LITIG

Case & Matter Management Review

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1.   EXECUTIVE SUMMARY

1.1   Method Overview

1.1.1   This review seeks to understand the current position of case management, matter management and workflow in UK law firms. This report is based on information provided by 18 law firms using a combined questionnaire and follow up telephone interview method.

1.1.2   The firms interviewed represented 11,000 people with a combined turnover in excess of £900 million.

1.2   Key Statistics

1.2.1   **Use of Case Management** – all of the firms interviewed for this review used some form of case management.

1.2.2   **Use of Matter Management** – 80% of the firms interviewed had invested in developing some form of matter management to provide assistance to fee earners who were not involved in volume fix priced work.

1.2.3   **Citrix is favoured delivery method** – over 70% of interviewees used Citrix to deliver the case and matter management systems, often to overcome network performance issues.

1.2.4   **Practice Management System (PMS) integration** – the majority (60%) had integrated their CMS/MMS into their PMS but only 44% described it as being "tightly integrated". It was notable that 40% of the firms had not integrated into the PMS due to the difficulty of doing so, resulting in the creation of "data islands" or relying on the re-keying of information.

1.2.5   **Low use of Business Analysts (BAs)** – only 20% used specialist BAs to interface with business units and design the systems. Those 20% however related strong benefits in doing so.

1.2.6   **In-house development teams** – 40% of the firms interviewed had an in-house development team. The value of this divided these firms into two camps, with half believing that in-house development was essential in order to obtain any significant return on investment and the other half wishing they did not need an in-house team at all and felt that once you started on the in-house development route there was no going back.

1.2.7   **SaaS or hosting** – 33% of interviewees were positive towards using SaaS or hosted external services but only one firm had done anything about it and was using a SaaS CMS solution.

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1.3   **Drivers**

1.3.1   There were no surprises here, for the vast majority the drivers for case management were the high volume fixed price work types. Investment in matter management was increasing to bring process and structure to both non-volume and administrative areas in order to make headcount savings, drive efficiencies and increase profitability.

1.4   **Issues**

1.4.1   **Performance** – there were a number of common performance issues identified by interviewees:

1.4.1.1   **Database performance** – systems appeared to be suffering performance issues as a result of the total flexibility often offered by case systems suppliers (being able to add user fields and tables at any point). Performance was less than ideal.

1.4.1.2   **Document assembly** – was considered poor by many. It was still felt to be overly complex for all but the simplest of documents and that there was still "a way to go" with this technology.

1.4.1.3   **Workarounds** – Firms had to work around these and other minor issues, which involved development and data warehousing to provide performing, integrated systems.

1.4.1.4   **Citrix** - was used by most to improve network performance and to reduce the amount of testing required for deployment.

1.4.2   **PMS integration and management**.

1.4.2.1   **PMS Integration** – was a common issue but firms were starkly divided. Those using a separate CMS to the PMS provider often had difficulty integrating with their PMS to the point where some had given up, whereas those firms using a CMS as part of their PMS as an integrated system were reaping the benefits and seemed far happier.

1.4.2.2   **Billing** – was nearly always done from the PMS requiring data to be passed from the CMS to the PMS. For separate CMS the vast majority of this transfer was at a consolidated level and some by re-keying. Very few transferred data at an individual matter or transaction level.

1.4.3   **Resources** – Interviewees cited a number of issues in the CMS arena in relation to resources.

1.4.3.1   **In house development** – was cited as a necessary evil, a one way street and difficult to unpick. Many were regretting delving too deep into the products and tailoring them resulting in difficulties upgrading to newer versions. In house teams were swelling resulting in a fixed high price without the ability to vary and flex resource costs.

1.4.3.2   **External resources** – were very hard to find and is a likely key contributor to the establishment of internal development teams that appeared to be an unpopular yet inevitable route.

1.4.3.3   **Internal resources** - the age old problem of getting partner and other fee earner time to assist with design, development and testing of CMS/MMS systems was ever present and made no better by the recession "quiet time" as firms cut both fee earning teams and IT either to survive or protect profit so the lack of resources in both teams means that the problem has continued, if not worsened, through the recession.

1.4.4   **Reporting** – was a major headache for firms and consumed most effort pre and particularly post go live with continual change requested by the client and internal customer:

1.4.4.1   **Client demands** – changed frequently and sometimes asked for reports requiring data that was not captured in the system indicating a lack of forethought in design.

1.4.4.2   **Tools** – case and matter management reporting tools were considered poor and the underlying data and application infrastructure to support reporting was slammed as being weak and time consuming for developers to use. Most used Crystal Reports but there was a general move towards Microsoft Reporting Services. However it was noted that capturing the relevant data and storing it within a sound database structure was essential, otherwise the choice of tools made no difference.

1.5   **Growth of matter management**

This was confirmed as "taking off", fuelled by the economic downturn and the following were topics of conversation in our interviews:

1.5.1   **Fear of "dumbing down" legal work** - was still a concern in some less enlightened departments who were against the use of matter management. It was felt that these departments were resisting the change and would ultimately be held back by their inefficiencies once the economy begins to

recover whereas their more progressive competitors may be better placed. However those firms that were culturally "anti matter management" were at least generally investing in matter centric working using their document management systems.

1.5.2 **Legal Services Act** – was on the mind of many and the belief was held that they would have to be highly streamlined in order to be attractive to any larger organisation looking to take on legal work or enter into a joint venture with a law firm.

1.5.3 **Pricing** - occupied the minds of many. It was generally accepted that the direction would be towards far more fixed and capped price work and that this would drive further demand for efficiency and monitoring / reporting.

1.5.4 **Wider customer base** - case and matter management was growing in interest in departments that are not traditional customers of these technologies and departments such as Litigation and Employment are now showing more interest particularly in auto document generation of first drafts.

1.5.5 **Wider benefits sought** - some firms were focussing on using CMS and MMS for pseudo project management tools to gain efficiency in their matters and work management.

1.5.6 **Recognition of the value of administration systems** - until recently, investment in case and matter management has been solely in line of business areas. Starting apparently with larger London firms but permeating down to smaller firms and outside of London is an investment in automating administration systems such as holiday management, expense management (not just disbursements), flexible benefits management and overtime management to substantially reduce operational and overhead costs and keep support department staffing lean. Some firms had excellent successes and so it seems set only to continue and become more widespread.

1.6 **Suppliers**

Views on suppliers varied from excellent to very poor. In addition many firms had more than one product so maintained several supplier relationships. The following key areas were highlighted by the review:

1.6.1 **Focus on "flag ship" customers** – smaller customers got less attention!

1.6.2 **Mergers** – those suppliers that had undergone mergers were particularly slated for the lack of attention to customer's needs during this process and the poor resulting organisation.

1.6.3   **Techies** - suppliers only offered "technical" help and could not offer any business analysis services or wider business consultancy.

1.6.4   **No coding required** – was considered a false claim and interviewees felt suppliers should be more honest about this area. Anything but the simplest system and particularly anything that required integration was reported to require plenty of coding by users.

