



PRACTICING LAW ONLINE

CREATING A VIRTUAL LAW OFFICE

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Information and resources found in this whitepaper are expanded upon in *Virtual Law Practice: How to Deliver Legal Services Online*, published by the ABA LPM, Second Edition forthcoming 2015. The author's blog contains additional resources: <http://www.virtuallawpractice.org>

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WHAT IS VIRTUAL LAW PRACTICE?

Virtual law practice is a professional law practice that exists online through a secure portal and is accessible to both the client and the lawyer anywhere the parties may access the Internet.

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I. Introduction

Virtual law practice is the online delivery of legal services through secure, online methods. Throughout this whitepaper the terms “virtual law practice” and “online delivery of legal services” will be interchangeable. This whitepaper will examine several models of online delivery within a law firm and provide a basic starting point for a firm to consider integrating online delivery into its existing business model.

A traditional law firm may use technology to deliver legal services online by acquiring technology tools that facilitate online delivery. There are also completely web-based law practices that deliver services to clients, and there are hybrid law practices that combine more traditional business structures with components of online delivery.

For example, the author has worked with the following virtual law practice models:

- multijurisdictional virtual law firms;
- international law firms seeking to deliver online services overseas to clients;
- solo practitioners living in one state but licensed and wanting to deliver online services in another state;
- medium- to large-sized law firms wanting to unbundle legal services to increase profits;
- firms that want to improve customer service by adding an online delivery model, and
- law firms receiving pressure from corporate or in-house clients to provide online delivery options and unbundling of services.

All of these models are forms of virtual law practice and involve the online delivery of legal services to clients. With any of these models, lawyers and their clients have the ability to discuss matters securely online, download and upload documents for review, create legal documents, and handle other business transactions related to the delivery of legal services in a secure digital environment.

A virtual law practice has been referred to in the following ways: virtual law office (VLO), virtual law firm, web-based law practice, or online law practice. There are many variations on the model, but the basic concepts that are covered in this whitepaper can be implemented in any of them.

II. What is Secure Client Access?

There are several forms of secure access that enable a law firm to deliver legal services online. A client portal is the primary feature of online delivery that facilitates the delivery of legal service. It contains a unique username and password that the client uses to enter into his or her own secure account website within the lawyer's practice management system. This client-specific portal where the client and lawyer interact is unique to virtual law practice and is the key to differentiating it from other web-based services and companies offering legal documents to the public online. End-to-end encryption keeps the clients secure as they log in and work with the lawyer to receive legal services.

In some instances, this same portal may also be used by other lawyers related to the case who are not members of the law firm. Opposing counsel or an out-of-jurisdiction lawyer collaborating with the law firm on the legal matter may communicate securely and transfer documents through a case file on the back end of the cloud-based practice management solution.

CLIENT EXTRANETS

A client extranet is the same as a secure client portal. Rather than merely providing the ability to share documents with clients, the tools for online delivery have expanded to provide more client-facing features. Larger firms have used extranets for years to collaborate with clients. Several firms have built out their client extranets to include client-facing features for collaboration on projects.

Baker Donelson provides an example of an extranet that features working online with "corporate and health law deal rooms, due diligence rooms, litigation case extranets, immigration extranets, BakerManage (Legal Project Management) matter sites, e-discovery data mapping and legal hold tracking, expert reporter, and vendor tracking."

Many law firms see the benefit of using a client portal as part of a marketing strategy and a competitive edge rather than as a privately accessed feature for clients hidden behind the firm's technology infrastructure.

A second method of secure delivery is found in the form of providing client access to secure folders in the law firm's file management system. The use of the technology platform provided by [Box](#) is the best example of this. The lawyer at the firm may wish to send the client a document along with comments and request that the client return the document to them with comments as well. The lawyer e-mails a protected link to the client. The client clicks on the link in his or her e-mail and is directed to that document which resides in the client's full case file on the firm's Box account. The client has restricted access only to those documents the lawyer wishes the client to view and/or edit. The law firm is able to provide different forms of access to those documents depending on if the firm wants to give the client permission to read only or edit the documents. On the lawyer's side, the firm is able to retain data about whether the client has viewed the document for which the link was e-mailed and other details such as how many times the document was downloaded by the client. Law firms may also share entire folders with clients in addition to single or multiple documents. These files reside on the law firm's secure Box account.

