaries
- Evaluate tasks when they are overdue
- Integration with time recording and billing functionality

## FIRM CENTRAL FROM THOMSON REUTERS

Firm Central is a new matter management solution for small firms and sole practitioners in the UK, from Thomson Reuters. It's the only online matter management tool that connects your legal research, drafting, matters, contacts, calendar and more, helping you accomplish more for your clients with less stress and effort.

It allows you to store all files related to a matter in electronic folders, share them easily across your law firm and find current and past matter information quickly. The powerful search functionality helps small firms create a document management capability.

Firm central users can also search and browse content from Practical Law through the tool and save resources such as standard documents to folders.

Unlike other tools which focus on back office functions, Firm Central allows you to communicate securely with clients through a client-friendly portal. Users can invite clients to collaborate and share information such as messages, documents, forms, and other case details with your clients in a secure environment tailored to SME law firms.

Firm Central gives you CRM functionality, allowing you to import existing contacts – clients, businesses and other third parties - and share them between different matters.

It also helps with conflict checking; allowing administrators to search across all matters for specific individuals and businesses.

## IMPORTANT FACTORS IN CHOOSING YOUR SUPPLIER

We asked respondents what factors were most important to them when considering which matter management software to purchase

### What are the most important factors in driving your purchase decision on software products?

Top ranked answers

- Future-proofed technology
- Ease of installation
- Reputation of vendor
- Ease of migration
- Quality of support

### How does Firm Central perform on these fronts?

#### Future-proofed

As a cloud-based solution, there's no need to worry about periodic upgrades of technology. It's all updated automatically, so you will always be using the most up to date version.

#### Ease of installation & migration

Again as a cloud-based solution, installation is simple and easy. One small plug-in is required to synchronise documents, calendars and emails between your PC and the Thomson Reuters cloud.

#### Reputation of Vendor

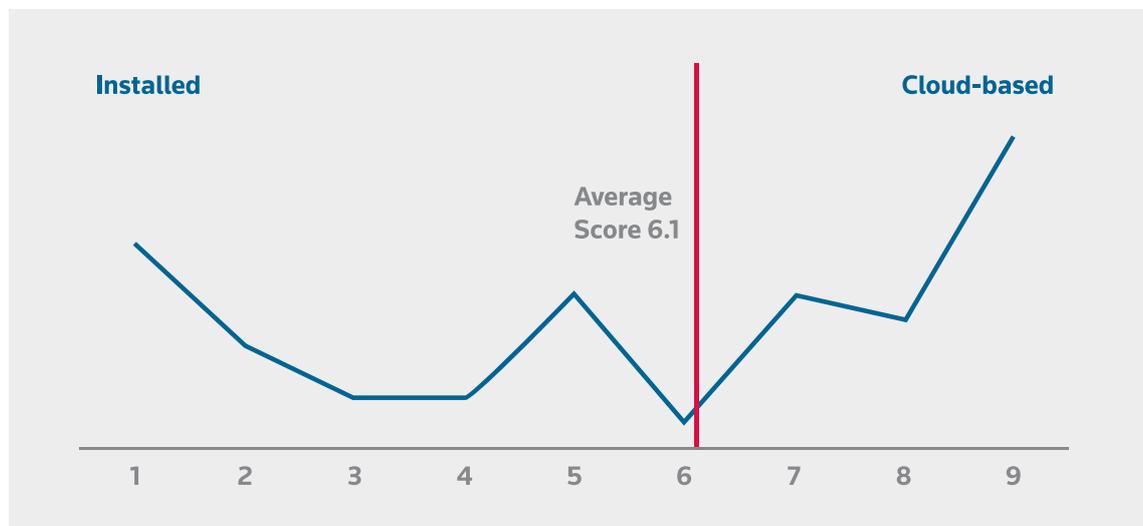
Given the Law Society guidelines around cloud-based software, it's crucial to choose a vendor you can trust. Thomson Reuters has been providing legal solutions to help lawyers work smarter for more than 150 years. Firm Central launched in the US in 2013 and is already used by thousands of practitioners in small law firms. Read what some of them have to say here

#### Quality of support

Firm Central online legal software is designed to use with minimal learning time. Customers also benefit from technical support staff, available 7 days a week. More than 500 IT, security, power, and other engineers support the infrastructure.

## SECURITY IN THE CLOUD

While the legal industry has typically been slower to adopt the cloud for fears around security and data protection, our survey showed a preference for cloud-based matter management systems.



### Respondents expressed a preference for cloud-based tool

The Law Society guidance on Cloud Computing, first published in April 2014, outlines the key benefits of cloud computing as:

- Improved backup/disaster recovery
- Flexibility
- Increase storage capacity
- Increased data handling capacity
- Reduced infrastructure costs
- Avoiding frequent manual updates to software (updates carried out automatically)
- Reduced internal IT staff costs (set-up and maintenance)

The guidance also outlines the key risks that need to be mitigated, by firms who opt for cloud-based tools:

- Security, data confidentiality and location of data
- Service reliability and stability
- Lack of control over customisation and integration
- Service response time, and enforcing SLAs
- Speed and bandwidth
- Danger of supplier lock-in
- Difficulty of achieving executive buy-in

Firm Central from Thomson Reuters uses a 'hosted cloud', meaning that it provides the efficiency and flexibility of a cloud-based solution with additional security benefits.

Firm Central's proven data security measures, include:

- AES 256-bit encryption, the same standard used by banks, to encrypt data on our servers
- 2048-bit SSL Certificates for data in transit
- Data is stored in secure Thomson Reuters data centres in the UK
- Data is backed up every night on our proprietary servers continual monitoring by intrusion-detection and virus-protection software

- Physical access to Thomson Reuters data centres are tightly controlled through multi-zoned, multilevel access controls and monitors.
- Our data centres employ have 24/7 security monitoring and event analysis.
- We tightly restrict employee access to customer-stored data, require appropriate security credentials, and we closely monitor access.
- We have attained ISO 9001:2008 quality management and 27001:2005 information security management certifications.
- Difficulty of achieving executive buy-in

Thomson Reuters data centres also provide reliable power and near continuous up-time for our servers by using:

- N+1 redundancy design in electrical and mechanical gear to ensure an uninterruptible power supply (UPS)
- At least two separate substations to supply power
- Separate UPS systems and related battery strings to sustain a full power load during power fluctuation
- Diesel generators and on-site fuel at each data centre ensure replacement power for days if utility power is lost

State-of-the-art early detection systems are in place above and below the raised flooring in our data centres. Gaseous fire suppression systems deploy below the raised flooring and multiple cooling towers and air-conditioning units provide uniform and redundant cooling distribution. A dry-pipe system serves as an ultimate fail-safe measure.

#### **More information**

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