1.6.5   **Legal Pedigree vs. Garter Magic Quadrant** - whilst the larger, Worldwide, pure play case systems that sit in Gartner's magic quadrant were very fully featured and offered valuable add-ons like "what if?" scenario planning, they were considered "clunky" and "ugly" compared to smaller legal CMS. All systems seemed to fall down on document production / automation.

1.6.6   **Complexity in upgrading** – was cited as a difficult area. Whilst we could not ascertain whether this was due to in-house tailoring of systems, it was a widespread issue and generally once a system was introduced it was left. The more time that went on after initial release, the less inclined IT departments were to "open them up" and update them. Part of the problem was that the front end and back end of the systems were often too closely coupled, further complicating the upgrading of a system.

1.6.7   **Lacking in best practice** - some of the systems appeared to lack any features to facilitate the best practice of having a development, test and live environments with some almost "encouraging" amendments to the live environment as a best practice method was very hard to achieve. In addition testing rigs were few and far between and given the complexity of many of the systems and many hundreds if not thousands of permutations along a workflow this seems to be a major omission.

1.7   **Analysis and Opinion**

In this section we give the authors' opinion and views based on the information gathered as part of the review augmented by their own personal experiences in case management, matter management and business process re-engineering.

1.7.1   **Still some way to go "technically"** – despite business process reengineering and workflow being around for a long time and case and matter management tools being widespread, there appears still a long way to go for them to be truly mature and meet the needs of the developers and users. This is especially true in best practice development and testing processes, integration, document generation and reporting.

1.7.2   **Still some way to go "procedurally"** – client partners and departmental managers need to be more involved in the design of these systems. It is

often the case that little time is given by the business teams or clients to help with the specification and design of these systems. Perhaps businesses will never change in this regard so it falls to IT Directors to stand strong and insist on the right resources to do a thorough job and to redesign the legal process rather than simply automate an existing one. Strong project and programme management and business analysis are required to ensure no one is "second guessing" the client's needs. We feel these areas are critical to designing good systems with flexibility and longevity and we feel that this should be the focus over the next few years.

1.7.3 **External resource availability** – case and matter management invariably seems to lead to in house development teams and these are expensive, in many cases described as undesirable and yet appear to remain once established. We feel this is resulting from an immaturity of the resources market where providers of case systems are not actively encouraging 3rd party suppliers to provide contract or outsourced resources to develop in their systems. This is likely to be due to the small size of many of the players and niche market in which they operate but, in our experience, it still holds true for Gartner magic quadrant systems that are from global players. They too suffer from lack of 3rd part developer availability. A general lack of external resource will continue to constrain the market, however any supplier that could create a flexible and skilled 3rd party development resource could gain significant commercial advantage. For CMS and MMS systems to be embraced and more widespread we feel a market change is required to increase the levels of resource availability and maturity to the levels of VB or VB.net developers.

1.7.4 **Internal resource availability** – without significant investment in in-house development teams, business analysts and project managers, firms that embark on bespoke or highly customised implementations may never fully realise the potential that business process re-engineering has to offer.

1.7.5 **Microsoft** – may well be successful if the 3rd party contract and developer resources for Microsoft workflow foundation services becomes anywhere near the level of resources for VB and VB.net. The lack of external resources has led to in house teams developing and this presents a fixed high price to a firm. Use of external resources will permit variable costs that can be turned up when required and turned down when in hard or quiet times. Given the recent economic situation we feel this will be very attractive to firms and could be a key element in Microsoft's success in this area. The other advantage is that Microsoft is known to be proprietary but accepted as an industry standard due to its super dominant position and

widespread adoption in both users and developer organisations. Finally 3rd parties will seek to partner with Microsoft over smaller niche players.

1.7.6   **Integration** – the PMS providers who provide CMS are clearly winning out in the integration arena and this is attractive to firms. However this is generally offered by the PMS providers operating in the SME law firm space so their market is constrained.   With the onset of Elite 3E being predominantly a CMS it will be interesting to see who wins out with Aderant adopting a Microsoft Windows Workflow Foundation Services approach and SAP using its own proprietary workflow solution.

1.7.7   **Recession springboard** – the recession has already acted as a catalyst bringing focus on efficiency and widening the scope of CMS and MMS to areas outside of volume fixed price work and into administration areas. Firms would be well advised to use this as a spring board to achieve the greater heights of better tools and resources (by applying pressure to suppliers) and better working practices (by applying pressure to their firms) to drive out the inefficiencies referenced in this report and move case and matter management to a more mature and streamlined industry in legal.

1.7.8   **The Winners?** - When they are implemented, CMS and MMS systems provided by PMS suppliers seem to win out but their market is constrained. As such the CMS and MMS suppliers that offer excellent, full and easy integration into PMS, have a wide portfolio of 3rd party resource providers, have strong best practice in development and testing and offer excellent data management and reporting tools will win out in this market. Currently we feel that, with the exception of PMS integration, Microsoft may be best poised to do this unless the legal PMS, CMS and MMS providers wake up to the threat. Already some legal software suppliers have embraced Microsoft's WWFS and Microsoft may well leverage its existing enterprise agreement licensing models to propagate the distribution of WWFS in its end user base.

1.7.9   **The Future?** – We feel cloud and SaaS model services will become players in this market. It may be by combining resource availability and off shoring BA and development models that this will be achieved. We feel law firms will be attracted to the simplicity of hosting and variable licensing and development costs against a supporting background of greater integration as XML web services takes off, suppliers build in more sophisticated APIs and cloud services become more widespread. Adoption is likely to be a slow process though.

2.   REPORT DETAIL – THE METHODOLOGY

2.1   Purpose of the Report

2.1.1   The objective of this report is to provide a review of the views of LITIG member firms and client members, with regard to the usability and effectiveness of Case and Matter Management (CMM) Systems.

2.2   Review Process

2.2.1   The information on which this report is based was obtained using a two-stage process of questionnaires and interviews.

2.2.2   The first stage consisted of a questionnaire was sent to interviewees to obtain basic information on what systems are in use, together with work types, user base, transaction volumes, reporting tools and other systems with which they are expected to integrate.

2.2.3   The second stage was a follow-up telephone interview, involving IT, Finance and Fee Earner representation where appropriate.

2.3   Number of Firms and Clients Taking Part

2.3.1   For the purpose of confidentiality, those firms and companies taking part have not been listed. In summary, taking part in the study were:

2.3.1.1   18 law firm members

2.3.1.2   1 client member

2.4   Number of Systems Covered by the Report

2.4.1   A total of 22 different commercial systems from 19 suppliers were included in this study along with several in-house developed solutions, where different versions of the same software were in use they were not counted separately. It should also be noted that suppliers may not regard all of these systems as current or supported.