Box is one of a handful of cloud-based providers that are specifically trying to cater their cloud-based services to the legal profession so that law firms may deliver legal services online. A firm making the decision to switch to a cloud-based document management system might be interested in solutions that offer this form of secure, permissions-based access to files and folders as a method of online delivery. This could be used to supplement a full client portal embedded in a practice management system or as the firm's primary form of online delivery.

III. Benefits and Risks of Virtual Law Practice

The benefits of delivering legal services online are going to differ based on what the practitioner hopes to accomplish with the practice. Some of the main benefits include:

- Lower overhead
- Ability to expand client base across jurisdictions; competitive advantage
- Flexibility to transition between different phases in life and career to meet professional and personal needs
- Tap into a broader market of consumers seeking legal services
- Serve as an amenity for existing clients of a traditional law practice
- Added security of hosted backups and other cost-effective benefits of using software as a service (SaaS)
- Lessen malpractice risks through the use of technology to automate checks
- Streamline administrative features of a law practice to permit the lawyer to focus on the actual "practice" of law
- Eco-friendly, paperless, and less office waste
- Greater work/life balance and flexibility

Many of the risks involved in online delivery are related to either the security or the ethics and malpractice concerns. This whitepaper will not cover the ethics or best practices of virtual law practice. The second edition of *Virtual Law Practice: How to Deliver Legal Services Online* (2015) devotes entire chapters to address these topics in greater detail, along with providing resources in the topical appendix for further research. Some of the risks that require consideration and mitigation before delivering legal services online include the following:

- Security of the technology, including third-party control and storage of law office data
- Retention and return of law office data
- Confidentiality
- Competency of providing unbundled legal services
- Unauthorized practice of law in other jurisdictions

The risks and benefits of online delivery will depend on a number of factors, including the chosen business model, practice areas, the regulations of the state bar(s), the years of prior experience that the lawyer has in running a law practice, the technology support available at the law firm, whether the lawyer has an existing client base to start with or the firm has an established clientele, and what the strategy and goals are for developing a practice with online delivery.

IV. Choosing a Virtual Law Firm Business Model

Before choosing a virtual law firm business model, the law firm needs a solid understanding of what the firm wants to accomplish with online delivery as it relates to the firm's overall business plan, revenue generation, client development, and practice management. Consider the following questions to assist in planning:

- Will the firm be providing unbundled legal services to online clients without full-service representation?
- Will the firm be working with an existing client base and offering full-service representation as well as online representation?
- What are the needs of the firm's target client base regarding communication and delivery? How technology savvy are they or what forms of hand-holding might they require with any online delivery method?
- Will your firm practice have a combination of online clients and in-person clients, both needing access to a client portal?
- Does your firm want to provide strictly transactional legal services, such as wills, advance directives, and small-business setup documents that might require a document automation and assembly system? Would your firm focus more on providing legal consulting, strategy, and advice through video conferencing tools?

- Does your firm want to communicate with clients online through more interactive discussions, such as real-time or IM chat?
- Will your firm be multijurisdictional?
- Will your firm be working with other lawyers online to combine resources in one state or across jurisdictions? What will the ownership and management structure of that virtual firm look like?
- What law practice management tools are most critical for your law firm's practice to take online?
- What administrative tasks would your firm need to handle online?
- Will your firm need to integrate your existing law office software into the technology to deliver legal services online or does your firm have a way to synchronize or export from one system to another?
- Would your firm like to collaborate with other lawyers or virtual assistants online to serve clients, or will access be limited to lawyers and online clients?

