



LBMS PLATFORM FOR STREAMLINING LAW FIRM BUSINESS PROCESSES

ABSTRACT

Law firms are under more pressure than ever to operate cost-effectively—and their IT departments are expected to deliver the technology that makes this possible. Many IT teams hope to streamline business processes by building their own business process management (BPM) solutions.

Streamlining business processes is definitely a smart move. However, building a business process application in-house that will meet the law firm's needs will likely take much more time and money than expected. By taking this approach, law firms run the risk of actually reducing their cost-effectiveness and significantly extending the time it takes them to achieve return on investment.



There are three main reasons for this loss of effectiveness

1 Improper Scoping	Gartner Group has identified proper scoping as one of the seven major guidelines to BPM success. Successful scoping for a business process automation project requires experience in quickly discerning high-value and low-value automation improvements to ensure the greatest ROI in the shortest amount of time. Improper scoping can ultimately lead to cost overruns, timeline overruns, and reduced overall value.
2 Wrong Technology	Law firm IT departments often start implementation projects by looking for off-the-shelf workflow or BPM tools to build their solutions. The problem with this approach is that these tools, although relevant for a portion of a business process automation project, are not complete by themselves. As a result, unbeknownst to the IT team, they are facing an inevitable uphill battle, causing them to spend years filling in the plethora of technical holes these point solutions provide. Consequently, IT will spend the majority of the project on technically focused activities, leaving them little bandwidth to respond to business users' many requests for business-focused functionality.
3 Mismatched Methodology	Running a business process automation project is not the same as running a regular software development or system integration project. It requires a special project methodology and BPM experience to ensure success.

Rather than try to address these technical and business challenges alone, law firm IT teams should give strong consideration to buying a prebuilt legal-specific BPM application and to working with an experienced consulting organization that specializes in BPM for law firms. Taking this approach will significantly reduce project costs, duration and risks.

The most complete BPM applications for law firms is Elegrity's **Law Business Management System™** (LBMS). Elegrity has been building out their application over the past eight years and it now covers more than 40 common law firm business processes out of the box, and is capable of supporting any number a law firm needs. LBMS is designed with industry-standard technology building blocks that empower IT teams to develop and adapt their firm's unique business processes.

But just as important as the platform itself is the team of business process management experts whose expertise is embedded in it and who help implement it. Having the right combination of technology and people ensures your IT department will be successful with each and every process you automate. Again, Elegrity fits the bill having delivered hundreds of projects for large law firms.

WHY LAW FIRMS ARE FOCUSING ON STREAMLINING BUSINESS PROCESSES

During the worldwide economic slowdown, corporations everywhere began to reassess their spending on legal services. As a result, many are now putting pressure on law firms to accept alternative fee arrangements, such as flat, capped, or value-based fees. Beyond fees, corporate legal departments heavily scrutinize their law firm service providers, looking to ensure they are running optimally from a business model and service delivery perspective. They understand that law firm inefficiencies get passed on to them in the form of higher bills and higher risk.

If your firm is like most, you're responding to these threats to your profitability by trying to work more efficiently and by keeping a keen eye on loss prevention. That means your IT department is now on the spot to help streamline business processes with the right technology. Facing this challenge, many law firm IT teams try to streamline business processes by building their own business process management (BPM) solutions.

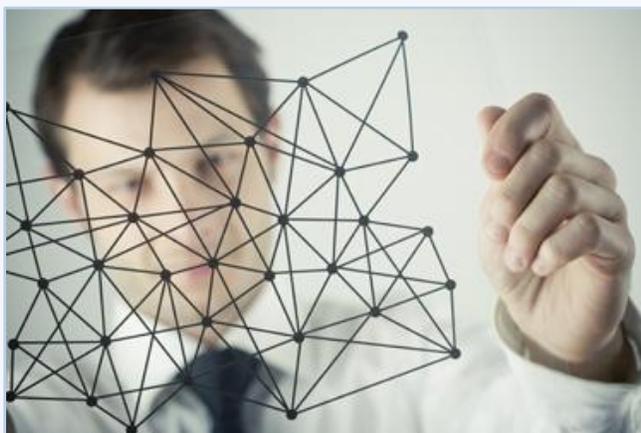
At a glance, this approach seems sensible and thrifty. But it can actually reduce a law firm's long-term cost-effectiveness and significantly extend the time it takes a firm to achieve return on investment.

Why? There are three main reasons.

REASON #1: IMPROPER SCOPING

At the Gartner Business Process Management Summit 2010, Gartner Group identified proper scoping as one of the seven major guidelines to BPM success. Successful scoping for a business process automation project requires experience in quickly discerning high-value and low-value automation improvements to ensure the greatest ROI in the shortest amount of time.