2.4.2   The following chart is a break down of these systems by product:

Case System Usage By Product

Legend:
- In-house / Bespoke
- Solcase
- LN Visual Files
- LN FED
- LN Arista
- DPS
- CMS.net
- Proclaim
- Intempo
- Partner for Windows
- Vectus
- Legis
- Nexum
- Videss
- Norwell
- Liberate
- Accudebt
- CM12
- e-work
- TeamFlo
- Inprotech
- dotLegal
- Matter Centre
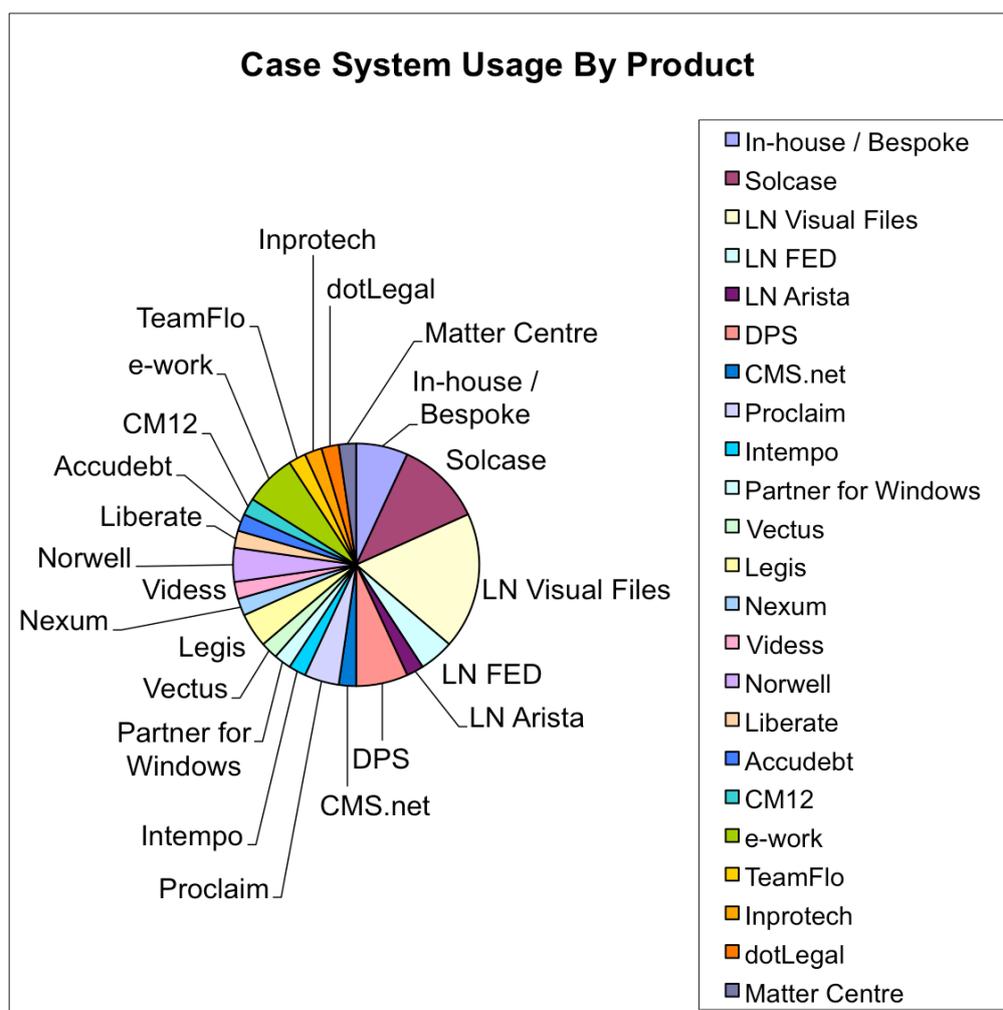
2.4.3   Although many of the major legal IT suppliers were covered by the responses it is by no means an exhaustive list of products and several suppliers were not represented within the sample.

3.   INTRODUCTION

3.1   Background

3.1.1   The 18 law firm members that took part in this review were all case system users; this represents over 11,000 staff and 6,500 fee-earners with a combined turnover of almost £900M.

3.1.2   This equates to an IT spend of around £45M based on the UK sector average of 5% of turnover. This represents a significant slice of the UK legal IT market.

3.1.3   During the research interviewees noted that there have been significant changes in the type of work that they were now undertaking on behalf of

clients, notably as a result of more sophisticated clients and the current economic climate.

3.1.4   Clients were either negotiating lower fees, introducing price caps or moving away from time based billing altogether towards fixed fee work.

3.1.5   The current economic climate is also having an effect, not only with downward pressures on rates but also the need to increase efficiency and reduce operating costs.

3.1.6   There was also a shift in the type of work being handled by case management systems; some business areas were mentioned as being in decline such as conveyancing whereas other such as debt recovery were on the increase.   This effect was being felt across the board however the impact had to be viewed on a firm-by-firm basis.

3.2   **Definition of Terms**

3.2.1   During the interview process it became clear that there are widely accepted terms being used in the UK Legal industry and definitions are given below for common understanding and to propogate the definitions and so common language throughout the industry:

3.2.1.1   **Case Management** - this is generally reserved for use to define systems that are generally high volme and prescriptive in their approach, controlling rather than guiding the user.

3.2.1.2   **Matter Management** - is generally reserved for use to describe systems that are loosely constructed allowing a fee earner scope to modify the process and elements used whilst providing some structure and knowlede around a legal process. It is generally reserved for desciding a legal process (as opposed to an admin process).

3.2.1.3   **Workflow** - is a general term for a process with stages that are linked. Workflow may be incorporated into case or matter management to varying degrees and the stages may be handled by different teams or individuals. Workflow is often the term used to descibe administration matters

3.2.2   The previously strong distinction between case and matter management is being eroded as fee earners come to accept that "everything is a process" and it is only the degree of flexibility that differs.

4.   CASE MANAGEMENT

4.1   Why Are Firms Using Case Management?

4.1.1   For many firms the concept of case management and the use of case management systems (CMS) are well established and they are key components of their business applications portfolio.

4.1.2   When contacted for this report the majority of those interviewed reported that in the first instance the main drivers for the introduction of case management systems was to support the high volume of repetitive and commodity legal work in areas such as conveyancing and debt collection, to realise efficiency gains in those areas and to control their costs.

4.1.3   Efficiency gains come through the automation of the legal process using workflow tools and applications to manage and streamline standard business activities, including the use of document assembly products to generate standard letters or documents and the strict management of task lists and schedules to ensure that key dates are met.

4.1.4   It is worth noting that much of the work that is undertaken by firms using case management systems is on a fixed fee basis rather than being time based. It is therefore important that not only is the work done in the most cost effective way as possible, but it is also handled by the most appropriate level and number of fee-earners. In some areas there had been a shift from the use of lawyers to paralegals however this is not always the case and some firms reported that they were simply able to turn over more work without having to increase headcount.

4.1.5   Some interviewees reported that it would be difficult to fulfil all of their clients requirements without having a case system in place, not only to handle the volume of transactions that need to be processed but also for the collection and reporting of management information. In some firms it was the reporting requirements that drove the decision to case management. Where this was the case the client frequently used the information in order to monitor the quality and effectiveness of work being sent to a number of panel firms.

4.1.6   Several members also noted that legal work is part of a wider business workflow and that case management enables the firm to improve quality by enforcing levels of consistency and standardisation. This has many benefits, not least for SRA compliance, risk management and Lexcel accreditation.

4.2   Volume work

4.2.1   The firms interviewed were asked how well their case management systems performed, in particular how well they handled the volume and complexity of work that was being put through them.

4.2.2   For most the response was positive, systems easily coped with the current workloads.   Because of the current economic climate not all firms had high volume levels, some areas of work were in decline, they felt that they were nowhere near the maximum capacity of their products and throughput was not a major concern.

