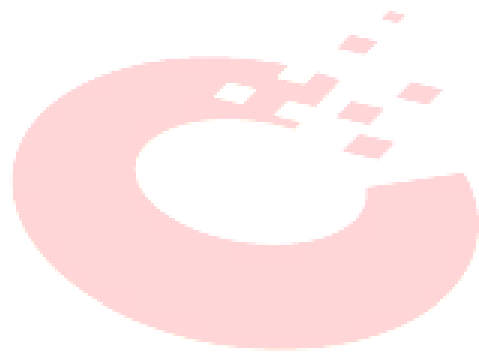


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Cabinet NG, Inc.



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**DOCUMENT MANAGEMENT IN  
THE PERSONAL INJURY LAW FIRM**

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## Introduction

According to the Bureau of Labor Statistics, lawyers are increasingly using various forms of technology to perform more efficiently. Although lawyers continue to use law libraries to prepare cases, most supplement conventional printed sources with computer sources, such as the Internet and legal databases. A critical key to the ultimate success of a personal injury firm is its ability to improve efficiency in such a way that additional caseloads can be sustained and case matter is better managed. Electronic Document Management (EDM) is the weapon of choice when it comes to efficiently managing and automating the flow of information across the firm.

Personal injury law firms face a document management problem unlike other types of law firms. The requirement to be very efficient is paramount as the more cases taken to closure directly affect the bottom line. To be efficient at closing the cases requires a strict and repeatable document management process. From initial intake of the client forms and documentation to processing all requested medical and accident records requires an efficiency not found in other types of law firms. A good document management system is a necessity in today's firms as the amount of paperwork per case is only growing and there is not an end in sight to the volume of paperwork processed for a single case. A good document management system will allow the firm to intake initial documents, workflow them electronically and get updates on the status of needed documents at the touch of a button from any workstation in the firm.

*A quick note about the term "paperless" as it applies to this document. The 100% paperless office may never be achieved. The act of going paperless is to eliminate waste, improve business processes and simplify the task of meeting regulations as they relate to documents. In most cases, using electronic documents is best for meeting these objectives. However, in some cases physical documents may still be the preferred medium and will not deter from the success of going paperless.*

## Preface – What is Electronic Document Management?

Simply put, an electronic document management system (EDMS) is a system that can replace paper files and documents in an office, and enable users to send electronic documents through the same steps a paper document or file would follow. EDMS systems are primarily used in the legal profession to increase efficiency and eliminate the costly inconsistencies that are common in a paper-based process. For instance, if the firm has a new case form that is filled out for each client account and it must proceed from the attorney to a paralegal and then back to the attorney, then an EDMS must provide the same path. So a true EDMS not only provides storage, but must provide the same workflow capabilities. Along the way it must also protect documents so that only authorized people can view, edit and/or delete documents based on the individual's access rights. An example might be a client's financial records. These records should be kept confidential and an audit trail kept of all access. An EDMS is a step up from the point solutions like spreadsheets and word processors as it is a firm-wide solution. It must be easy and straightforward to use and ideally integrate with other applications the office is already using with a minimum of effort.

So to sum up the key attributes of a legal firm's electronic document management solution:

- Maintain a repository of electronic documents
- Enable partners, paralegals and other staff to quickly locate documents
- Provide a mechanism for securing documents
- Integrate with other software solutions being used
- Provide a method for putting the documents into a defined or ad-hoc workflow
- Supply audit data providing the four W's (Who, What, Where, When)

## Overview

The paperless office promise has been around since the beginning of the PC revolution in the early 1980's. Initially the technology just wasn't good enough to fulfill the promise; however, in the last ten years, the cost of digital storage, scanners and other technologies have made it very achievable and particularly attractive in the legal profession.

The goal of any personal injury practice is to be as efficient as possible when dealing with clients and their associated paperwork. An EDMS does this by making your firm more efficient and streamlining the document flow through the office.

This document addresses the seven most common ways an EDMS will help generate more profitability in a law firm. Each of these ways is outlined as benefits that save you time and money, and provide insurance against disaster.

The first four benefits of an EDMS target office efficiency and organization. While these benefits correlate directly with their physical paper counterparts, they also overcome the inherent deficiencies of a paper-based system.

