START-UP TECH YOUR LAW FIRM REALLY NEEDS

# Document Management and Assembly

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Leaving the protective cocoon of a larger law firm and starting a new law practice may be an act of courage or recognition of a new reality. It brings with it the opportunity to reflect on what you would most like to do and what you do best. It gives you an opportunity to marshal your skills and come up with a business plan that involves marketing, capital investment, and intellectual investment. This is the time to define a set of "products" that you can deliver cost-effectively and profitably. This may be the best decision of your life, whether you made the decision or someone else made it for you.

When you open your new practice, what are your most valuable assets? The answer is your documents, your knowledge, your reputation, and your referral network. This article focuses on leveraging the first two items. Documents and knowledge are the stock and trade of attorneys. And when you analyze it, the ability to retrieve the correct document, to find the appropriate analogous document, and to draft new legal documents rapidly will be critical to the profitability of your new venture. A qualified legal assistant who knows your practice can be very expensive. However, with the right technology and planning, this legal assistant can do the work of several attorneys at a fraction of the cost. Two types of technology should be part of your arsenal: (1) a document management system to organize your documents and communications and (2) a document assembly system to enable you to leverage your precedents into interactive templates.

## Document Management Will Bring Order to Your Practice

You may ask, why does a solo attorney need a document management system (DMS)? Can't I just store my documents on the hard drive of my computer. And I will answer, what happens when the hard drive fails? How do you coordinate work with your legal assistant? How do you share the most current draft with your client securely? How do you designate documents filed with the court or county registry or executed by your clients? How long did it take you to retrieve the last agreement where you addressed "digital rights" or "work for hire"?

There are several reasonably priced DMS systems out there. You can subscribe to NetDocuments (netdocuments.com) and have a DMS system in the cloud for a nominal monthly subscription. You can license Worldox (worldox.com) and install it on your network. For a lot more money you can get iManage (imanage.com) or eDocs (edocs.ie). If your main goal is secure cloud-based document storage, as opposed to management, you can consider Box (box.net), Dropbox (dropbox.com), Sharefile (sharefile.com), or Egnyte (egnyte.com). Or, if your budget is more limited, you can use the document profiling tables of your favorite practice management system, whether it be Time Matters (lexisnexis.com), PracticeMaster (Tabs3.com), Amicus Attorney (abacusnext.com), Centerbase (legal.centerbase.com), or Actionstep (actionstep.com).

As a consultant to small law firms, I recommend two solutions to my clients: Worldox and NetDocuments. If you are not ready for "full cloud" and want to keep your documents close to you on a file server, Worldox offers a cost-effective document management solution. You can save documents and e-mails into folders based on client, matter, and document type and retrieve them by accessing the folder or by an enhanced profile-based search. Worldox has a comprehensive and quick global search engine. Security can be applied to the profile and combined with active-directory security applied to the document folders.

If you are ready for "full cloud," I recommend NetDocuments. For a monthly per-user fee of $40, you get a subscription service that provides enterprise-level document management. It is a cloud-first solution that requires nothing but an Internet connection. You can connect from a laptop, a Mac, an iPad, a tablet, or a cell phone. It is the same enterprise service whether you are a solo attorney or a 1,500-attorney law firm. The service is constantly updated with new features coming online every quarter.

NetDocuments takes security seriously. Each digital file is individually encrypted at rest with a quantum-random-number-generated key. All document delivery is encrypted. NetDocuments takes search seriously. The workspace for each matter can be self-organizing, based on document profile fields. Search can use full text or any of the profile fields with a powerful "refine your search" function. Using Solarz indexing technology, users will soon be able to display all entities and names in a set of documents, and then narrow their search by choosing particular entities or key words found in those documents. What this means is that documents don't get lost. It means if you think you once did something, you can find that document in minutes with a well-crafted search.

# Document Assembly Is a Force Multiplier

The limits to a document assembly system reside only in your imagination. If you can think it, and explain how it works to someone, that process can be captured in a document assembly markup language and implemented. The result is the production of consistent, high-quality documents in minutes, as opposed to hours. I have built systems that allow the user to choose from among hundreds of optional templates and clauses and then put together a complete loan package, a complete estate plan for husband and wife, a shopping center lease, a franchise agreement, or a complete motion package for a mortgage foreclosure.

The process starts with your documents. Converting your documents into automated templates can be like printing cash in a transactional practice where you charge a fixed fee for the transaction. The automated templates can be as complex as your thinking process. Each time you come up with a new situation, you enhance the template with additional options. Particularly where you have transactions with multiple documents sharing a common core of business data and decisions, document assembly can ensure that your data is in sync across all documents in the transaction.

Start by gathering the forms you use most in your practice. Group the model forms by type. Where the forms overlap, consider creating a consolidated form that has brackets around option text with footnotes explaining the rule. Use angle braces (e.g., ) around places where you would fill in a blank from a questionnaire. When you have completed this markup, open an Excel spreadsheet and start making a questionnaire. Group your questions into dialogues. For each variable, assign both a name and a long explanatory prompt. If a calculated field is required, explain the criteria for the calculation. This Excel spreadsheet will be your master dictionary. As you review more documents, add them to the dictionary, grouping them into a logical dialogue.

Once this is done, you are ready to work with the document assembly software. Each program has its own method of marking up the document, but they all accomplish the same function. There are variables or fill points where text is filled in from a questionnaire or a calculation. And then there are expressions or rules that surround blocks of text that determine whether that text will be "included" in the assembled document or "deleted" from the master template.

For simple documents, "merge fields" may work under the 80/20 rule (the axiom that 20 percent of your activities account for 80 percent of your results). With the merge fields used by most practice management systems that claim to have document automation, you place a token in the document and then use a merge to replace those tokens, for example, with the name of the buyer and seller in a sale agreement. This works when there is only one seller and only one buyer. But what if there are two sellers? What if the sale is made by a partnership and requires multiple signers? What if one of the assets being sold involves a joint tenancy? What if you really do need to adjust the language based on one of these circumstances. With a scripting language, you can write the template to handle the required text changes automatically.

As with any legal endeavor, there are choices you need to make concerning how you spend your time or your money. Document assembly can be a do-it-yourself (DIY) activity. The concepts are relatively simple, and you can learn how the software program's syntax works. Hiring a document assembly specialist can speed up the process of creating automated templates and allow you to spend more time on marketing and growing your law practice. If you have paying work, hiring a specialist who also knows your area of law can be cost-effective and timely. If you are leaving a practice with several available associates and paralegals and going out on your own, there will be a major premium on your time, particularly in the start-up phase of your new practice.

Whether you DIY or hire a professional, the return on investment on the completed system will come very quickly, often in a matter of months. Document assembly will allow you to focus your time on the client consultation, allow you to turn around work more quickly, and give you time at the end of the day to go out and get more business. Document assembly can allow your paralegal or junior attorney to produce near-final drafts that require less review.

# Conclusion

DMS and document assembly are the flip sides of one coin. You need the DMS to find out where you have been and to organize the documents you create. You need document assembly to leverage those precedents into automated systems to allow you to handle the work that used to require an expensive and highly leveraged staff. Put them together, and you will find yourself more productive, with more time for your clients.

Authors