4.2.3   Where performance was raised as a concern interviewees were quite specific about the cause.   Poor application performance and database design were noted as a common issues, with firms attempting to overcome these issues by using copies of live systems or building their own management information systems and data warehouses for reporting and billing.   One extreme example was a problem with import scripts meaning large bulk instructions from a client taking several days to process.

4.2.4   The performance of document assembly tools has been an issue for some, especially where many clauses have led to complex document templates. Examples of how to overcome this included creating different case types for every activity.   This improved performance but increased the workload on the IT team who now manage these additional templates.

4.2.5   Whilst not performance related, firms commented that often the reporting requirements overwhelmed fee-earners, the level and volume of management information that was required had an impact on both the legal and IT teams.   This area will be examined in more detail later in this report.

4.3   **Practice Management Systems**

4.3.1   Firms interviewed were asked how well their Practice Management System (PMS) integrated with case management systems and how it handled the volume of data being posted into it?

4.3.2   All respondents cited integration as a major area of concern and this will be explored in more detail later in this document.

4.3.3   At the most basic level one-way integration from PMS into CMS was common; client and matter detail was imported into the CMS.   Every new matter created in the PMS created new matter in the CMS.   Time and billing information was not automatically transferred back to the PMS, however for many firms this wasn't seen as relevant as it is fixed-fee work.

4.3.4   Where two-way PMS integration had been setup the PMS was always the master. Only one firm reported that they were now performing distributed matter opening, whenever the case teams created a new matter in the CMS it is pushed back into the PMS.

4.3.5   Almost 40% of those interviewed hadn't integrated with the practice management system at all; typically new matters were created in bulk in the case management system and not replicated back to the PMS. This lack of synchronisation meant that the matter only existed in the CMS.   To overcome this the information was often re-keyed; either using paper based forms that were passed back to the finance teams for entry, or by the case team who entered them into both systems at the same time.

4.3.6   For those firms using products from different suppliers, often citing the requirement to choose "best of breed" products, PMS integration was at best "good", occasionally described as "clunky" but always "a challenge".

4.3.7   Those with integrated "all-in-one" systems that provided practice management, document management and case management in a single package, said that "integration wasn't an issue" and "everything worked well together".

4.4   **Billing**

4.4.1   Interviewees reported that in general they didn't bill from the CMS.

4.4.2   There were significant differences in how different firms handled the bills for each matter. Due to the volume of matters being processed the most common solution was for consolidated billing information to be created in the CMS and transferred to the PMS, providing a single bill for each client. However a small number of firms, typically those with well integrated systems, passed back billing information to the PMS on a matter-by-matter basis, creating a 1:1 billing relationship between the CMS and PMS.

4.5   **Product choices**

4.5.1   Interviewees identified three general product types;

4.5.1.1   Commercial off-the-shelf (COTS) products,

4.5.1.2   General purpose case and work-flow products,

4.5.1.3   Bespoke in-house developments.

4.5.2   COTS products were purchased for use in specific work areas such as residential conveyancing, insurance claims, remortgaging or debt collection.

Respondents cited the decision to buy rather than tailor or build was driven by the decision that they didn't want to develop own systems, often because the limited requirement for case systems in the firm or that the IT team was too small to take this on.

4.5.3 Two firms noted the unique nature of Intellectual Property and Trademarks case products, in particular their requirement for regular supplier updates that covered the multi-jurisdictional nature of the work. The IT teams took a very "light-touch" approach to these and were happy to leave them to the legal teams to manage themselves.

4.5.4 In general it was felt that that COTS products were once very rigid in their approach but now allowed more flexibility, including client involvement to shape workflow, which had helped with their acceptance within the firm. One debt recovery product used by one of the interviewees was noted as being very good at "helping" the user by driving dates and schedules, automating emails and generating documents but without imposing a strict workflow.

4.5.5 For firms with either integrated solutions or the CMS had come bundled as part of the PMS purchase, there were used "as-is".

4.5.6 Interviewees who had chosen to use general purpose case tool kits and workflow tool products felt that their role was that of an integrator / implementer, building case systems alongside the legal teams and creating "framework" workflow products that could be used in many different areas. These were described as being very "conversational projects" in which IT and business units embarked on a development journey together in order to create the systems.

4.5.7 Those interviewed noted the increasing use of Business Analysts (BAs) and almost 25% of firms had introduced some kind of BA role into their IT teams. However there was still the feeling that these weren't always needed however fee-earners had to be involved throughout.

4.5.8 Three respondents had developed bespoke case applications for specific business areas that they couldn't satisfy at the time using COTS products. They cited the need for a specialist in-house development team that once created was expensive to maintain and could not easily be removed.

4.6   **Problems**

4.6.1 Many of those interviewed reported that they often struggled to obtain reliable levels of skilled resources from their suppliers. Toolkits are often sold as not requiring programmers; whilst this was felt to be true for simple

workflows it wasn't true where you needed integration with other line-of-business (LOB) applications or complex conditional document assembly.

4.6.2   One firm commented that they needed the ability to walk through the user interface without having the low-level integration in place, but this was very difficult with existing products. They found that 80% of the effort in building a case system was about getting the business process right, however they often found themselves bogged down in other 20% that was not necessary when working with the fee-earners.

4.6.3   Firms also reported that they couldn't get user time for requirement gathering, testing and report writing.

4.6.4   Projects that are user led, but not strategic in nature, were often built in isolation and didn't integrate with the PMS or DMS. Several firms reported that many case systems started life as "islands" and were rarely revisited in order to integrate them more closely with LOB applications.

4.7   Application Delivery

4.7.1   Over 70% of firms who were interviewed were using Microsoft Terminal Server or Citrix to ensure that performance over their wide area network (WAN) was good. A "published desktop", delivered from a central location, removed the issues of network speed and latency that could significantly reduce application performance.

4.7.2   In certain circumstances where even local area network (LAN) performance is a critical issue firms have used Citrix "published applications" to overcome specific performance problems noted with poor application design or database performance.

5.   MATTER MANAGEMENT

5.1   Are firms using matter management?

5.1.1   Firms interviewed were asked if they were making use of matter management and did they believe that its use would increase or decrease.

5.1.2   For the majority of those who were interviewed the answer was a definite "yes", there was either already a significant move towards matter management within those firms or there was now interest developing as a result of the current economic down turn or industry changes such as the introduction of the Legal Services Act.

5.1.3   Almost 80% of those interviewed had introduced some form of matter management and the remainder were positive that they would do something in the near future.

5.1.4   There was a common feeling that firms were now moving away from the established view that case management and matter management are different, one interviewee stated "everything we do is a process" and went on the describe this as "following on from client/matter inception a lawyer may read a letter, make a phone call, write a letter, bill the client and close the matter down. It's all a series of events, triggers and responses".

5.1.5   Many interviewees characterised matter management as offering a less rigid framework, behaving more like project management and covering every aspect of the matter life cycle except the legal work. Broadly the matter life cycle was the same for all respondents; beginning with client engagement (compliance) and continuing with on-going client care, reporting and finishing with matter closure.

