

## **So What's the Deal With Law Practice Management Software?**

Law practice management software (“LPM software”) is technology designed to improve a law firm’s day-to-day operations. Good LPM software can help organize and manage cases, files, documents, tasks, calendars, deadlines, client and third-party contacts, time and billing, and overall law firm performance. Of course, there are numerous LPM software vendors and LPM software is not a “one size fits all.” LPM software features vary from company to company and even within the same company might be customizable to fit a particular need. Common or desirable features may include:

1. **Case or Matter Management:** A centralized database for the overall organization and maintenance of each matter, case and/or project handled by the firm. Cases, matters and projects, and all the documents and files within each are organized in a consistent, easily accessible and readily retrievable manner. The database will contain both current, active matters as well as closed matters.
2. **Document and File Management and Creation:** Allows electronic storage and organization of documents within each legal matter in a consistent manner. Ideally, the LPM software interfaces with other law firm software, such as a pdf document creator and a word processing system to allow creation and editing of documents within the overall organizational scheme. Further, some LPM software allows automation of documents that are routinely used so that the user can answer a few simple questions or fill in a few fields and have a final product efficiently prepared.
3. **Client and Contact Management and Communication:** A comprehensive list of all of the firm’s current and former clients and their contact information, as well as a list of third-parties, courts, or other persons or entities involved in matters handled by the firm. This will allow for a robust conflict check by the firm on all matters. Ideally it should also include the ability to save emails directly to client files. Some LPM software also provide a secure client portal for direct communication with clients, the ability to save those communications directly to the client file, and the ability for the law firm or the client to share documents with the other.

Some LPM software also includes a client app which the client can load onto a smartphone or tablet and use to check case/matter status, upload and send documents to the law firm, and communicate with the firm.

4. Task Management: Allows the preparation and organization of accessible to-do or task lists, including to whom projects and tasks are assigned, and relevant deadlines.
5. Calendaring: Offers a firm-wide master calendar used by and accessible to all attorneys and staff to keep track of all important dates and deadlines. Also allows individual calendars for each user that can be, and for work matters should be synced to the master calendar. Ideally can also be synced with other software vendor calendars (e.g. Outlook or Google Calendar), but is itself a full calendaring system, not just an integration with or reliant upon other vendor calendars.
6. Conflict Checking: At a minimum, searches the case/matter database and the client and contact database to identify potential conflicts.
7. Time, Expense, Billing and Accounting: Allows input and tracking of billable time and expenses associated with each matter and generates resulting client invoices. Some allow the client to pay directly through the software by integrating bank account and credit card information. Most LPM software includes a trust accounting component to create and maintain a trust account general ledger, individual client ledgers, and monthly reconciliations of the ledgers and the adjusted bank statement balance. Some also include an internal accounting system and, if not, the ability to integrate with other accounting applications (e.g. QuickBooks) for firm-wide accounting needs, including the tracking of your operating account, overhead expenses, and revenue.
8. Law Firm Insights/Reports: Allows analysis of profitability, overhead expenditures, workload and workflow among attorneys and staff, productivity, and a host of other information to make the law firm more efficient and profitable.

One early decision for all firms/lawyers considering LPM software is whether to use a cloud-based system or an on-site system. Each has its own advantages and disadvantages. Regardless, both require a law firm or lawyer to understand how data is backed up and resorted in the event of a system failure, and to ensure that confidential client information is properly stored and secured. In short, attention to data preservation and security is critical when selecting and operating LPM software.

A second consideration when choosing LPM software is whether it is compatible with the firm's existing technology. For example, will the LPM software seamlessly integrate with the current word processing system? The ability to integrate or sync different software platforms can improve overall efficiency.

A third consideration is what type of customer support the lawyer or law firm anticipates needing. Will the LPM software vendor offer training and post-sale support if problems arise?

Ultimately, choosing the right LPM software requires a law firm or lawyer to determine what is important to and necessary for the firm/lawyer and matching those needs with the LPM software that best satisfies those needs. There are many LPM software vendors and before purchasing, consider doing some research through sites like Capterra <https://www.capterra.com/law-practice-management-software/>, or Lawyerist <https://lawyerist.com/reviews/law-practice-management-software/>, or Software Advice <https://www.softwareadvice.com/legal/> to identify different features and analyze client reviews of a variety of LPM software products.<sup>1</sup>

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<sup>1</sup> *This article is provided to members of the State Bar of New Mexico for use when considering whether to use law practice management software. This article is intended for informational purposes only and is not intended to nor does it constitute legal advice to a lawyer or law firm. Further, this article does not constitute an endorsement of or recommendation for or against purchasing law practice management software, nor purchasing such software from any particular vendor or company. Moreover, this article is not meant to be an exhaustive analysis of all features, benefits and risks of law practice management software and is not a substitute for independent research. Before purchasing law practice management software a lawyer or law firm should carefully research various software products and choose the one the best suits that lawyer's or firm's particular needs. A lawyer or law firm might also consider obtaining advice from an IT professional when deciding on any technology or software purchase.*