

Five Reasons Your Law Firm Needs Workflow Software

By  **CENTERBASE**
Run Your Law Firm in the Cloud



There is a parable about an old man who would climb each morning to the top of a 100-foot waterfall for his morning exercise, and dive off. He would ascend the cliff besides the waterfall with his bare feet, pulling himself up hand-over-hand through the vines. Once at the top, he would wade out to the middle of the stream, close his eyes, and leap.

How did the old man survive the plunge? Yes, he knew the best place to dive, and he knew where the water was deepest; that wasn't enough to keep him from being smashed on the rocks. The real answer is simple: he would make his body like a leaf and flow with the water. His body would be flexible and safely flow around the obstacles. The next day, he would repeat the stunt.

Navigating the Rapids in a Modern Law Firm

In a modern law firm, each day is a struggle to climb to the peak of that waterfall and then dive into the rapids below. Like the river in our parable, the business of law is complex, fast-paced, and full of myriad obstacles and demands. Lawyers need to balance billable work and administrative work. Funds allocated to overhead and administration are limited. Strike the wrong balance, and the law firm is no longer profitable. Strike the right balance, and employees stay longer and partners go home richer. When a partner spends too much time on administrative work, the profit centers get ignored at his or her peril. For a paralegal, failure to navigate complex processes can lead to costly errors and

delays. Overall lack of processes, controls and data can make work at a law firm seem more like a visit to the casino than a smooth running business, as the firm lurches from crisis to success and back again. Workflow software offers a solution to these problems.

What is Workflow?

Workflow is what you do every day without thinking. Workflow is the method of navigating between “A” and “B”; it is what water does when it flows from high to low. In a well-developed workflow, the work proceeds smoothly and naturally with minimal friction. In a good flow, the work gets done easily by those who can do it most cost-effectively. The work happens in a regulated environment: each stage of the process is mapped out and actions are monitored and tracked without the actors even realizing it.

How Can Workflow Software Help?

Workflows can be as varied as the personalities in your law firm. There is no one perfect workflow. Some programs create “one workflow” that works for most users, and force other users, through training, to adhere to that workflow. This process is called “train the user.” By contrast, in a workflow system, the users “train the developer.” The developer then takes that training and creates a workflow that simplifies and automates the process, so that users can get on with their work. In this light, partnering with a legal practice management consultancy with expertise in workflow can be worthwhile.

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Below are five reasons your law firm could benefit from workflow. These are by no means exhaustive, nor may any of these reasons be why your firm should adopt workflow software. Rather, these reasons are designed to nudge you in the right direction and stimulate your cerebral cortex.

1. Automatic Assignment of Tasks and Approvals.

Take, for example, a typical request for documents. When you select a custom action from a button on the matter, the software creates a subpoena duces tecum for the attorney to craft his or her document request. Upon internal approval, the subpoena is routed to a paralegal for service, the date and time of sending is logged to the matter, and an expected return date is calendared. In addition, a message is scheduled to be sent to the associate responsible for follow-up upon receipt of responses. Once the response is received, it is routed to the responsible paralegal to organize and index. On completion, the associate is alerted to review the production and create a memo. Finally a memo summarizing the results is sent to the partner.

This whole process is initiated with a single click. Using the responsible partner, associate and paralegal, the system knows where to send the task notifications. Each transition and assignment is logged when the task is marked done. The messages include links back to the matter and the task, including case-specific details; even the schedule of document requests can be custom crafted with a short questionnaire that produces a custom document.

2. Better Allocation of Resources. In many law firms, some staff members get the work done quickly but lack good record-keeping skills. These people know “intuitively” what needs to be done, but can’t tell you where they are across multiple matters or what more needs to be done. They are always “busy.” Meanwhile, others are sitting around with nothing to do. With workflow software, you can now make fact-based decisions with data supported by tangible evidence. This is because each task and each stage of a workflow process is logged.

