6 Steps to Selecting the Right Practice Management System

How profitable is my firm?
Which Practice Areas (and Clients) are the biggest contributors to our success?
Is my contact list current?
Who are our best performing Partners?

If you’re having a hard time getting answers to questions like these, it’s time to select a practice management system — or replace a non-performing one.
The Legal Profession is under pressure to change and selecting the right Practice Management System is essential to the long-term success of a practice.

Clients are becoming ever more sophisticated in their engagement of professional advisers and ever less satisfied with the traditional hourly-rate billing approach. General Counsel are finding new and creative ways to manage risk in their business and demanding more from their External Counsel.

Changing social, political and environmental fortunes create new opportunities for firms with the vision and agility to seize them.

...and while the region’s overall economic outlook seems healthy, firms across the Pacific are tightening their belts and looking for new ways to become more efficient, more profitable and win more business.

Practice management is not a new concept. In fact, this information sharing software has been around for over 20 years and good information is key to running a profitable business.

The major upheavals and technological breakthroughs that have transformed the commercial world over the past 20 years are also driving substantive change in the Legal Profession. A recent ALPMA/LexisNexis study revealed that 84% of the firms surveyed across Australia and New Zealand have invested in growth and technology over the past 12 months to respond to change.

Did you know?

A quarter of small law firms do not use any form of Practice Management software. This increases to 40% for firms with only 1 Fee Earner.*

Survey conducted in April/May 2013 by LexisNexis with 175 Small Law firms in Australia and New Zealand.

Industry Insights:

- How are vendors helping law firms meet their client’s changing needs?
- What major technological changes are expected in Practice Management?

Watch 6 legal professionals share their perspectives at www.lexisnexis.com.au/practicemanagement/videos
Do I really need a (new) PM System?

Take this simple test to find out:
- Does my PMS require multiple databases?
- Does it struggle with any non-accounting related functions?
- Has it sat on the shelf for the last few years with no investment in modern functions from my vendor?

If you have answered yes to any of these questions, it is high time for you to switch! Demand a better system that meets the real needs of today’s Law Firms: a system that supports growth, improves efficiency and delivers excellent client service.

6 Steps to Selecting the Right Practice Management System

Here are six crucial steps you must follow to ensure you select the RIGHT Practice Management System.

1. Go beyond the core

All good practice management systems offer the same basic functions, so how can you be sure that you choose the right system for your practice?

First, consider all the ways you’ll use the system and build a wish list based on your specific needs before you go shopping. Will you integrate the software with office solutions that talk to each other, or to separate systems?

Even when looking at the most basic legal functions, you need a Practice Management System that actively supports the work of the firm. Don’t just rely on “making do” with what you currently use.

The right PMS will offer tools to manage the daily operation of your firm

- A billing system to ensure that invoices are accurate, clear and professionally presented
- A reporting function that gives clarity and depth of information, helping you and your partners make well-informed decisions.
- A scheduling system that brings the whole firm’s calendar into a single view to help avoid clashes and ensure critical dates are met
- A precedent library that puts your firm’s knowledge and expertise at your lawyers’ fingertips
- A workflow system to help structure and plan work across teams, helping to streamline administration work and leaving lawyers free to focus on the needs of their clients

The best PMS integrates all functions into a single database to minimise risk of data entry errors and provide a single common reporting framework that reaches across the entire practice.
2. Insist on seeing all your options in action

Never buy a software system before you’ve taken it for a test drive. A good vendor will be happy to demonstrate their software for you. Use this opportunity to “look under the hood.” A key part of your decision making process will be to satisfy yourself and your partners that the new system is not just going to keep the lights on, but will give the whole firm a platform for growth - and drive efficiency in the business.

Engage with your Partners to build a list of key issues facing the firm and challenge the vendors to show you how their systems will help you overcome those challenges.

Any software vendor will be happy to show you the features of their products, but a good one will take the time to really understand your business well enough to translate product features into actual tangible results for your firm.

Don’t forget that a demo is a sales opportunity and that the person who is showing the software to you may have his or her own agenda. Keep the focus on what YOU need, not just on what the vendor wants to sell you.

Ask specific questions that will help you understand how the various product features will adapt to meet your requirements.

For example, instead of asking to see the calendaring function, ask the sales rep more specifically to show you how the system will help you look across the schedules of ALL your lawyers, to avoid clashes and ensure that critical dates are not missed.

