

In the slow lane to a digital future

BY IAN HARVEY
For Law Times

Old traditions die hard, they say, and none die harder than the legal profession's fixation on paper.

While BlackBerries and e-mail are well entrenched in firms, there's still a tendency to print everything and keep paper records, not to mention that Canadian lawyers still lag in shifting to digital processes like e-billing and case management.

But it is changing, albeit slowly, says Susan Wortzman at Wortzman Nickle Professional Corp., whose practice specializes in advising lawyers in the area of e-discovery and related aspects of technology such as identification, preservation, collection, processing, review, and production of electronically stored information.

"But yes, you still meet with a lot of resistance from lawyers around technology," she says, adding even with the acceptance of e-discovery processes in the U.S., Canadians tend to rely on paper instead of wholly digital documents and files.

Part of that is because technology intrudes into lawyers' lives on both the professional and personal level.

"If you're working on something and your BlackBerry or [your] mobile is buzzing with e-mails, and you stop to respond, you can't concentrate on what you're doing," she says, adding

many members in the profession are entrenched in their own processes and are reluctant to take the risk of learning new ones.

That same technology is liberating many lawyers, however, and it may well drive more firms to wholesale adoption of other electronic processes.

"The real chance is that technology allows people to have virtual offices which gives them mobility and the ability to work at home, two even three days a week," she says. "I know one in-house counsel who does that and it means she's not commuting by car two hours each way and not working. She's more productive. People phone her office and she answers. It doesn't matter where she is," says Wortzman.

Greater acceptance of digital technologies may well pave the way for faster uptake of other digital processes.

And that's just what Don Schad, general manager of corporate legal solutions at Texas-based DataCert Inc. is betting on. The company makes software and offers technology solutions for secure online e-billing processes geared especially towards global corporations which outsource legal work to the majority of America's top 100 firms and need to control their spending cycles. It counts 72 of the Fortune 500 in 126 countries as clients.

Canadian lawyers have lagged the U.S. in getting on the digital platform, he says,



Susan Wortzman says there is still 'a lot of resistance from lawyers around technology.'

but there is a growing interest now, adding the company has invested resources in trying to develop the Canadian market.

"Of course, the recent financial turmoil hasn't helped either," he says.

Some of that reluctance can be traced to poor experiences with similar offerings from other companies in the early days of the digital switch, he says, meaning some potential clients are gun shy or locked into a system which cannot be updated or ported over to the DataCert offering without serious planning.

One of the stumbling blocks to wider acceptance of the e-billing solution is the fact that once sent from the originating firms' servers, the invoice sits on DataCert's

servers, albeit in an encrypted form in a separate, secure server. Once pulled into the receiving company's servers the file is deleted within 30 days.

While the file is transmitted through a secure, segmented electronic "pipeline" separated from other Internet traffic and therefore protected, the thought that confidential and sensitive data is anywhere near cyberspace or, indeed, away from the firms own servers for any period of time gives many pause for thought.

It is however the trend of the future in many other industries, and eventually there will be acceptance in the legal sector, he says, especially as the process continues to prove secure.

Brian Kenny, a non-practising attorney who is director of finance at Marsh and McLennan Co., a leading global advice and solutions providers in risk, strategy, and human capital in more than 100 countries, says they switched to DataCert's billing solution in 2006 to better manage relationships with the 135 law firms they deal with.

However, the last thing he and his team wanted to do was bring in a disruptive process and force everyone else to toe their line.

"We found about 80 per cent of the law firms we dealt with were already using or familiar with DataCert either for themselves or clients," he says. "So in that respect, it wasn't a major leap."

"We view our relationship with those attorneys as a partnership and so we also took a very slow approach to implementation with a soft launch," he says.

No exceptions were made, however, and by the time the system was fully rolled out, all firms were compliant, making life a lot easier for Kenny and his staff.

"The return on investment is pretty high," he says. "You do pay a monthly fee to DataCert, so in that respect it's software as a service (in which the clients get all support, upgrades, and troubleshooting as part of the package) and that takes out a lot of the headaches."

Invoices get turned around in less than 10 days, there's better control of incoming invoices, he says. Plus, it's cut back on resource demands within his department and he's been able to do more with less manpower, which in any climate is a plus, but especially now. The system also has an automatic invoice review feature he finds really useful.

"It eliminates a lot of the reviewing, such as whether the arrangement means they don't charge us for basic overheads, and it allows us to focus on the meat of the invoice and so I think that has really helped us cut down time," he says.

With the e-billing in place, he says the next horizon will be looking at leveraging other technology, probably around managing e-discovery and other aspects of the legal operation to make the processes more efficient. **LT**