5.1.6   Case management was seen a subset of matter management, less to do with rigid workflow and more to do with "entity" relationships, where entities refer to people, roles or activities. One LITIG member stated, "In their firm compliance and Lexcel obligations are only effectively managed through matter management". It allowed them to keep on top of financials, adhere to SLAs and importantly communicate with the client.

5.2   **Who is warming to it?**

5.2.1   There has been a shift in the internal customers within law firms for matter management. Interviewees reported that there was broad interest across both litigious and non-litigious departments, with the prime focus being on "project management" and client care across all areas and for efficiency gains through managed document assembly for non-litigious work such as property and employment.

5.2.2   Several interviewees noted greater interest in document assembly tools and the desire to automate the production of their standard documents in order to prepare simple repetitive contracts or to get to a first draft.

5.2.3   In a significant shift, many firms reported that they are using matter management of some sort across the whole practice including areas of finance and administration that, until recently, had not seen any investment in these kinds of products.

5.2.4   When members were asked why they were now taking an interest, the most common answer was that it was due to the current pressures to reduce

head-count and improve efficiency. Practice Group Heads and Heads of Departments are all behind it, especially where it was not touching the legal work. Matter management was perceived as being task and schedule oriented, so they were not getting pushback from fee-earners about its introduction.

5.2.5   In addition, as more clients are forcing firms to undertake fixed price work, it has become apparent to some firms that there is a "disconnect" between internal management systems and appraising fee-earners who handle these clients. Milestones and KPIs built into matter management, or matter life-cycle management, systems allow for this to be measured and reported in a meaningful way.

5.2.6   One LITIG member summed up their views on the matter management as "end-to-end matter life-cycle management – with a softer and less rigid process, that guides the lawyer through all the tasks they need to perform along the way".

5.3   **Where is matter management happening?**

5.3.1   Interviewees reported that matter management was being used in many legal and non-legal areas of firm and there was little distinction between them. The benefits were generalised enough so as not to be seen as a threat to the creativity or experience of the lawyer.

5.3.2   In the legal area matter management is seen as covering client matter inception, general risk management, client care and matter closure. Much of this is seen as managing regulatory and compliance requirements of the SRA and Lexcel accreditation. Including standardising anti-money laundering checks and creating "Rule 2" letters.

5.3.3   In finance teams, processes around expenses and cheque requisition had been identified. One respondent noted that they had seen a reduction in the number of cashiers required.

5.3.4   Repetitive administrative tasks are also ideal candidates; ranging from staff appraisals, holiday booking, absence, starters & leavers, maternity & paternity etc. These may be built in general purpose workflow systems, however many firms noted that they were also using HR, finance systems or SharePoint.

5.4   **Matter management or matter centric working?**

5.4.1   A small number of interviewees reported that there was little or no appetite for matter management in their firms. They had experienced significant

resistance to it from fee-earners who saw it as a "dumbing down" of the legal profession.

5.4.2   However, on a positive note, in some of these firms there was a trend towards matter centric working and a single view of everything about a matter in one place. Whilst this had no process at all, it did allow teams to share task lists and schedules around a matter and maintain a single centralised repository for all the documents, e-mails, scanned correspondence, CRM details and financial information.

5.5   Should it take off?

5.5.1   When interviewees were asked whether or not matter management should take off the majority said yes, most were either already doing it or were being asked for it. It would seem that for the most part fee-earners are very keen on the idea.

5.5.2   There were still areas of resistance, especially around the cost of introducing systems in the current climate and general reluctance to change. One member said "the partners have bought in but there is an element of lip service" and another said "strict case management is alien to the practice, any form of automation would be met with resistance".

6.   CURRENT SYSTEMS AND TECHNOLOGY

6.1   Product use

6.1.1   The firms interviewed were asked about there current use of case and matter management products. For case management in particular, many products are well established in firms and have been in place for quite a while. Interviewees reported that they tended to work with what they had and historically those product choices were either driven by a client or led by the case team who would be using it.

6.2   Implementation problems

6.2.1   By far the most common problem when it came to implementing case systems came from the need to understand the process. Firms had many strategies to handle this, but generally they resorted to sitting with the fee-earners, looked at old case files to see how the manual the process worked and created a paper based workflow model which they would then get the fee-earner to "sign-off" as correct.

6.2.2   Interviewees reported that often it was difficult to get access to the right people. Although they were able to undertake the necessary business analysis and requirements gathering getting acceptance of the business process was difficult.

6.3   **Linking systems together**

6.3.1   Several firms indicated that they considered linking together systems from several different suppliers to be one of the most difficult areas to address. For this reason almost 40% had taken the decision not to attempt any integration at all. Systems were all standalone and could be considered to be "data islands" where information was stored in silos and was very difficult to extract.

6.3.2   It was felt that many products should integrate but suppliers were not interested in developing tools for use with other suppliers' products. This problem was particularly acute where selection was made based on the use of "best of breed" products and the practice management, document management and case management solutions were all from different suppliers.

6.3.3   Of all the usual Line of Business (LOB) applications integration with practice management systems was seen as being the most important, however because of the long life-span of around 13 years associated with these systems (as noted in the LITIG Practice Management Systems Report, October 2008) many of those currently in use could be classed as legacy products with primitive APIs and no web services.

6.3.4   Document management system integration is seen as essential for matter centric working in non-volume areas where the line is blurred between matter management and matter centric working. These products are generally more up to date and offer more sophisticated interfaces that are easier to use.

6.3.5   Firms had developed strategies for overcoming some or all of these difficulties that fell into two camps:

        6.3.5.1   **One-way integration** which was generally limited to matter inception or full integration which for "best of breed" installations was only achieved after a lot of hard work, time and expense. Only one firm was happy to claim that it had "cracked this nut" however they were very aware that any new products would require the firm to re-invent the wheel again, they were locked in by own integration developments.

6.3.5.2   **One-way transfer** of data was the most common approach, with new matters created on the practice management system being exported for use in case system. Fees and disbursements being re-keyed back into PMS.

6.3.6   A smaller number of firms, around 45% of those questioned, were using fully integrated solutions where practice management, document management and case management were either all from the same supplier or it was a single multi-faceted "all-in-one" application. Typically these were the smaller firms however they were amongst the happiest as they had little or no issues with integration.

6.3.7   Suppliers came in for criticism for not being as open as they should be, they didn't make it easy to provide integration between "off the shelf" products, especially as "best of breed" was a very limited set of applications used by the Legal 250.

6.3.8   Most firms were also generally unhappy about the document assembly capabilities, which they said let down many of the products currently on the market.

6.4   **Import and export of data**

6.4.1   Another area that proved difficult for the firms interviewed was the import and export of data from case systems. In particular Progress and Informix databases were cited as being a challenge.

6.4.2   Extraction tools were available from suppliers but they were often limited or difficult to use. So firms had resorted to building their own Management Information Systems or Data Warehouse in SQL server because once they got over the initial hurdle of pulling the data out of the original product it was then much easier to work with.

6.4.3   One firm had invested a considerable amount of time and effort into Microsoft Data Transformation Services (DTS) and used it exclusively for handling raw data.