- Instant access to documents and records by any authorized personnel in an organized manner
- Ability to put documents/cases through an electronic workflow process
- Search old case records for documents using a variety of searching techniques
- Document sharing and collaboration

The next three benefits allow a firm to achieve what is physically impossible for a paper-based system to address.

- Integration with other software used across the firm
- Quick and complete disaster recovery
- Go Green

## Instant Access

One of the largest benefits to using an EDMS is the ability to access documents at any time from your computer or other Internet connected device (tablet, smartphone ...). No more running back and forth to the file cabinet or asking an assistant to track down a relevant file or document. Think of the time savings that can be felt across a firm when it only takes seconds to find a document.

With instant case access, multiple assistants can work the same case simultaneously and have access to all relevant documentation. If one assistant works the investigation, while another does medical records and a third works with the insurance companies, using an EDMS allows all three access to all of the documents at any time.

A web interface adds another layer of accessibility by allowing a user to lookup documents from any internet-enabled device, such as a smartphone or the Apple iPad™, so you no longer have to copy and carry around large briefcases or file folders of documents. If a client calls late or while you are out of the office, it's simple to find the document they are asking about and answer their questions on the spot. Using a web version of the software also allows you to look up a document while in court or at the client's facility. Think of the time savings incurred when you tell the client or an opposing attorney to wait "just a sec" while you look up the relevant documentation needed. Instead of scheduling another meeting or giving a "I'll have to get back with you on that" promise, you can settle the matter then and there in a matter of seconds.

This secure and instant access of documents anywhere at any time saves huge amounts of time and cuts down on call backs to clients and other attorneys as you can pull up documents while on the phone with them.

## Document Workflow

Historically, a law practice's comfort zone had been dealing with paper documents. Years ago, this culture had no options to address the time and effort lost on the filing, storing, locating, and retrieving of physical documents. Today, these costs and delays are unacceptable. A paperless office simplifies every facet of a document's lifecycle. The physical handling of a document is reduced to a simple scan and electronic filing process. Documents already in the electronic format are filed without being printed.

Workflow has been around since man has done any sort of 'work'. Any process that takes place involves workflow. Whether that process is limited to a single individual or multiple people, a series of steps is completed to formulate the workflow process. Every firm has some sort of document workflow process in use. Whether that document workflow consists of a client medical record, investigation report, email, snail mail, or other document, workflow of documents occurs every single day. Once the realization occurs regarding how often document workflow occurs each day, one begins to consider ways to improve and streamline the document workflow process so as to maximize time and cost savings. The

easiest way to implement electronic workflow is to select a software package that can mimic the way documents are currently routed physically.

### **Document sharing and collaboration**

A secondary benefit of centralizing where documents are filed is the accelerated collaboration and sharing of information. Letters and other case matter can quickly be reviewed, edited and approved without ever leaving the system. Workflows can be automated using rules that are based on the firm's established policies. Streamlining collaboration and workflow processes allows more to be accomplished in less time, which translates to higher caseloads at a given headcount without compromising quality. Staff morale is also boosted as a result of improved feedback mechanisms (via comments and notes within the EDMS system) and a greater sense of accomplishment knowing their efforts are being noticed.

Using workflow rules forces documents along the same path each time. This generates worker efficiencies as it much easier to repeat the same process using the same steps.

A complete whitepaper on workflow is available at <http://www.cabinetng.com/white-papers/workflow.php>

### **Document Retrieval**

Everyone at one time or another has gone on a paper hunt. Even for the most organized firm, searching for physical documents, especially those which have been misplaced or misfiled, can be a lengthy exercise in frustration. We all know how the case of a missing document tends to raise its ugly head when you are down to the wire on a deadline. Going paperless dramatically decreases the amount of time spent locating and retrieving documents, both current and archived. Using a leading electronic document management system (EDMS), staff can quickly locate documents through a user interface that mimics the physical filing cabinets metaphor or by applying search criteria such as a unique word or phrase contained in the document or other known information about the document. This information (also known as metadata) can include: the author, when it was created, when it was last changed, title or any other keywords associated with the document. A paperless system also keeps files centralized for one-stop shopping. No more running between desks and filing cabinets or off-site facilities to locate a document.