Look into the FUTURE today

- Ensure the software you select has a large client base. Unless you are highly specialised you will need a fairly generalised legal software solution that is designed to fit in a variety of environments.

- Nothing is forever. While selecting software that is tried and true, do also check on its future development programme.

- Look for software that can be hosted by data centres. This may not be essential today but without doubt it is coming...

(Source: Justin Cox, GM, Hesketh Henry /NZ Law Society Briefing: PMS in NZ, 2012)
3 Optimise your investment with professional support

A sales rep may tell you about all the nifty product features, but a trusted partner will help you put those features to work. Look for a consultant who is knowledgeable, resourceful, and interested in you. Your vendor should be able to provide a list of consultants who know their products inside and out.

Thanks to the Internet, there are no limits to finding training and consulting—and virtual handholding—24x7.

As a good rule of thumb, you will probably need to invest as much time, effort and money on training and support as you did on the software.

Recent studies have proven that people who attend a structured training class are 50% more productive during the introductory period of learning something new than those who don’t.

4 Look for ease of installation and access to training

You cannot install a new program on your firm’s network and assume that’s the end of it. This is just the beginning.

After installation and testing on your firm’s computer systems, training and consulting for your lawyers and staff is critical: you need to ensure you get the most value from your newly integrated practice management software.

Consultants teach you how to use the application, ease the transition period and get your organisation back up to speed more quickly, rather than stumbling along on your own.

Keeping everything running smoothly needs investment time and effort – a good PMS can drive real results in the business, but needs a degree of ongoing support to keep everything running smoothly.
5 Get buy-in from the top down

The best consultant in the world cannot help you unless everyone in your firm accepts and utilises the new technology. People at the top can be the worst offenders. Define what impact the new system will have on individuals. Overcoming resistance to change is crucial at this stage of your system selection process. It is vital to have sponsorship and support from the very top. Bring Partners into the selection process, then help them spread the message to the whole firm. You can win hearts and minds by demonstrating the return on investment if the software is used to its full potential.

6 Don’t choose a vendor, choose a long-term business partner

There are many legal practice management software solutions to choose from and the choice can be overwhelming. Select and purchase the right one by knowing up-front what you need from a system and reviewing a number of software providers.

The right technology partner is the one who takes the time to understand your objectives. With the right approach and commitment, the transition period will go smoothly and your practice will be operating at new levels of efficiency in no time.

One last thing... ask the users directly.

The best way to select software is to talk to other users. Avoid any vendor who is not prepared to allow you to talk to their clients.

“Change is the law of life and those who only look to the past or present are certain to miss the future”

JF Kennedy
LexisNexis: Powering your profitability and growth

LexisNexis understands that many lawyers want to focus on practicing law and not worry about running a business. Our deep knowledge of the needs of firms of all sizes allows us to provide a comprehensive solution suitable for each individual firm. Our innovative Practice Management products, content and services enable you to improve efficiency, increase profitability and boost client satisfaction.

PCLaw™ is the practice management software of choice for over 6,000 users in the Australian legal market. Designed specifically for small practices, this fully integrated time, billing and accounting software package is easy to use right out of the box.

Larger firms will prefer Lexis Affinity™, a single, complete system for streamlined document production, marketing, email, time recording, workflow and accounting management. Some law firms have reported that Lexis Affinity software lets them take on 30% more work with exactly the same resources.

Request a demo today

Ask our solutions specialists to help you define how our range of practice management solutions would fit your unique operational needs.

To learn more, visit www.lexisnexis.com.au/practicemanagement

Call us at 1800-772-772 or submit a demo request online
Don’t just take our word for it...

“Lexis Affinity was able to save the firm an estimated $270000 per year; $60000 per year on precedents alone....It’s improved our efficiency tenfold and saved us an incredible amount of time on our day-to-day tasks and workflow. The LexisNexis consultants took the time to fully understand our technology needs and develop a real relationship with us”

—Matthew Oakley, Partner,
King Cain Solicitors

“With the establishment of Fabbian Lawyers, PC Law has been the cornerstone of my office management system. It is an all in one system that has allowed me to efficiently address administrative needs so I can focus on legal tasks and the interests of clients.”

—Craig Fabbian, Fabbian Lawyers