6.4.4   Legacy product suppliers were criticised for their lack of assistance with this. Unless there was a technical problem with their product you wouldn't get much help from them to access the data within it. It was felt that some suppliers used this approach to promote their own integrated products rather than provide support for a competitor.

6.5   **Who maintains the workflows?**

6.5.1   In general it is the IT team that maintains workflows and document templates. In several firms there are super-users in some of the case teams who can modify documents and workflows but these are still not very common.

6.5.2   Almost 40% of the firms interviewed have created large development teams, Business Analysts are becoming more common and development is often a collaborative effort between IT and legal teams to understand and build the case workflows, however it is ultimately IT that put them all together.

6.5.3   Testing was highlighted as a critical activity and although IT teams did their best that they could it was often difficult to get fee-earner time to go into every aspect of a system to the required level of detail. One firm noted that "200 page workflows are difficult to test, consume a lot of time and require significant levels of fee-earner commitment".

7.   SUPPLIERS

7.1   Supplier relationships

7.1.1   Firms interviewed were asked about their relationships with case systems suppliers. All reported that, at some time, there had been problems however it was felt that continued long-term engagement was important and it was worth working hard to improve relationships.

7.1.2   Support from the suppliers was said to vary from poor to excellent, some were responsive and worked with you and it was felt that the smaller suppliers would always try to do their best to help. However in practice a lot depended on the size and spend of the law firm in question, one respondent noted that in order to get things done "it helps if you are a large firm or flagship site". In general, alongside technical ability, stability and consistency were cited as two important areas to consider when choosing a supplier.

7.1.3   Several firms reported that LexisNexis in particular had suffered more than most with what were described as "growing pains". Staff churn was highlighted as a particular problem as account managers were changed frequently and they had problems with a general lack of product knowledge.

7.1.4   It was reported that all suppliers struggled to support specific workflows however they were generally good with their core workflow engines and application tool kits.

7.1.5   A major criticism of suppliers was levelled at some of their sales tactics, products were being sold as "no coding required" which is very attractive to many firms. However in reality this is not the case for anything other than simple workflows. Where integration or complex document assembly was required then significant coding needed to be done.

7.1.6   This has led to the creation of a new market in pre-built workflows, sometimes known as pods, these were seen as supporting the view that it is not that easy to build a workflow application from scratch. However these products are often not complete, for example they don't offer any integration, and firms still require in-house skills to turn these into finished products.

7.1.7   In reality it is difficult to recruit case developers and firms resort to going back to suppliers or 3rd party specialists to work on the products which negates much of the benefit.

7.1.8   Almost half of those firms that had been successful in building a case development team said that it had been difficult and expensive to build in-house expertise but they would not have seen benefit without it.

7.2   **Upgrades**

7.2.1   When asked about upgrading their case management systems and keeping them up to date many firms said that it was often not easy, older products in particular were difficult and fraught with problems.

7.2.2   There is a temptation is to leave working systems alone, the old adage "if it isn't broke, don't fix it" is very true for a number of firms. This creates the situation where products are not kept up to date and different case systems can be on different versions of the same platform. This makes it very difficult to consolidate and simplify the environment.

7.2.3   One firm said that they only upgrade if it is mandatory, "like the recent VAT change". Previous releases have been poor and process has been fraught. Some products are end of life or even retired so upgrades are not an option.

7.2.4   Several firms noted that Solcase is a good example as the front and back ends are closely tied together. Upgrade costs were noted as being high and any integration that you have setup could easily be broken, so there wasn't the desire to keep on top of it. The main worry was that the upgrade could loose cases that were currently being worked on.

7.2.5   A general lack of confidence that an upgrade would go smoothly forced firms to use the system supplier for this, one firm said "its just easier to pay".

7.2.6   Again, several firms agreed that testing was critical, the IT department performed the upgrade but the business team had to run the test scripts.

7.2.7   To reduce the burden of delivering systems on multiple desktops and having to perform tests on every possible configuration a common solution was to use Citrix.

7.2.8   On the other hand some firms were very happy with the upgrade process and it was a very easy process.   Firms reported that the more recent products were easier to upgrade, these products were "more or less up to date" or "totally up to date".   It was noted by these firms that generally over the last few years the process had improved, documentation is now good and it is a fairly painless process.

7.2.9   One benefit of bringing all products up to date was that it was possible to converge the systems that are in use in order to reduce the support overhead associated with maintaining several versions of the same product.

7.2.10   One LITIG member uses a hosted case solution that is kept up to date as part of the managed service agreement.

8.   REPORTING

8.1   Background

8.1.1   When asked about reporting, the majority of interviewees said that reporting was a significant client requirement and was a major headache for them, one which occupied a great deal of both fee-earner and IT department time.

8.1.2   Some firms reported that reporting could be a huge burden. For one firm it occupies the majority of the case teams time.   Clients required lots of information, one firm said that this was now "anything and everything".

8.1.3   Typically clients required status updates for each case; time on the clock, where they are against schedule, trial dates, outcomes and turnaround time split by work type, value and fee-earner. One firm reported a client asking for a 120-column report every month and one that required over 300 fields of data to be processed.   Management information and KPIs were often requested on a weekly or monthly basis.

8.1.4   One firm stated that their strategy for dealing with this was to "Work backwards from what the client wants, get a sample up-front and make sure your workflow captures the data that is required".

8.1.5   In general the view was that reporting requirements are getting more detailed, originally clients wanted nothing more than a simple billing guide however now they require progress reporting, data extracts and on-line web access to management information. Some systems also include SMS updates to clients or clients' customers to keep them informed of progress or key dates.

8.1.6   Management information for internal consumption was also important, it was used to monitor fee-earner performance and for cost management purposes, it was a commonly held view that without this information it wasn't possible to understand how much it cost to deliver a particular piece of work.

8.1.7   Electronic reporting requirements were raised as a query by several firms, in particular the lack of a common format, as it was felt that it would be useful for panel work. Commonly it was often as simple as emailing a spreadsheet, CSV file or word document. It would be useful to see something like PISCES developed however it was recognised that every case and workflow is different and ultimately it is the client that dictates the format.

8.1.8   A small number of firms reported that they have very few or no client reporting requirements although it was acknowledged that they probably needed to do more. One firm reported that the client was happy to call the manager of the case team directly as they tended to know everything that was required.

8.2   **What technologies are used for reporting?**

8.2.1   Most respondents cited Crystal Reports as a common tool for extracting data from case management systems, however there was a general move towards Microsoft SQL Reporting Services. Business Objects and a number of bespoke tools were in use but these were in a minority.

8.2.2   Interviewees commented on the problems they faced when reporting from older or legacy systems based on Progress or Informix. Many had resorted to creating an OLAP database or a separate management information system or data warehouse, extracting the data out using supplier tools into SQL Server where it was easier to manipulate.

8.2.3   For one firm, the performance issues they faced when creating reports forced them to create a duplicate of the case system, as they couldn't report from the live database.

8.2.4   However supplier tools were slated as being "not as good as they should be", or "not efficient or robust enough to use". One firm described the

situation as "a bit of a mess, that's why we moved to SQL reporting services".

8.3 Milestones

8.3.1 All firms stated that as far as client reporting was concerned, the milestones within the overall case management process were defined either by the client or set by the process itself. For internal reporting purposes the department head or fee-earner in charge chose them.

