



Small Law Firms Finally Get the Electronic Document Storage Solution They've Been Waiting For

While small law firms have been working harder than ever to be operationally lean, inefficient processes governing the way documents are created, filed, and distributed have saddled most with labor-intensive, paper-based procedures that monopolize valuable employee time and resources.

Part of the problem has been a concentration on the large firm market by vendors and solution providers. Although small law firms represent the largest market segment — there are over 225,000 firms with less than 10 attorneys — industry focus has seldom strayed from the large and complex document management systems geared toward AmLaw 100 firms. Meanwhile, small law firms continue to suffer from inefficiency on a scale that might seem surprising, were it not so common.

A warning before you go farther: Law firm partners and administrators may find these common stats disturbing. . .

- According to The Gartner Group, the typical office document is copied, either physically or electronically, an average of nine to eleven times at a cost of \$18.
- The average office worker spends between 30 minutes and two hours per day searching for documents. That's 400 hours a year per employee!
- The average attorney spends up to three hours per week searching for files. Clerical staff spend another five hours per week searching for the same information.
- Seven and a half percent of all documents are lost, and three percent of those not lost are typically misfiled.
- And according to Price Waterhouse Coopers, it costs roughly \$120 in labor to find a misfiled document and between \$200 and \$220 to recreate a lost document.
- The cost of maintaining an annual four-drawer file cabinet, including employee hours, is between \$1,500 and \$4,000. Each file cabinet costs between \$350 and \$500 and takes up 10 square feet of office space.
- Research also shows that the hard costs of copiers, printers, paper, and supplies make up only 10 percent of the total cost of a firm's document output. The other 90 percent is largely attributed to document management processes involving a firm's most valuable asset—its workforce.

It's bad, yes, but no time to panic.

Given the direct connection between paper and waste, it's no wonder that small law firms have been chomping at the bit for a solution. Some have even been tempted to invest in scaled-down versions of the huge, feature-rich solutions designed for the large firm. But that, according to industry analyst Scot Petersen,¹ could be a costly mistake.

"There's a danger that small businesses may buy too much technology without realizing it," says Petersen. The right solution, he says, is more likely to be a "tailored, solution-specific

version.” Ironically, Petersen goes so far as to say that “Large enterprises may also be better served by ‘buying small’—looking to small business types of hardware and software solutions for certain corporate departments.”

If complicated, expensive solutions aren't the answer, then what is?

It's time to ask, and answer, the tough questions, such as:

- What is it that small law firms really need?
- What would constitute “Best Practices” in document management?
- And, bottom line, what's the best solution?

The best way to answer those questions is to look at the most common characteristics, beliefs, and desires of small law firms.

In general, small Law Firms:

- Have between 2 and 30 employees.
- Use 1 or more copiers (usually leased rather than purchased).
- Have little or no IT staff.
- Are buried under a mountain of paperwork.
- Are staffed by busy people who are not necessarily technically oriented.
- Are not eager to overhaul how they do things.
- Deal with vendors who neither understand nor support document management systems.
- **Mid-sized firms, with more employees and lean IT staffs, typically feel the same.**

In regard to electronic document storage, small law firms:

- Want to improve their operational efficiency and/or reduce staff expense, but tend to think of technology spending as an expense to be minimized rather than a strategic investment.
- Know that “enterprise-class” solutions are too complex and expensive and that simplified versions will likely have minimal usability and poor growth potential.
- Suspect that it's not possible to even “test-drive” a solution without making a prohibitively expensive initial investment.

Conclusion:

Small law firms will know what they want when they see it—when it's proven, effective, and affordable from a vendor they know and trust. In the meantime, the last thing they want is to make a poor investment that could wind up jeopardizing their business records. And until a “better mouse trap” comes along, many small law firms will struggle on as before, resigned to the fact that handling documents in a labor-intensive, paper-based manner is inefficient and costly, but knowing also that the alternatives so far are no more appealing than the status quo.

Enter the better mouse trap

Sooner or later, the demand for a practical and cost-effective electronic document storage solution had to be met. But not by scaled-down enterprise-class solutions - and not by complicated and expensive document management systems.

The solution has arrived, but from an unexpected direction—by the application of innovative new software to a surprisingly familiar device—the HP Multi-Function Printer.

Revolution? No thanks.

Because of its remarkable flexibility in delivering vital business functions—from printing and copying to faxing and scanning—the Multi-Function Printer (MFP) has long been endorsed by industry analysts as an essential component in any organization-wide document handling solution. The same analysts, however, have relegated the MFP to a complementary position, working in league with other hardware devices and software programs towards the goal of “revolutionizing” a firm’s entire workflow process. The problem is that, as mentioned earlier, the last thing small law firms want is a revolution. They just want to do what they do more efficiently, with as little disruption and expense as possible.

Something new...

The true potential of the MFP, however, was not revealed until recently when an innovative software developer took a look at the capabilities of HP LaserJet MFPs and glimpsed the great opportunity they presented for electronic document storage.

...and something newer!

Some companies are known for being on the cutting edge of technology. Others are known for developing best business practices. But Informa Software, based in Maitland, Florida, has made its name at the junction where technology and business meet. And at that intersection, “Keep it Simple” is the Golden Rule.