With workflow software, you can determine how busy each worker actually is at any given time. Performance metrics will include when each task was assigned, started, and completed. You will also be able to see the allocation of work among staff members, as well as their relative productivity for specific activities. This can be used to better allocate resources based on skill and productivity. This can free up resources for non-billable activities that will expand revenue and increase productivity, such as marketing and business

development, development of document assembly systems, or CLE and legal specialization.

3. Getting More Work Out of Your Current Staff.

A person can work only so many hours in a day. Each full time equivalent (or FTE) position requires salary, allocated overhead, insurance and benefits. The cost of recruiting and training employees can be the equivalent of several month’s salary. Any tool that allows your current staff to handle a greater volume of work (without having to make additional hires) will add tens of thousands of dollars to your profitability.

A well-designed workflow means your staff completes each task faster, and transitions smoothly to the next task. It means that the transfer of task responsibility (from a paralegal to an attorney for approval and back to the paralegal for completion) can happen instantaneously, with a few clicks. A good workflow eliminates the bottlenecks, such as a managing partner who needs to approve key documents, but has limited time during the day, so that approvals need to wait until the weekend when she can catch up on this non-billable work.

4. Reducing Time Spent on Non-Billable

Administrative Tasks. Every law firm is, at its core, a business. Workflow is not just for attorneys and paralegals; the same tools used by attorneys can be used by administrative staff. A smooth-running administrative team is also beneficial to the firm, particularly where key decisions need approval from time-pressed attorneys. Workflow can help here.

Take the hiring process for attorneys and paralegals. Following an advertising campaign or a recruiting period, a firm may need to process hundreds of resumes. With a workflow process, each resume is routed to multiple reviewers who “vote” on the application. The workflow software tallies the result. Any no votes result in instant rejection, and the sending of a boilerplate email. If all reviewers vote yes, the resume proceeds to a second level of review. The software gathers the results of social media and Google searches, as well as interview commentary. When these processes are done, a second round of voting occurs. Upon clearance, the contract negotiation process commences. A standard employee agreement is merged from the approved offer terms, until the whole process is completed.

5. Pre-Bills to Posted Bills to Cash in the Bank.

Bills turn into cash much faster when a workflow system is married to a sophisticated legal practice management, billing and accounting system. This is because the process of billing and accounts

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receivable is full of roadblocks. One of the lawyers on a matter may not have entered all her time. A key partner may have reached a “special understanding” on a bill. Key billing codes on an invoice may need to be adjusted to increase the recoverable portion of the bill when dealing with an insurance company reimbursement policy.

With a custom billing workflow, each of the key players will get notifications, with a link to the bill flow; and an ability to quickly correct or approve the invoice. Once the invoice is posted, a link can be sent securely to the client for its approval. Payment with a credit card is just a matter of clicking a button on the invoice to (a) charge their credit card, and (b) post the payment back to the practice management system. As a result, invoices will go out earlier and payments will be made sooner, increasing the cash flow, and decreasing the float on accounts receivable.

The Workflow You Need is Here Today

The good news is that you don't need to wait to get the benefits of workflow software. Workflow is part of many practice management systems, both cloud and desktop client-server. Some programs offer chains and precedents, others offer stages and steps, and others offer nodes and tasks as part of flows. Some programs require user intervention to initiate the workflow; others include the option to automatically trigger the workflow to start, and allow for multiple, simultaneous workflows.

Regardless of what you call it, these programs recognize the real benefit to defining and using workflows. The software, including the design and implementation costs, will pay for itself, sometimes within a matter of weeks. More complex systems may take several months to recoup the design costs, but will save in the form of multiple FTEs that you do not need to hire, or attrition you do not need to replace. A workflow is certainly in your future.

About Centerbase

Centerbase is a full-service, cloud-based legal practice management solution that includes workflow, matter management, document management and document assembly, time and billing, and accounting. The platform is infinitely customizable, with support for unlimited custom fields and custom objects. It is also cross-platform, running on Windows and Mac systems, with special apps for iPhone and Android. To learn more, contact sales@centerbase.com or give us a call at (214) 987-9000.



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