So, how does bad scoping happen? Oftentimes, a law firm's project team will spend months writing business requirements that are almost wholly based on their current process. But their technical requirements will not be tied to their business requirements, and as a result, the IT and business teams will struggle to understand each other. In a case like this, the project scope will often be based on a single business process (such as new business intake) and an inherently flawed set of requirements. Because it builds on this faulty blueprint, the actual implementation project will then be prone to cost overruns, timeline overruns, and significantly reduced overall value. Sometimes the business gets so fed up, the project is abandoned and IT is left with a black eye.



REASON #2: WRONG TECHNOLOGY

Law firm IT departments often start implementation projects by looking for off-the-shelf workflow or BPM tools to build their solutions. The problem with this approach is that these tools, although relevant for a portion of a business process automation project, are not complete by themselves:

- **Workflow software** is designed to route documents and tasks to the appropriate people throughout an organization. At each stage of a business process, it provides the information, documents, and access stakeholders will need to take the next step. Workflow software also delivers triggers and alarms that help prevent bottlenecks by reminding key personnel of overdue tasks. But there are many other requirements for streamlining law firm processes that workflow tools cannot address.
- Other law firms think that using the workflow engines built into their **legal accounting systems** will save them time and money. Although these systems offer powerful financial capabilities, their workflow capabilities are rather limited or immature. In addition, tying dynamic business processes to your financial or ERP system introduces long-term issues in terms of change management and financial system upgrades. The fact is, one of the major benefits of dedicated BPM applications is that they abstract the dynamic business process components from your back-end business systems. This leaves IT and the business free to make the flexible adjustments needed and encouraged in business process optimization without impacting the back-end finance and ERP systems.
- **Off-the-shelf BPM suites** offer more functionality than simple workflow, but are not capable of supplying the rich application experience and scalability needed for real-world sophisticated business process management. In addition, some BPM vendors offer only a handful of business processes for law firms—probably new business intake and a few others—leaving the IT team to build out perhaps dozens more. The bottom line is – these suites are only a piece of the puzzle, not the whole puzzle. IT gets duped into thinking they can buy the suite, apply and template and off the firm goes towards efficiency—but that is far from reality.

Due to these shortcomings, law firm IT departments that want to tweak out-of-the-box workflow or BPM tools to support their firms' business processes face an uphill battle. Because these tools are missing so much of the functionality a typical law firm needs to streamline their processes, the IT team will spend the bulk of the project filling technical holes.



This work includes not only building integrations with existing systems, but also building in basic business process features. With their hands tied by this kind of work, IT will find itself unable to respond to business users' many requests for business-focused functionality.

REASON #3: MISMATCHED METHODOLOGY

Running a business process automation project is not the same as running a regular software development or system integration project. It requires a special project methodology and experience to ensure success.

But unfortunately, many law firms head into BPM projects with several misconceptions:

- “BPM projects are just software development projects.”
- “BPM projects are just systems integration projects.”
- “BPM projects are just workflow projects.”
- “BPM projects don’t require any specialized expertise.”
- “Business users will provide all the requirements.”
- “We should cram as much functionality as possible into the first release because we may not get a chance to add to the system for years to come.”



As a result, these firms fail to discover the interrelationships between key business processes and miss out on opportunities to improve efficiency and reduce risk—which is the whole point of BPM.

Another challenge has to do with staffing the BPM project team. Few law firms have in depth BPM project experience, yet more than a few law firms has attempted to take on BPM projects using internal resources only. Trying to deliver a BPM project without supplementing your project team with seasoned BPM experts is asking for trouble. Without the right level of BPM expertise on the project team, the risk of delivering a solution late or one that fails to meet the needs of attorneys and other law firm professionals rises. Don’t try to save money and put your entire project Return-On-Investment at risk. Partner with an experienced BPM consulting firm that has a track record of success in working with law firms.

How can law firms avoid this fate? By selecting a solution that goes beyond ordinary workflow or BPM to deliver deep, comprehensive support for law firm business processes—and by working with experienced business process improvement experts who have a proven methodology for successfully transforming law firm business processes.

MAXIMIZE THE BENEFITS OF BPM WITH LBMS™

Law firm IT departments have an alternative to building their own business process solutions from scratch. They can implement a solution that incorporates eight years of real-world, sophisticated, large-scale business process and commercial software development expertise to deliver more than 40 common law firm business processes out of the box.

Law Business Management System™ (LBMS®) from Elegity is a BPM application built from the ground up for law firms. This extensible web application and business process framework leverages industry-standard technologies to provide a centralized process portal with built-in capabilities that can meet both current and future needs of law firms. LBMS® incorporates embedded process management, a flexible rules engine, a relational data model, and coordinated systems integrations—but gives your IT team a foundation on which to build for years to come.

Elegrity embeds business process expertise into LBMS[®]—and then backs it up with consulting and support services. Rather than just performing implementations, Elegrity actually analyzes each client’s business processes to determine where the problems really lie and identifies the processes that will deliver the greatest ROI. Elegrity then works with IT to implement a platform that increases in value every time the client adds another business process to it. This platform is based on dozens of successful law firm BPM projects and is designed to meet ALL of the needs a law firm will encounter as they evolve their business process management capabilities.

