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Growing Firm Upgrades Billing

Time to abandon DOS for a more sophisticated system.

By Robert Koenig & James Ramser

FROM its beginning as a seven-person firm in Toledo in 1925, Shumaker, Loop & Kendrick has grown to a full-service firm with 160 attorneys, 29 paralegals and 156 support staff. We operate in four offices in Toledo and Columbus, Ohio; Charlotte, N.C.; and Tampa, Fla., with 36 practice areas.

We began using a DOS version of Juris Inc.'s Juris financial software around 1986, when we had 40 attorneys in Toledo and had just opened our Tampa office. By 2003, the DOS system was overwhelmed by the billing demands of our larger, multi-city firm. We needed software that could manage our extensive historic and current data; and help us create reports so that we could routinely analyze attorney, client and firm profitability. We also needed conflict searching; streamlined marketing, and better file management.

STARTING THE SEARCH

Our search for a new system began in September 2002. As the chair of our technology committee and as the comptroller, the responsibility fell to

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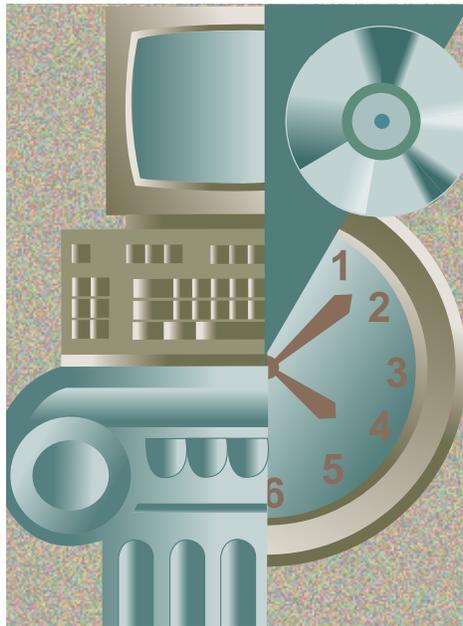
us. Our team included Susan Baer, director of administration for our Tampa office; Joseph Grandjean and Renee Rupert, members of the IT staff, and a Tampa-based lawyer, Thomas Wood, who represented lawyers outside of the Toledo office and who would be entering time from a remote location.

Before starting our year-long search, we determined our criteria. We wanted a user-friendly software package that would help us accurately, and in real time, manage our financial and demographic data, including our historical data. Other features, while beneficial, were secondary.

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We looked at systems from Thomson Elite and Solution 6 (now Aderant), but we determined they were too expensive and complicated for our needs. They would have required adding a full-time database administrator and investing too much time and money into training for the return on investment.

We then looked at Omega Legal Systems Inc.'s namesake program. In addition to being less expensive, it offered the mix of services we were seeking, including simple time entry; accurate, real-time report creation; scheduling; and conflict searching. A file management module keeps an historical record of each file's physical location. Additionally, the system required only a single server to support our current and expected future needs.

Omega's staff explained how the company could build our system to our specific needs, rather than force us to adjust our needs to fit their systems.

In September 2003, we recommended Omega Legal to our management committee, which decided to purchase nearly the entire Omega Legal software package, including case management, docket, file folder management, collections, cost recovery, event notification, report scheduling and conflicts modules.

We purchased 225 timekeeper seats, with the ability for 100 users to work in the system at the same time. Fortunately, we had maintained our network and

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hardware infrastructure, so we only had to replace one server, which we used for the Omega Legal system. Our final cost was about $1,000 per timekeeper, including conversion, modules, training and project management, and the replacement server.

In mid-September, we worked with Omega to set the installation schedule. We began training our trainers and key IT staff in November, using Omega's web-based training. We met with Omega to determine configurations, and by early December, Omega had built our system, installed it on our server and our trainers began using it with sample data to test it out. We converted our client demographic and conflict historical information to the Omega format, and in January 2004 we transferred the historical data and began training our timekeepers with our own live data.

On February 1, we started entering time exclusively in Omega Legal and our first bill came out on March 1. There was no need to run both billing systems simultaneously, as we balanced all the accounts before the conversion and moved all work in process to Omega Legal.

We encountered one small glitch, which was easily overcome. When a firm purchases Omega Legal, the total cost includes a certain amount of concurrent licenses of Cache, a database from InterSystems Corp. that allows the Omega system to store both current and historical data on a single server, with immediate access for inquiry and reporting. We originally thought that 60 concurrent licenses would be enough,
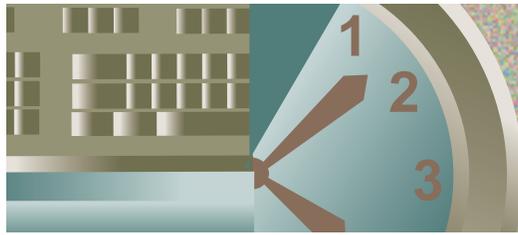
BEYOND BILLING

In addition to processing time and billing, we can:

- Run reports to assess attorney and partner profitability. Our attorneys now pay more attention to how much time they spend on cases and where exactly they spend that time. Most of our attorneys are now more profitable, because they can spend more time on billable work and less time with time sheets. This, in turn, makes our firm more profitable, proving a fast return on our initial investment. Equity partners can compare their profitability against other partners, motivating them to be even more productive.
- Create client reports (at any time during the day or month) based on the individual needs of the attorneys and their clients.
- Run conflict searches, generating a detailed report. The conflict module can search through billing notes and descriptions of work in issued bills, or work in progress. We run conflict checks on all matters before they are opened.
- Automatically notify attorneys when their accounts receivable are more than 90 days old. Omega Legal is set up to automatically close matters (actually stopping an attorney from being able to enter time) on accounts until paid. This has a positive impact on collections and increased cash flow.
- Streamline marketing. Now, instead of an attorney having an individual client contact list and/or a separate address database for each office, we are moving to one consolidated database. We can track costs and successes of our marketing programs. This has helped us to focus our efforts on more productive marketing activities.
- Manage files and records. All hard copy files are set up automatically with a bar coded client and matter number. These are then scanned for check-out so every file room knows where each file is at any given time. The time savings are enormous, not to mention the reduction in aggravation.

but increased it to 100 at the time of purchase.

At the end of the first month, when we most needed the 100 concurrent users, a configuration error limited us to only 60 licenses, so only 60 people could enter their time simultaneously. We feared this problem would put us behind in our billing. While Omega continued to research the problem, it transferred licenses to us within hours and we were able to continue processing bills without any more issues. There are now checks and balances in place to prevent it from happening again.

Fortunately, we didn't miss another beat and billed 95 percent of our clients within the first 30 days.

With Omega Legal, 95 percent of our billing is now done within the system without having to transfer time entries into a word processing program to finalize certain bills as we had previously done. The other 5 percent are uniquely-configured bills that cannot be completed within Omega, so we still put the information into a Microsoft Word document, and make final revisions there.

In June 2004, we trained about a third of our attorneys to enter their own time. Other attorneys then requested training classes, once they talked to the attorneys who were using the product. **LTN**