A. Integrating Online Delivery into a Traditional Law Office

Lawyers who operate a traditional brick-and-mortar law office find benefits to adding online delivery of legal services to their existing structures. There are a number of reasons why this might be advantageous. Not only may the practice expand the client base across the jurisdictions where the lawyers are licensed to practice law, but they may also use the option of online delivery to compete for local client services by marketing their online services as an amenity to the law office for clients for whom they will provide in-person, full-service consultation.

Traditional law practices in many states may now take advantage of electronic filing, service, and access to online dockets. Some courts are even holding virtual hearings, and some lawyers conduct virtual depositions. Adding online delivery to a traditional practice can easily fit into a traditional firm's efforts to go paperless and take additional tasks related to litigation online.

Traditional law offices may also find that including online delivery of unbundled legal services provides an additional source of revenue for the firm. If the practice is able to implement technology and processes to streamline the delivery of these services, they can be added without requiring the same amount of law firm overhead and resources. Additionally, offering these services may be used as a marketing strategy for the firm to show prospective clients that they are both aware of the cost savings and convenience of using technology to deliver services online.

B. Delivering Online Unbundled Services to In-House or Corporate General Counsel

Traditional large firms have relied primarily on their reputation to retain the work of large companies in the past. However, reputation alone no longer a primary selling point for

corporate client retention. Today, increasingly, general counsel (GC) and in-house counsel of these companies are asking BigLaw for technology solutions for online delivery and for more calculated legal spending tracked by measurable quality analytics. Traditionally, lawyers from BigLaw refuse to provide GCs with an estimate of their legal spend before taking on a project, especially one that is litigation based. Law firms are now vetted based on whether technology is being used to deliver services to cut the cost of legal spending and whether they can give the GCs a fixed legal spend for the year for the company's budgeting.

GCs are beginning to look at solutions that include both unbundling and the use of technology to outsource legal services and are retaining firms that offer these services. This provides an opportunity for law firms that are willing to change their delivery models to incorporate outsourcing online, unbundled legal services to in-house or corporate counsel. This form of work could be on a regular or project basis. Law firms with experience in the practice areas of corporate law and litigation may want to consider how virtual practice may make them more marketable to this growing trend by companies that are seeking to change how they retain legal representation and outsource their legal projects.

C. A Completely Web-Based Virtual Law Office

A lawyer may choose to set up a completely web-based virtual law practice and operate that practice from a home office or any remote location where he or she may securely access the Internet. This option may be more appealing to the following lawyers: (1) solo or small firm practitioners who may be on a more limited budget or looking for lower overhead; (2) a lawyer just beginning his or her practice after passing the bar; (3) a lawyer who is licensed in one state but lives in another; (4) a lawyer whose circumstances require him or her to move frequently, such as a lawyer married to a spouse stationed in the military; or (5) a lawyer who is scaling back his or her hours of legal work.

There are many reasons for wanting to operate a completely web-based law practice. One of the primary reasons is to avoid the overhead of a physical law office. Working from a home office allows the lawyer to save money not only by avoiding an office lease but also by minimizing the cost of office supplies, utilities, and other expenses associated with running a physical law office. A completely web-based practice is essentially paperless except for the items sent to the lawyer by state bar associations, insurance carriers, and marketing or other organizations that do not e-mail or use any other digital forms of communication. In these instances when paper is received by the lawyer, he or she may scan the item into PDF format and store the document within cloud-based document management system. There are entire groups of consultants now devoted to helping law firms go "paperless." This certainly complements methods of online delivery and is worth taking a look at if the reader is from a more traditional, paper-based law firm model.

The completely web-based virtual law office is easy to set up initially but may be more difficult to market to obtain a steady online client base than a traditional law office. Many members of the public may still not be aware that online law offices are an alternative to traditional brick-and-mortar practices. There are also limitations with a completely web-based virtual law practice about being better suited to certain clients and practice areas. Transactions-based practices are going to be more practically suited to a completely web-based practice. The age and sophistication level of the firm's clientele may also be a factor. The lawyer may need to refer out prospective clients that come through the virtual law office to a full-service firm in their geographic location because the legal matter requires in-person representation. It may also be more difficult to operate this form of online delivery because of the different state-based restrictions on virtual law offices. Several states have written ethics opinions related to "bona fide office" rules or about residency requirements for lawyers that restrict how lawyers may operate completely web-based virtual law offices. Check closely with the rules and regulations of your jurisdiction before launching a web-based virtual law office.