WHAT’S UNIQUE ABOUT LBMS?

1. LBMS[®] is closely tailored to law firm business processes. Based on 20 years of industry experience and hundreds of successful projects with major law firms, LBMS[®] incorporates 40 essential law firm business processes with built-in best practices right out of the box. This eliminates the need for your IT team to perform countless hours of software development (as opposed to solution development) and increases the business value of your solution.
2. LBMS[®] gives you a platform for building your own business processes into your solution. Because LBMS[®] is designed with industry-standard technology building blocks, you can use our flexible business processes as a starting point for your own development. We know your business processes and policies are unique—and we give you the tools to make sure your software reflects that.
3. LBMS[®] is backed by legal industry process experts, who will guide you through every step of your implementation to ensure the greatest payback on your investment. This results in a successful go-live that saves time, money, and face for your IT department.



BENEFIT FROM OUR PROVEN METHODOLOGY

Rather than forcing your business to fit into a template, Elegrity focuses on building a solution that enhances your existing business processes. Elegrity begins each implementation by conducting a detailed analysis of your requirements. From there, we leverage our eight years of hands-on project experience to leverage the technology features built into LBMS[®] that we know you'll need later but don't know to ask for yet. Then, using our technology building blocks, we'll craft a solution that supports your firm's business processes.

In helping you plan your LBMS[®] implementation, Elegrity's business process experts follow a three-step methodology:

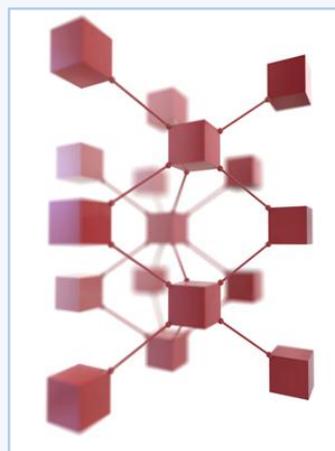
- **Understand the lifecycle of your process subjects.** Understanding the lifecycles of your process subjects helps us define both your initial project scope and your phases of implementation.
- **Identify high-value process fragments.** By breaking down each sub-process within your subject's lifecycle, we can perform more granular project scoping to ensure a high-value return. Because some pieces of a business process may be more complex than others, this granularity helps us to better prioritize and order your project's scope.
- **Get agreement on initial phases of implementation.** To get a true picture of scope, we correlate your business needs and activities to your technology systems. We group your components from a process, data, and business systems integration standpoint, based on your unique requirements. And we find synergy for faster project cycles and greater value.

Let's explore the main LBMS[®] technology components that our methodology enables us to implement.

THE LBMS[®] TECHNOLOGY FOUNDATION

LBMS is built on technology building blocks from well-known companies. Along with an Ultimus workflow engine, LBMS[®] features:

- Service Oriented Architecture (SOA)
- Microsoft .NET
- AJAX
- XML
- SQL Server
- Web Services
- Business Process Management
- A User Interface API





Business Process Layer

Most law firms use a variety of transactional systems to run their business. LBMS[®] provides a technology layer that lets you orchestrate and track processes across applications, enabling you to monitor progress and identify areas for efficiency improvements. Within one seamless web interface, you can manage processes via parallel steps, dynamic and configurable routing and task assignment, and coordinated system integrations.

Customizable Building Blocks

Law firm IT departments typically want to be able to customize and maintain their solutions themselves, without requiring assistance from consultants. Because LBMS[®] is built not on templates, but on technology building blocks, your IT team can easily configure the solution to support your business processes. Using more than 40 built-in processes as a starting point, you can quickly and easily map out the way your firm works.

GETTING STARTED WITH LBMS[®]

How is the legal industry responding to Elegrity LBMS[®]? Here's what one satisfied client has to say:

"Elegrity's LBMS[®] streamlined our business intake processes and automated many associated manual and paper-intensive tasks....It now takes significantly less time to take in new business while helping to ensure consistently applied firm policies and completed approval cycles. Our systems and vendors must have the willingness and ability to adapt quickly to our specific and often changing business requirements. Elegrity and LBMS[®] excelled at meeting high expectations by demonstrating a comprehensive understanding of our requirements and the importance we emphasize in providing excellent, responsive service to our clients."

Floyd Withrow
Chief Information Officer
Gordon & Rees LLP

WONDERING HOW TO GET STARTED WITH YOUR OWN PROCESS OPTIMIZATION PROJECT?

Elegrity offers a one-day [Interactive Process Optimization Workshop](#).
For more information, visit the Elegrity website or call 1-415-821-0900.

For further reading:

Blog: [Elegrity's Law Firm Blog](#)

eBook: [Protecting Law Firm Profitability in New Times](#)

White Paper: [Why Law Firms Can't Survive Without Business Process Management](#)

White Paper: [7 Steps to Efficiency Gains and Enhanced Loss Prevention at Law Firms](#)

Case Study: [LBMS Provides Foundation for Law Firm Profit and Growth](#)