A good EDMS should provide multiple ways of searching and retrieving a needed document. These methods should include at a minimum:

- Structural search
- Keyword and Document Title Search

- Full Text Search

## Structural Search

Structural search is the method most closely related to the file cabinet, file folder approach because it relies on a consistent, hierarchical and controlled structure for storing documents. The best systems are able to emulate the physical filing world to make the transition to EDMS more seamless for people who are accustomed to working with file cabinets, folders, index tabs, documents and even paper-clipped or stapled documents. So when someone calls with an inquiry about a case, the user can log in to the case cabinet, find and open a folder, identify the required document and even email, fax or print the document while the caller is still on the phone.

## Keyword and Document Title Search

An EDMS allows users to index documents with a title and keywords. Those words can be entered later in a search field and a list of documents associated with these words will be presented. The more words associated with a document the more specific the searches that can be performed. The fewer words, the more likely you would receive a longer list of documents returned by the search. So if someone needs to find all insurance documents for Farmers Insurance in all case folders, this is simple to do with a keyword search. Unique words in a document title or keyword can be used to produce very narrow searches. For example, searching for a specific invoice number from a specific vendor in the title of a document could result in immediately locating a single document.

## Full Text Search

Full Text Search (FTS) is yet another way to search for a document. FTS involves looking for a document based on a word or phrase that may be contained within. For example, if a user needs to find all documents which contain the phrase 'lawsuit', FTS would be very useful.

## Document Security

One of the major benefits of an EDMS is the ability to secure documents in a manner that benefits the firm and its clients. A good EDMS will provide the ability to assign security down to the document level so sensitive documents are only accessible to users with the rights to access them. It should also provide the ability to run an audit, so the firm is able to determine who has accessed which documents. This can be critically important when dealing with financial records or personal medical information.

## Integration with other software

It is now possible for small and medium-sized firms to achieve levels of application integration historically reserved for large practices with deep IT pockets. Specifically, how to integrate an EDMS with other core firm applications to drive efficiency and manage IT costs.

One of the bigger problems firms face is the need to enter the same data more than once to satisfy the requirements of different software applications, such as a case management system or an accounting software package. Frequently, these applications do not communicate data with each other. As a result, data is entered twice, which takes additional time and increases the possibility of data entry errors.

Another significant problem is learning new software applications. Most firms find it difficult to spare employee time to learn new software applications. Cabinet NG has developed two modules, Synchronizer and Retriever that provide the advantages of using an integrated EDMS. In addition, Synchronizer and Retriever can quickly be set up to integrate with other software applications without custom programming. As a result, Synchronizer and Retriever make the investment in an EDMS much easier to justify than deploying a non-integrated document management solution.

Synchronizer is an add-on module for the CNG-SAFE EDMS. Synchronizer can be used to automatically read the data from the case management system and create a folder for each case in the case cabinet. The same thing could be accomplished with almost any software package. This defeats the problem associated with entering data more than once and ensures the data is the same in both systems.

Retriever is a Windows and/or Web-based application that connects CNG-SAFE with other software applications. One example would be for Retriever to be connected to a case management application and provide a way to immediately access all the documents associated with the information being displayed in the case management application.

A complete whitepaper on Out-of-the-Box integration is available at [http://www.cabinetng.com/white-papers/out-of-the-box\\_integration.php](http://www.cabinetng.com/white-papers/out-of-the-box_integration.php)

## Disaster Recovery

Nearly 18,000 businesses were dislocated, disrupted or destroyed by 9/11. Thousands more were affected by Hurricane Katrina. According to research by the University of Texas, only 6 percent of companies suffering from a catastrophic data loss survive, while 43 percent never reopen and 51 percent close within two years.

If you come into work one morning to find your office has been destroyed, would your business recover?

- Would you lose all of your paper documents?
- Are electronic documents that are scattered across many different workstations now useless?
- Have you lost valuable email messages?
- Where are your case records?
- What would you do?

Paper documents stored in file cabinets are susceptible to fire and flood. You cannot recover a paper document that has been destroyed by a fire or a flood. But the problem goes beyond your paper files. Electronic documents stored on workstations and servers across your operation are equally vulnerable to catastrophic loss.

