

## IS A VIRTUAL LAW FIRM A RIGHT FIT FOR YOUR PRACTICE?

*Practice Management*

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Many of today's attorneys are seeking a life outside of the law firm office—a work life, that is. For some, working virtually is one way to save money by eliminating a traditional office setting. Others may prefer to have a mobile environment. And some may be looking to semi-retire and set up a home office while still maintaining a presence at their law firms.

Clearly, lawyers are exploring more ways to work outside of the traditional office setting.

**The 2014 Legal Technology Survey Report**, conducted by the American Bar Association, shows that seven percent of respondents have a virtual law practice. Solo attorneys were more likely to have virtual practices, at 10 percent. Nearly three-quarters of all respondents indicate they telecommute to work.

As intriguing as the idea of working virtually is, breaking away from an office can be a daunting task. It requires a new mindset and discipline. Other factors also need to be considered such as the logistics of computers, support, backup and other technological areas. Fortunately, with the right preparation, technology and approach, it's easier than ever to set up a virtual law office.

### **The New World of Working Away from the Office**

Until recently, the idea of doing away with a traditional law firm office was reserved for a few renegades or those who couldn't afford a regular space. That has changed and there are many advantages to a virtual practice such as a reduction in costs associated with rent, parking, mileage, utilities and potentially headcount.

Attorneys can also significantly improve their quality of life by working virtually. When they no longer have to commute to the office, attorneys gain more productive hours which can decrease stress levels. Plus, virtual working enables a more flexible work schedule to accommodate responsibilities outside of work.

Moving to a virtual firm also detaches the limitations of location. For example, a law firm recently transitioned to a virtual office when it discovered that one of the attorneys was moving out of the state. Rather than hiring a new attorney or dissolving the practice, the firm made the switch to virtual operations and remote working based on a cloud-based server.

## **Mental Factors to Consider**

Despite the advantages, moving to a virtual office still represents a major shift in a mindset.

Attorneys must consider how they will mentally adjust to being way from the discipline that comes with an office environment, as well as how they will stay focused and develop routines. This may be an ongoing process that requires regular tweaks, as attorneys become more adept at working outside an office and their practices change and grow.

## **Addressing Client Perceptions**

Adjusting an attorney's mindset is one factor, but it's also important to address clients' perceptions. While the idea of working virtually has become more acceptable in the legal space over the last five years, clients usually expect to meet with attorneys in a real office with real desks and real phones.

Depending on the type of law attorneys practice and how often they meet with clients, it may be worthwhile to invest in a local meeting space (such as one of the ever-growing number of co-working environments or offices available for hourly or day-long rentals). Alternatively, developing an of-counsel relationship with a reputable law firm could help you offer a brick and mortar meeting room without the obligation of rent.

## **Technology Issues Associated with Virtual Working**

Along with a different mental approach to work, attorneys need to consider technology issues – especially if they are moving from large law firms with dedicated IT support to solo or small firm environments. This will call for investments in hardware and software and an IT consultant to set up home offices and sync mobile devices.

**Servers.** When it comes to servers, there are several approaches attorneys can take, including installing a server, using a cloud-based server or remotely connecting to one. Law firms will need a fairly robust server that is compatible with Microsoft Server 2008 at a minimum. Attorneys or their IT consultants will need to set up

terminal services and accounts. Someone will also need to update the server and install the relevant applications.

**Security.** Security is another major consideration. The days of having a Windows server sitting behind a firewall that costs \$1,000 are numbered. Clients and regulators expect far higher standards.

Most of the AmLaw 100 firms have implemented security measures such as intrusion detection prevention systems, two-factor authentication and security logging that tracks who accessed which files and when. This level of security requires training for technical staff to review logs on a weekly basis. The expenses can quickly eat up any savings collected from moving away from a large firm environment.

**Business Continuity.** With a server, a disaster recovery plan and system to protect data is crucial. A decent system with offsite replication starts at around \$500 a month. They also have to prepare for major issues or significant glitches, which inevitably arise in unexpected ways and at inconvenient times.

**Software.** Software considerations are another matter. Software can be extremely expensive, particularly the high-end, comprehensive systems in place at many large law firms. Attorneys striking out on their own may find that it's difficult to adapt and afford their preferred programs to a smaller scale environment. The software may also have a great deal of functionality that attorneys can't execute because they don't understand the software or how to use it.

**Support.** While many companies offer technical support to law firms, attorneys must have a general understanding of how the technology functions. Attorneys must be aware of the implications of allowing a third-party partner to access systems with confidential information and files, which may pose a security risk.

## Two Popular Options for Cloud-Based Virtual Operations

Using the cloud solves many of these challenges for attorneys when they set up a virtual office. There are several options when moving to the cloud.

### **Option #1**

With a **web-based practice and document management system**, attorneys need to use the provider's environment to upload, download and manage documents. Among the

advantages to this approach is the ability to login from another location if anything happens to the law firm's website or computer. It also means that attorneys only pay for the tools they want. These systems generally work well if the firm doesn't have an established workflow or tool in place and is looking for an inexpensive, straightforward approach. This approach suits attorneys who bill fewer than 1,000 hours a year and don't have paralegals or other staff.

## **Option #2**

A **private cloud or Infrastructure as a service** offers the same user experience that they had at a large firm, but is fully customizable and allows attorneys to install any type of application they want, including Amicus Attorney, QuickBooks, Worldox and more. With a private cloud, attorneys can provide product keys for their applications and a help desk can install and host the software.

Some private clouds offer apps on a service basis. This provides a traditional server feel, with a login, document view and Windows environment and allows attorneys to use the Internet and research pleadings. Attorneys can toggle between devices, including accessing the cloud through tablets, smart phones and computers. A private cloud supports scalability, so as the firm grows it's easy to add additional user names and passwords.

In the past, it was extremely difficult for lawyers to work anywhere but a traditional office. With some planning and the right services, today's attorneys who are interested in moving some or all of their practice out of the office can find more options and success than ever before.

## **About the Author**

**Joe Kelly**, founder and CEO of **Legal Workspace**, formally launched the company in 2010. In 2006, he first saw the potential for the Legal Workspace solution because of his broad exposure to how law firms operate. The evolution of virtualization, connectivity and hosting technologies made Legal Workspace a commercially viable solution, and it went live with its first client firm in 2008.