

Chapter 5 - Management and Personnel Technology Considerations

Return on Investment

Return on Investment. The advancements to integrate into your practice must be planned for and implemented on a firmwide basis. This requires a constant reassessment of the technological advancements. For example, some important goals for your firm may be to increase and promote communication with your clients, increase productivity using document assembly software, or increase effectiveness in litigation by investing in multimedia presentation software and hardware. It is necessary to attempt to measure the benefits of implementing technology into your firm. It is not sufficient to say that the new technology will improve this or eliminate that. Instead, technology expenditures should be linked to a strategic plan where certain goals and measurable benefits are set forth.

A cost benefit analysis may be difficult to quantify, but efforts should be made to create a causal connection between the expenditure and the benefits. For example, if laptop computers are purchased, will it result in more billable hours? If desktop systems are installed in an attorney's home, will the attorney self-train himself and bill more hours? Does a remote connection to the attorney's home provide more billable hours since they will not have to commute? At a system wide level, will the use of computers decrease the number of support staff needed?

Keep track to determine if your firm has met its goals, timelines, and project dates. The staff should be advised as to the benefit obtained from the use of technology.

The important point is to ensure that the functions you automate bring real value to the firm. The technology investment in dollars will be significant both in training and the actual hardware and software investment. This investment should be tied to a return of investment measured in client retention, client attraction, efficiency, cost savings, lowering of overhead costs, competitive advantage in cases, and so on. Focus on measuring, if possible, the Return on Technology Investment (ROTI).