8.3.2 The collection of milestone data or reporting points was also an area of concern for several firms. Clients often asked for additional data points or milestones to be added to reports and were surprised when the information could not be retrospectively collected for work that had already been completed.

8.3.3 The key is to ensure that the workflow captures all the milestone data that the client will find useful and to report on this as required.

8.3.4 One firm was looking to create a standard set of reports that covered a core 80% of client requirements, the remaining 20% which are on the periphery were particular to the client and could be charged for separately.

8.4 What happens to the reports?

8.4.1 A number of interviewees asked, "What does the client do with all the information they request?" it was felt that although it was easy to see how some is used it was often not possible to see how they would use all of it.

8.4.2 We only had one client firm take part in this review however their insight was found to be very useful. The use of the data offered to clients in standard reports may not always be evident to the client directly. However, as they understand the type of data that is available and their reporting requirements become more sophisticated, it is likely they will demand more bespoke reports. As well as monitoring progress on each individual matter clients are often looking to used data to compare the performance of one firm against others.

9. VIEWS

9.1 Do current solutions meet expectations?

9.1.1 When interviewees were asked if case and matter management systems had met their expectations and requirements the majority were happy to

answer "yes". The general feeling was that they were essential for high-volume end-to-end work.

9.1.2   Some went further and were proud to state that their products had won awards, one firm in particular noted that they were first in their sector to use case management and the solution was still a unique offering.

9.1.3   Others were a little more reserved, case management was doing a useful job and it certainly met the original requirements but in hindsight could be improved.

9.1.4   However most firms went on to say that "a lot depends on the quality of both the business and the IT support teams", ultimately the success is all about getting the people and people management right.

9.1.5   Interviewees gave their views on their experiences of using case and matter management systems. Constant themes were the downward pressure on rates from clients for the work that case delivers and the general feeling that it would be impossible to handle the volume of work and generate profits in these areas without having a system in place.

9.1.6   However in many firms the IT department drive anything that is technology related. Some interviewees stated that they are hampered by not having a single product in place; this often means that the technical staff are spread thinly and development is slowed down.

9.1.7   Much of the work that goes on within the firm is invisible to clients. There was a general feeling that although business users initially had high expectations they were not always sure about their requirements and were reluctant to engage and clarify details with clients. This often meant that the IT team tended to be reactive in their approach rather than proactive which wasn't the ideal situation for the firm or the client. Both IT and case teams also struggled in areas where the firm was only able to get marginal efficiency gains.

9.1.8   Again the general opinion was that successful case and matter management had a lot to do with people and management.

9.2   **What works well?**

9.2.1   Looking specifically at case management, interviewees were asked to comment on what works well for them.

9.2.2   All firms stated that without case management firms wouldn't be able to return the efficiency gains that were expected, to meet deadlines and to collect the reporting information that was required.

9.2.3   Case management enable firms to effectively reduce their risks, ensuring that procedures are followed, standard documents are prepared, milestones are met and full audit trails are kept.

9.2.4   It also allows firms to see a fee-earners performance and how profitable a piece of work is, without case information on billing targets and settlement rates such as wouldn't be known.

9.2.5   Nearly 40% of interviewees commented on the necessity to have a good in house development team who had the ability to tailor systems without having to go back to suppliers. It was also good to have a supplier who also understands project management as well as case and matter management.

9.2.6   Many firms held the view that integration was the key, however the majority said they struggled in this area. One firm said that they used "best of breed" applications and were "obsessive in the view that nothing is standalone". Those firms that had a single supplier or integrated PMS, DMS and CMS were much more comfortable with this and enjoyed the benefits it gave them. Firms that had one or a very limited set of case products also commented on the benefits this gave for simplifying day-to-day operation and keeping training requirements to a minimum.

9.2.7   One member was very pleased with the hosted solution they used. They undertook selective casework that wasn't driven by volume or bulk handling requirements. The solution had no hidden costs; it was predictable and based on a simple monthly fee and had no setup costs. Because it was a hosted solution the provider handled all the DR/BCP requirements, so it was a "win-win" for both the client and the firm.

9.3   **What doesn't work well?**

9.3.1   The firms interviewed were also asked what didn't work well. The most common response was "reporting", this was a key issue for interviewees on many levels and it was often a cause of tension, not only between IT and case teams but also between the firm and its client.

9.3.2   One interviewee was very blunt in their appraisal of the situation, "the lawyer often isn't sure what the clients wants, misinterprets what is required and doesn't want to go back to [the client] for clarification". Business Analysis and Business Analysts were increasing common in many firms, however one respondent reported "business analysis questions are seen as technical

excuses by the lawyers". There was a general feeling that the area would benefit from a common language so that requirements could be articulated and interpreted without ambiguity.

9.3.3   Whilst there were many different methods of extracting information and generating reports several firms reported that it often had to be done manually.

9.3.4   Once again, people issues were raised as an area of concern. Getting people to work in a standard way so that a process can be automated was difficult. People don't always see the value in the systems that they are given and adherence to the systems is mixed when it isn't enforced. However where value can be seen they are used, even if they are clunky or incomplete.

9.3.5   One firm also noted that they had not been very successful in de-skilling, the team had remained broadly the same following the introduction of the case system.

9.3.6   A major obstacle was getting people to use "to-do" or "task lists" in the case system rather than Outlook. It was found that people seem happy to re-key information into Outlook as it is their primary application.

9.3.7   Integration between systems was often difficult. Data transfer between systems was very limited as was the process of importing and exporting data. Many found that they had to pay the suppliers to do this for them.

9.3.8   Bills were created in Word and re-keyed into the PMS. Although many firms aggregated bills from case systems into a single client bills some had introduced per matter billing. However, as a lot of the work is fixed fee, they found it difficult to understand and indentify the profit.

9.3.9   Those firms that had created their own bespoke solutions commented that development was very "resource hungry", a larger than normal IT team was required as the skills had to be grown and retained in-house because they were often difficult to find in both the permanent and contract IT market.

9.3.10   Other general comments included that document assembly tools are weak and the "look and feel" of some systems now look dated.

10.   THE FUTURE OF CASE AND MATTER MANAGEMENT

10.1   Who are the movers and shakers, the new guys and the old names?

10.1.1   Interviewees were asked on their future plans for case and matter management and were they looking to extend its use.

10.1.2   Most firms were very positive about their future plans for case and matter management. Three firms in particular reported "a large pipeline of work is planned", "extending use all the time" and " more demand than the team can cope with". However much of this work was client led and as one firm cited "not through the enthusiasm of the firm or its fee-earners".

10.1.3   For some firms much of this new work as a direct result of the current economic climate, they were seeing a growth in depression hit areas with work in insolvency and ground rent arrears.

10.1.4   For others, this meant revisiting old systems and bringing them to date, using new technologies and consolidating the number of products they were supporting. Document assembly was a key area and several firms noted ongoing requirement for complex document production.

10.1.5   Significant efforts were being put into matter management, to ensure consistent levels of service, client care and project management.

10.2   Traditional products

10.2.1   Many firms reported being happy with the products they have and had no compelling reasons to change. There were attempts to consolidate products in the short term and look towards building a common framework that would then be reviewed in the future. Firms commented that they were "watching the market" for when they were ready to move forward.

