How Technology Is (Still) Helping Small Law Firms Level the Playing Field

New technology is helping small and solo law firms level the playing field with their larger competition. That sure sounds like a true statement, doesn’t it? And yes, it is. But the full story is a little more complicated.

For one thing, as past generations of lawyers will tell you, this isn’t a new story. Since the first lawyer hung a shingle, small firms have devised ways to make up their deficit in manpower and financial resources to bigger shops. For another, many of those methods have been non-technical in nature. For decades, small firms have banded together to share law libraries, secretaries, copying machines and office space—arrangements that helped them compete on equal terms with firms that had the scale to pay for such tools on their own.

That’s not to belittle the role of technology. Tech has had an undeniable democratizing effect on the legal profession, enhancing the “little guy’s” ability to compete. This, too, has been going on a long time, and not even the flashiest of new technologies—artificial intelligence, machine learning and the like—have had nearly the impact of a much older one: the internet itself.

Indeed, the world wide web and email have had a truly revolutionary effect on the competitiveness of small firms vis-à-vis larger ones. For instance, the internet made it much easier to work remotely. That has deemphasized the importance of physical office space, and allowed small firms to compete with less burdensome leases (or no leases at all). Meanwhile, the internet also facilitated the trend toward legal process outsourcing, which could be performed effectively from great distances—including foreign countries—thanks only to advances in electronic communications. Among other things, LPOs allow small firms to add temporary capacity to handle much larger deals and pieces of litigation than they otherwise could have.
None of this is to mention what may be the biggest leveling effect of the internet: the fact that it allowed anyone to publish their writing and disseminate to a global audience. Through websites, blogs and social media, lawyers from small firms are able to establish themselves as thought leaders in their area of expertise. Tom Goldstein, the founder of SCOTUSblog, is one of thousands of small-firm attorneys whose internet writings helped establish their credentials to compete with the largest of firms. He has now argued 30 Supreme Court appeals.

It will take some time before the AI-powered tools of today have that kind of impact on small firms, if they ever do. In the meantime, today’s technology continues to incrementally enhance the competitiveness of smaller firms. Three tech advances that do so in practical and powerful ways are as follows:

**Practice Management Software**

Practice management software help firms perform a wide range of back-office and matter management functions, from time tracking and accounting to calendaring and document management. But then, you probably knew that, given that word has spread about the value of these tools. The ABA Techreport 2017 revealed that more than half of all attorneys now have access to them, although for solos that figure is just over 30 percent. That’s surprisingly low, given that practice management software automates so many high-value functions that help solo practitioners narrow the resource gap.

For those looking, there are lots of options here, including LexisNexis®software solutions like PCLaw®, Time Matters® or Juris®.

**Virtual Receptionist**

Technology does not always have to be flashy—and in the case of phone forwarding, it isn’t. But having a live person answer your phone line rather than a voicemail message is invaluable. It doesn’t just give the impression that your operation is larger than it is; it could very well save you some business. A whopping 85 percent of potential customers don’t call back after placing an unanswered call. The many virtual receptionist services that cater to law firms include some that will do limited client intake rather than make a potential client wait for a return call.

**Online Payment Systems**

No small or solo firm will get very far if their clients aren’t paying their bills. They may not have a whole team to assist with collections, as larger organizations do, but small firms can make life a lot easier on themselves—and their clients—by offering an online payment option. The ease of making online payments (as opposed to mailing back a check or swiping a card in person) reduces friction and makes it more likely that they actually see their money.

In fact, Clio’s 2016 Legal Trends Report found that attorneys who take online payments get paid in an average of 11 days, which is 35 percent faster than they do through other methods. LawPay is one established solution for accepting online payments, and the company claims that its product was built with a lawyer’s ethical responsibilities in mind. For instance, LawPay claims that it will make deposits into both operating and trust accounts, and will never wrongfully debit from an IOLTA account, as payment processors unfamiliar with the legal industry may be prone to do.
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