

### Chapter 5 - Management and Personnel Technology Considerations

#### Management Barriers to Implementing Technology

As you implement technology, you can run into obstacles in your firm. Some of the common problems are discussed below.

*Technology Disconnect* - Among businesses there is a commonly used phrase called "technology disconnect". As applied to law firms, it refers to the gap between the managing partners who make the bottom line decisions for the firm and the technologists who make major technology recommendations to the firm which may cost thousands, tens of thousands, hundreds of thousands, or millions of dollars. I hear many stories from the "technologists" that the firm does not support their efforts. But is it surprising in light of some of the past technological solutions that were sold to law firms and failed to become reality?

Technology today is mature enough and generally standard enough to make reasonable future decisions, but the disconnect may still lie between the managing partners and the technologists or now more popularly called the Chief Information Officer (CIO) or Chief Knowledge Officer (CKO). The managing partner does not understand the technology and the CIO, unless he or she is an attorney and/or partner, does not understand the business of the law firm. The managing partner usually does not see his job as understanding the technology, let alone implementing it. The CIO does not understand the practice of law and remains focused on installing the technology, but not the applications or teaching that will benefit the firm. The solution is for both the managing partner to take a greater interest in technology and the CIO to take a larger role in understanding the business of the firm. The foundation of the old must be preserved with the calculated implementation of new technology investments.

The managing partner(s) will have to be fluent in broad technology concepts so that they can communicate intelligently with the CIO about the value of such concepts to the firm. It is important for the CIO's to demystify the technology to the lawyers and others in the firm. Scheduling speakers, training sessions, keeping resource material available, and so on, can accomplish this. The managing partners must be willing to understand the technology and bridge the gap between their bottom line roles and the implementation of new technologies. Lawyers who did not grow up in the computer era manage law firms. They do not understand their power, capability and applications. Their resistance to the incorporation of digital information into the firm will spell trouble for these firms.

Be careful what you wish for - you may get your wish! One situation to be wary of is that in

which the leaders accept that technology is important and see the implementation as buying some hardware and software, without training the firm. They generally will “tell” the committee, Chief Information Officer (CIO) or technology advocate what to do. This is a very difficult situation. Generally, they are the authority in the firm but do not understand technology and generally are too busy to spend the time understanding it. Education, if the leader takes the time, may be the only solution.

*Computer Literacy* - A recent survey showed that 51% of the top executives in the United States are computer illiterate. They rely heavily on their management team for advice for technology purchases. The main reasons for computer illiteracy are that computer knowledge and skills are considered a low priority, computers intimidate executives, and they resist change. They may be the naysayers who will not support your efforts to enact your firm’s strategic plan. Their negative comments and actions can cause a rift, and much worse, a nonadoption of technology in the firm.

*Technology Department Resistance* - Strangely enough, your own technologists may be against implementing new applications; maybe for good reason. Does your firm support their department with sufficient resources? What happened the last time that they implemented a new technology? Did you hold them responsible for glitches? Did you reward them for their long hours and worry about the implementation of the technology?

One sign of their hesitancy is shown in meetings where they point to a 3-year implementation period for applications that could realistically be up and running within 6 months. Others are reluctant to move to client/server or Intranet technology because it decentralizes their control over the computers. Be aware of the technologist who does not want to change. They are content in the DOS environment, using outdated technology, and see change as more work. However, change for change sake is not good – the benefits must be demonstrated.

*Capital Investment and Billable Hour Concerns* - Most law firms are not capital intensive. The money that is earned by the firm is distributed to its members. Before, the firm did not have to set aside or consider the thousands or tens of thousands of dollars that are necessary to implement or upgrade existing technology. It maybe difficult to convince one of the senior partners to invest substantial money in new software, hardware and training when he may be retiring in a few years. Also, beware of the impulsive enthusiasm where the partners have not committed for the long term.

Do not ever underestimate the impact of the billable hour on a technology plan. In simple terms, it would be more profitable for a firm if each attorney practiced law with a quill pen and law books. The lawyer could charge by the hour, incur no secretarial expenses, and manually research the law. The lawyer would make more profit than by automating. In fact, if one invests in technology to get the work done faster, then the firm will lose revenue by investing in the technology and by decreasing the number of billable hours that one could charge their client. This is a short sighted view that does not consider your client's need for low cost, efficient services, value based billing, and the ability to handle more matters in a shorter period of time.

Once you understand the obstacles to implementation, sound practical approaches can be developed to overcome any objections. However, a word of caution, some law firms will not change. They have old cultures, and cumbersome structures and politics. They will give only lip service to needed reengineering and quiet the unrest by investing in some technology. Unfortunately, if a firm's management is unwilling to adopt technology, they maybe discarded like the typewriter.