



Six reasons why you should consider switching to managed services now

By Chris Cann, Cann Consultancy

Ten years ago, Martin Kaye Solicitors outsourced their IT function. It was a bold decision back then – I should know, I was the one who made it and had the sleepless nights until it was quickly proven that it was the right way to go. A decade later, the practice continues to thrive, powered by its managed service provider, e-know.net. Interestingly, the reasons we came up with for being an early adopter back then are just as valid today – indeed, maybe even more so as firms strive to meet the combined challenges of competition, clients, compliance and commercial imperatives.

Disaster recovery and business continuity

All firms should be carrying out risk assessments, and writing policies for what would happen in the event that they were unable to access their offices for a period of time. The Lexcel quality standard now requires it and the new Code of Conduct will do so. Most small to medium sized law firms rely upon being able to physically access their offices in order to work. If the premises were unavailable for any significant period of time, they would risk losing income, profit and cash as well as face possible actions from clients and suppliers when deadlines were missed.

When your IT is delivered from the 'Cloud' ie via a managed service provider it doesn't matter where the lawyer is located. Provided they have a computer and some means of getting onto the internet they can get at their data, emails, accounts systems etc from anywhere in the world. Therefore they could work from home or from a designated business continuity suite in the event that their normal office was not available.

Included in a managed service package will be automated data backup, data replication, and multiple redundancy features that mean that your client information, electronic files, accounts, emails and everything electronic that you rely on to stay in business will be available to your 24 hours a day, 7 days a week, 52 weeks a year no matter where you log into your desktop.

Affordability, scalability and flexibility

Hardware and software is expensive and getting more so. Accepted, you can now buy a very powerful laptop, or desktop PC for very little capital outlay, but to network that PC with other PCs, laptops, iPads, iPhones, Blackberries et al, and make them all speak to each other 24/7/365 without picking up viruses, bugs and spam is not so cheap. To have your data backed up in a secure environment, with uninterruptible power supplies, multiple redundant power and communications suppliers, automatic generators, and the latest in Citrix technology allowing the latest software applications to be delivered to your desktop anywhere, anytime in the world is, in fact, very expensive.



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However, you get that entire infrastructure supporting your business on an affordable per-user-per-month basis when you have your services managed and delivered from the 'Cloud' – basically the managed service provider's own private network and computing platform made accessible to you via a fast, secure IP connection. Automatic software upgrades are another bonus in an IT world that never seems to sit still for long.

Instead of spending your capital on upgrading hardware and software, why not spend it on strategic activities that add value to your business and to your clients, and let the IT be paid for out of income on a monthly basis?

Most managed service providers price their offering based on the number of users each month. As the business grows, new users can be simply added and paid for on a month-by-month basis. If, heaven forbid, you need to downsize temporarily, your IT cost will also reduce proportionately, giving extra savings in addition to any salary costs saved. That degree of predictability for your financial modelling is impossible in a traditional in-house set up, so the advantages for business planning and budgeting are considerable.

Changing legal landscape

The legal market place is going through huge changes and these will multiply exponentially as we get closer to October 2011 when the first Alternative Business Structures are scheduled to be licensed. Nobody has a crystal ball to foresee precisely what shape this restructuring will take, but the one certainty I feel is that technology will have a large part to play in making existing law businesses, as well as the new ABSs, more efficient, profitable and client-focused.

If you have not yet invested in technology upgrades, or you are a new business through merger, de-merger or start-up, moving your IT estate into 'the Cloud' and letting your managed service provider take the strain, could be the solution to your technology needs.

To compete in our brave new legal world, businesses of all shapes and sizes are going to have to embrace IT, or at least what IT can do for them, and make it work very hard for them. They will need access to the latest technologies in order to compete with the large corporates but they will need it delivered at a price that still lets them make a profit. Cloud computing will give even the smallest firms access to leading edge hardware and software at a price they can afford, delivered 'shrinkwrapped' to their desktops, leaving them free to focus on what they do best – delivering excellent legal services to their clients.

Law firms need to ask themselves, "What is our core business?" Most will not answer, "Information Technology supply". Legal businesses must become happy to pass that non-core service to an expert who does have it as their core business and who can provide that service at a higher quality and lower price than the law firm can do itself. The same philosophy holds true for a lot of back-office services undertaken by lawyers... but that is for a future article.



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Those firms that remain nervous about such a move should talk to someone with hands on experience. Let them provide the reassurance, and ensure that they get the most out of the various stakeholders in the process: back-office software suppliers; outsourcing companies; owners; staff (especially the IT department); and the myriad of other organisations that need to be coordinated if the project is to be successful. They all talk a different 'language' from each other, and have different priorities in the process, so they need to be managed properly to achieve success.

Technical

Lawyers, generally, just want to be lawyers and don't care how technology is delivered to them so long as it is reliable, cost-effective, flexible, and available whenever and wherever they have to work. Outsourcing the IT function in their businesses is the ideal way for them to get on with their jobs as lawyers while someone else takes care of the day-to-day management of the support infrastructure that enables them to do a good job for their clients.

Managed service companies are able to attract and retain extremely competent individuals that the average law firm could not hope to employ. All of these skills are available to you at the moment you need them, so that when you want to discuss the advantages to your business of investing in 'Voice recognition digital dictation', 'VoIP', the latest 'SAN technology' or something as simple as receiving your emails on your new iPhone, it is just a matter of picking up the phone and talking to a 'techie' in 'your IT department'. Except that you haven't had to pay their salary and you don't have to manage them and try to keep their jobs interesting enough to stop them jumping ship at the first opportunity.

Availability

Modern lawyers, wanting to deliver a top quality service to their clients, need unrestricted access to their data, at any time of the night or day, delivered to them in any location. They want IT support 24 hours a day, so that if they are struggling with technology at court, at home, or at their client's premises, they can get a practical and timely solution to their problems. In-house teams often struggle to deliver that degree of availability or support.

For managed service providers that level of supply is standard in their SLAs, and they deliver on it, day in and day out.

Resources

Existing IT managers are spending far too much of their time on the 'nuts and bolts' of keeping an aging network functional, or trying to fit burgeoning email and network data onto creaking backup systems. They should instead be advising the owners of legal businesses how to take advantage of the latest technology and get the drop on their competitors. Outsourcing should not be a threat to forward-thinking IT professionals, rather an opportunity for them to work with the lawyers in the firm to help deliver first-class service to their clients, working at a strategic level to ensure the business maximises its return on investment in technology.

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Most lawyers are not making full use of the technology currently being delivered to their desktops. When investment is made in the latest applications to support the firm's strategic plan it is important that IT managers are used to help those busy lawyers leverage their time by appropriate use of IT, leading to more billable hours and more profit for the business.

If you would like to discuss any of the issues raised in this article or to talk to me directly about my experiences or any practical assistance I can offer with making the switch to managed services, then please contact me at chris@cannconsultancy.co.uk or on 07711 929 153.