What did Informa see in the HP LaserJet MFP? A fascinating combination of features that could be leveraged in an altogether new way. Those features are:

- The ability to electronically capture documents - easily
- The ability to actually integrate document indexing, search and retrieval
- The ability to provide a great solution at an affordable price

By developing the innovative new software called ImageQuest *mfp* (or “IQmfp” for short), Informa has been able to leverage those three key features to create what so many have been waiting so long for—a real-world electronic storage solution that’s simple, powerful, and affordable. This great application has been specifically tailored for small law firms and packaged as IQlegal.

Easy to install and just as easy to use

The best solutions are sometimes right under our noses. And for that reason, when they arrive, they are often simpler, more convenient, and more affordable than anyone could have imagined.

That’s the case with HP LaserJet MFPs and Scanjet scanners with IQlegal—the first no-frills, easy-does-it electronic storage solution for small law firms. Instead of adding technical complexity and changing workflows, IQlegal simplifies both existing and new processes—including the viewing and retrieval of scanned documents—by improving on the way files are handled in manual processes. (Users can even see thumbnail views of each document!)

Everyone knows how to find a paper file: Open the drawer, find the folder, leaf through the pages, and pull the document. IQmfp delivers the same intuitive experience but with a huge difference: There are no folders to search or pages to thumb through – just enter your search terms and you find exactly what you are looking for. It’s electronic storage that can take small law firms to all-new levels of convenience and efficiency.

Electronic storage at the right price, with none of the hassles

The HP LaserJet MFP with IQlegal software creates a transformational opportunity for small law firms by not only saving money on IT hardware costs, but also enhancing productivity. It represents a sea change in how small law firms do business because, relative to all other

alternatives—including the status quo—it's so inexpensive that firms can't afford *not* to add it to their IT infrastructure.

An unbeatable combination

HP LaserJet MFPs and scanners are award-winning solutions by themselves, but when combined with Informa's unprecedented IQlegal software, they suddenly become the nucleus of new-found efficiency and productivity, dramatically improving business performance while streamlining processes, improving efficiencies, and reducing both costs and risk.

A world-class solution that any small law firm can afford

Thanks to IQlegal, small law firms can not only print, copy, fax, and scan but also store documents electronically—all within a single sleek and incredibly easy-to-use desktop device. Indeed, an HP LaserJet MFP with IQlegal can provide small law firms with many of the most valuable capabilities found in complicated workflow solutions costing \$50,000 or more, at a fraction of the cost. Now small law firms can affordably:

- Escape the problems associated with paper filing—lost or pulled files, needless photocopying, and other costly paper-processing challenges.
- Easily categorize and index scanned documents.
- Conveniently look up and retrieve documents using Web-based search from any PC on the network.
- Integrate seamlessly with the network to improve the efficiency of the entire organization.

IQlegal—the smart choice

By automating day-to-day processes, IQlegal represents the best strategy for improving an small law firms' document management infrastructure. It helps not only reduce manual labor costs per document, but also enables them to more effectively organize, distribute, and share information, as well as improve client response times and business decision-making.

The HP LaserJet MFP with IQlegal can have significant impact on countless activities affecting a firm's bottom line, including the creation, storage, retrieval, distribution, and disposal of documents; the manual labor required for hard-copy document filing, records retention and disposal; government regulatory requirements; firm-wide document search and retrieval capabilities and requirements, storage and real-estate usage and costs, and, last but not least, disaster recovery and information security goals.

IQlegal, used in combination with the HP LaserJet MFP, ensures best practices by paving the way to enhanced business performance and productivity, positively impacting bottom-line performance, and helping companies establish a stronger competitive foothold.

Conclusion

HP capture devices with IQlegal clearly represents a significant and unprecedented opportunity for small and mid-size law firms to: close the loop between document production, management, and output; regain control of their document management environments; improve business productivity and efficiency; and positively impact bottom-line performance by uncovering a wealth of hidden cost-saving opportunities.

FOOTNOTES:

1. "Let's Get Small" by Scot Petersen: "News Edge"

The HP LaserJet MFP Product Family

- Networked print, copy, color scan, fax, digital send to email & folder
- Print and copy speeds up to 40/50 ppm (black)
- Optional finishing accessories
- Models include: LaserJet M3035mfp, LaserJet M4345mfp, Color LaserJet 4730mfp, LaserJet M5035mfp, LaserJet 9040/9050mfp, and 9250C Digital Sender

The HP Scanjet Document Scanner Series

- Sheetfed and flatbed scanner programmable for send to applications, email & folder
- Scan speeds up to 35 ppm
- Versatile programming options
- Models include: Scanjet N7710, Scanjet N8460/N8420

Technical Background

IQlegal is based upon Informa's enterprise ImageQuest document management system. Wholly written in .NET, IQlegal resides on an industry standard server or workstation with Microsoft Server 2003 or Windows XP Professional SP2 installed. The index uses Microsoft's SQL Express or SQL database. Full text search capability utilizes industry leading OCR tools from Nuance.

System Requirements

- HP LaserJet MFP or Scanjet scanner
- HP Server or workstation with P4 processor or better
- 1 GB memory
- Mirrored 80GB hard drives
- Windows Server 2003 or Windows XP Pro SP2
- Windows IE 6 or higher



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