Nobody wants to think they might need to implement a disaster recovery plan, but proper planning could enable your firm to survive a disaster.

What processes do you have in place for backing up critical data? Consider where and how your paper documents are stored. Think about important electronic documents within your network. Now, lock the doors and walk away. How would your company re-establish operations? If you take that thought process and expand it and begin thinking about what you would need to resume operations then you have the beginnings of a disaster recovery plan.

Using an EDMS allows multiple backups to be stored at offsite locations providing a means to recover your data in the event of a disaster.

## Recovery

In the event of a disaster, the goal is to be able to quickly procure a temporary office, install computer systems and restore all required documents and information that enables a business to function. The biggest differentiator between a backup plan and a disaster recovery plan is maintaining a copy of your critical documents in an off-site location.

- Consolidate documents of all types into an EDMS
- Create a backup strategy
- Implement your backup processes
- Test your restore capabilities
- Ensure your backup medium is stored at an off-site location

## Go Green

Law firms do not go paperless just to become green, but it does reduce the firm's environmental impact. By reducing the consumption of paper and related materials as well as reducing the space needed to store physical documents, a firm can significantly reduce its environmental footprint. By migrating to an EDMS there is also the potential for employees to work anywhere. This can further reduce the environmental footprint by cutting out commuting (and associated energy consumption) and reducing the need for more and more office space. Presenting the firm as doing its part at being environmentally friendly will help attract new clients that are more eager to do business with eco-minded firms. It will also make its employees feel better about working at a firm that cares about the environment.

## Sample Case Workflow

Let's go through a sample case workflow to demonstrate the efficiencies created by using an EDMS in a personal injury firm. A new client was in a vehicle accident involving a delivery van. The delivery company is not willing to pay for the client's medical care and retains your firm to reach an equitable settlement.

### New client processing

The client comes to your office and has an initial meeting with an attorney. A case folder is created in the EDMS. An intake form is generated in the EDMS outlining the specifics of the case. Any specific documentation the client brings with them such as the accident report, doctor's bills, ... can be scanned into the case folder at the same time. If the case is accepted by the firm, the set of documents can be put into an electronic workflow that starts the process of working the case. Once these documents are in the EDMS, they can be accessed by anyone with the authority to do so from any device that has the capability to view them. They are also stored on your firm's backup media in the event of a disaster.

### Gather information

The next steps are likely taken by the staff of the firm. Each case will require them to gather information and as it comes in these documents are added to the EDMS. Documents requiring further perusal by the case attorney can be electronically workflowed, so each day the attorney has a list of issues in his workflow that require attention. These documents may come in by fax, mail, courier, ... If they are scanned and entered as they come into the case folder, then everyone working on the case has the latest information and documentation about the case.

### Send demand letters

Once all of the appropriate information has been gathered, the firm can then process the necessary demand letters to the delivery company or its insurance carrier. Once again all of these documents are stored in the case folder in the EDMS. Think of an instance where an attorney is out for the day and a matter comes up that requires immediate attention. Using an EDMS, another attorney in the firm can review the case file in the EDMS quickly and take care of the matter at hand. With a paper-based system, the case folder would have to be tracked down and found (if it's in the office) before any review

could be performed. With an EDMS, the other attorney simply goes to the appropriate electronic case folder and can view all information about the case.

### **Settlement**

If a case is settled, then the necessary settlement document may be filed in the case folder. The case folder provides a clear record of the case from the beginning intake documents to the successful settlement of the case. If the documents ever need to be reviewed or accessed, they are available at all times in the EDMS case folder.

### **Litigation**

If the case cannot be settled, then obviously it will go to court. During these proceedings additional documents are created and can also be stored in the case folder. Any documents from the opposing attorney may also be placed in the case folder. Once the case has been tried and the final court documents are received, they are placed in the case folder. If the documents ever need to be reviewed or accessed, they are available at all times in the EDMS case folder.

### **Closing remarks**

Once a case is closed, all case documents can be moved to an electronic “Case Closed” cabinet where they can be stored until all retention requirements have been satisfied. These documents are easily referenced should the need arise, but are removed from day-to-day activities. Implementing an EDMS in a personal injury firm can have a profound impact on managing the complete lifecycle of documents, while improving the firm’s efficiency and partner profits.