10.2.2   Others said they would do anything rather than stick with their existing products. There was a strong desire to move away from proprietary solutions to open and more generic products. One firm commented "bespoke systems are not the way forward", and went on to clarify "newer systems are more flexible and are not tied to a specific client or matter, workflow can be applied to a person, role or client entity".

10.2.3   COTS products didn't always meet the requirements for some types of casework, especially for insurance industry clients that have very complex and rigid workflows with strict SLAs. In these areas firms reported they were happy to continue as they were as change was felt to be too difficult.

10.2.4   There was a feeling that the market needed more general-purpose products with good 3rd party product integration and, most importantly, they should not be "niche".

10.2.5   There was a requirement to provide partial workflows, not total end-to-end solutions, and that the focus should be on wrapping workflow around existing LOB applications and not trying to embed workflows into them.

10.3   Microsoft

10.3.1   When interviewees were asked about their thoughts on the interest that Microsoft was taking in workflow and case and matter management there was a cautious but positive view on the subject.

10.3.2   For most firms the benefits were obvious, Microsoft brought with them an intuitive and well-known user interface and their products would almost certainly integrate well into the desktop. Currently the problem is the lack of maturity of the products, they offer a tool-kit rather than a solution but in the words of one respondent, "They are the one to watch". Another said, "When Microsoft commit and invest they will deliver (eventually)", the long-term view was that it was inevitable that Microsoft would commoditise and take a substantial slice of the market.

10.3.3   Some firms were currently nervous about using the latest Microsoft products stating that Microsoft and the Enterprise Agreement often seduce people, making them a very cost effective option. Although you buy a number of products that sit very well together, 3rd party specialists are required to build and tailor these in order to create something useful. Consequently these solutions were still very bespoke in nature.

10.3.4   However suppliers have realised that they need to build on top of the Microsoft products, companies such as Aderant, FloSuite and FWBS have embraced the underlying technologies and are developing products based upon them.

10.4   Windows Workflow Foundation

10.4.1   A small number of interviewees have looked at Windows Workflow Foundation and the view was that although it is still in its infancy, the concept is good and offers a lot of potential in the long term. However it needs friendly non-coded front-ends to be wrapped around it and add-in functional products such as a generic document production engine to make it useful.

10.5   SharePoint

10.5.1   When asked about the use of SharePoint, 50% of interviewees said that used WSS or MOSS for their Intranet or Extranet portals. Typical uses were for the delivery of case and financial information using customised web

parts, an internal project management portal and client facing real-time reporting extranet.

10.5.2   Another 30% took the view that they would wait and see. Any decision to use SharePoint would be taken in the future as and when business needs were identified.

10.5.3   Seasoned SharePoint users noted that the move from the "2003" version to "2007" was a major leap and, as yet, they didn't know what "2010" would bring.

10.5.4   Firms interviewed noted that a number of suppliers were now creating add-on products for SharePoint that wrapped around the core product to deliver a usable business applications; such as the K2 Blackpoint and Blackpearl BPM products, Dolphin Software's contract management software and Colligo drag & drop Outlook integration.

10.5.5   However not everyone had been seduced by Microsoft, SharePoint still did not convince 20% of interviewees. Although they had looked at the product it still didn't have enough benefit for them to justify buying it.   One firm reported that they didn't know if there was a long-term future for SharePoint in its current firm and it wasn't a strategic product as far as they were concerned.

10.6   **Open Source**

10.6.1   All those who were interviewed said that they were not looking at open source products. Although there were established products in this space all firms reported that they would be content to stick with Microsoft and their existing COTS packages and tool-kits. Only one firm admitted to have looked to open source but had shelved the project some time ago.

10.6.2   The general view was that if you did look to open source then the firm would need more developers and any solution would be difficult to maintain and offer no off the shelf integration with existing LOB applications.

10.7   **Hosted solutions**

10.7.1   When the firms interviewed were asked about the possibility of using hosted case management systems a third were positive towards the idea, they could see some benefits and didn't see why such as solution shouldn't be possible.

10.7.2   There was a view that for certain types of work, especially that which came through panels, that could benefit from a single solution that was shared between the client and all its lawyers.

10.7.3   For one firm this was already a reality, a hosted solution worked extremely well for them as it had been created specifically for their market sector and work profile.

10.7.4   In general the main concern was with the level of integration that it was possible to achieve with existing in-house systems and the few benefits it would bring.

10.7.5   One firm noted that there were already hosted solutions for many areas of legal IT, included a fully hosted desktop, and was aware of an American PMS supplier who was looking at providing a hosted option for its clients.

10.7.6   Technologies are maturing in this space and a "Google Gears" or "Microsoft Live" approach may work in the future to give the appearance of a traditional desktop application.

10.7.7   The remaining two thirds of those interviewed were not so positive. The view was that case systems were deployed in very competitive areas and for that reason they are likely to remain in-house. Current solutions were also mainly based on "thick client" applications that required lots of integration requirements. One large user of case systems noted, "It may be possible of a single work type, but would it work for the variety of workflows now required in our firm?".

10.8   **Software as a Service (SaaS)**

10.8.1   Although there are SaaS products already established in the legal market, such as Mimecast for email archiving and salesforce.com for CRM, there are none that are delivering desktop legal applications.

10.8.2   The general view was that the legal market is still "very conservative" and firms fear the loss of control and the security issues that this may bring. However it was noted that these types of products are very good for BCP/DR and offer benefits around scalable storage and processing power.

10.8.3   The data loss issues in the US with the T-Mobile Sidekick mobile backup product in October 2009 highlighted the problems associated with using "the cloud", many individuals lost all of their personal data and it has undermined confidence in its use.

10.8.4 This incident highlights the need to understand the true value of your business data and whom you entrust with its safekeeping. A rigorous selection and due diligence process should be undertaken when choosing a supplier to ensure the contract and SLAs that are offered are fit for purpose. In particular consideration needs to be made of how data is retrieved from any 3rd party supplier.

10.9 Outsourcing

10.9.1 Interviewees noted that there was probably a lot of scope for this in the future and it may suit some commodity areas like conveyancing more than others, especially in smaller firms.

10.9.2 However it was felt that this was more likely to be influenced by the culture of individual firms and whether or not they see IT as a commodity or differentiator. It is unlikely that any firm that sees its use of case management as a unique selling point would ever outsource its delivery.

11. **GLOSSARY OF TERMS**

Term	Description
API	Application Programming Interface
BCP	Business Continuity Plan
CMM	Case and Matter Management
CMS	Case Management System
CRM	Customer Relationship Management
DMS	Document Management System
DR	Disaster Recovery
JV	Joint Venture
KPI	Key Performance Indicator
LAN	Local Area Network
MOSS	Microsoft Office SharePoint Server
PMS	Practice Management System
SaaS	Software as a Service
SLA	Service Level Agreement
WAN	Wide Area Network
WSS	Windows SharePoint Services, part of Microsoft Windows Server
WWF	Windows Workflow Foundation
WWFS	Windows Workflow Foundation Services

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12.   **CONTACT AND DISCLAIMER**

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