Completely web-based virtual law offices are arguably more difficult to build and sustain as successful law practices. This is due to the changes in the legal marketplace and the fact that marketing completely web-based practices online is often more expensive and more difficult than marketing the services of a traditional law firm with an existing client base. As more lawyers choose this option, the public will become more aware of completely web-based virtual law offices as alternative options for online unbundled services from a licensed lawyer. However, it's currently still an uphill battle for lawyers operating these forms of practices to compete online with branded networks offering online legal services, such as Rocket Lawyer and LegalZoom.

D. Collaborating with Other Lawyers as Part of the Business Model

Virtual law practice may facilitate collaboration with other lawyers to deliver legal services to clients online. On a smaller scale, two or more lawyers may see the benefit of pooling their resources to form a firm within one or more jurisdictions. On a larger scale, many lawyers could join forces to deliver legal services online in a number of jurisdictions. The flexibility of the technology encourages innovation and entrepreneurship for lawyers willing to invest in a more complex law firm structure.

Here are some examples of virtual law practices with two or more lawyers:

- A lawyer lives in one state while another lawyer lives across the country. Both lawyers provide online legal services in the same jurisdiction. This allows a lawyer to live in one state where he or she is not licensed to practice law and also maintain a relationship with a lawyer in the state in which he or she is licensed.
- Two or more lawyers form a single virtual law firm that spans two or more jurisdictions. The lawyers pool their resources to market the practice.
- Several lawyers in one jurisdiction form a single virtual law firm, where each individual lawyer handles a different legal practice area. When prospective clients register with the virtual law firm, the lawyers take only those clients whose legal matters pertain to that individual lawyer's practice area and refer the others around the firm.
- Several lawyers form a virtual law firm that covers multiple jurisdictions where the member lawyers are licensed. When prospective clients register with the virtual law firm, the lawyers take only those clients who are within their jurisdiction and refer the others around the firm.
- The "wholesale legal services" model, where the virtual law firm charges an annual or monthly subscription fee to clients for access to the virtual law office and its lawyers. Clients are assigned to lawyers within their jurisdiction and provided legal services based on the package or subscription they have purchased. The lawyers in the firm collect a portion of their legal fees, and a portion goes to the firm for operational expenses and to pool resources for advertising. The lawyers in the firm must carefully craft unique partnership and fee-structuring agreements, and also consider malpractice insurance policies for all members as well as trust accounting and Interest on Lawyer's Trust Accounts (IOLTA) compliance rules across multiple jurisdictions.

Several of the above examples would work best where the online delivery of legal services is integrated into a full-service law firm. Some of these situations are not that different from the arrangements made by larger, physical office law firms that maintain branches in multiple jurisdictions and whose lawyers are also licensed in more than one state. In the above examples, the lawyers are retaining their clients online and delivering legal services through the client portal.

This differs from law practices where they use technology to create a conglomeration of legal professionals who collaborate as a firm using the Internet. Instead, in these examples, the technology is used not only for the benefit of pooling the lawyers' resources but also for providing a way of working with their clients online, in addition to operating an online back-end law office. It is also used as a marketing strategy to attract prospective clients, in particular

corporate clients, who may be seeking online solutions for the efficiency and cost savings but who also want the reputation and support of a larger law firm.

V. Methods of Delivery

When deciding to add online delivery of legal services to its offerings, the law firm will need to focus on the design of the delivery process, including user experience and human-centered design to increase engagement with clients. Deciding which methods to use and how to design the process of delivery is key to the success of a virtual law practice.

A. Unbundled Delivery Methods

Unbundling legal services is a form of delivering legal services where the lawyer breaks down the tasks associated with a legal matter and only provides representation to the client pertaining to a clearly defined portion of the client's legal needs. The client accepts the responsibility for doing the footwork for the remainder of their legal matter until reaching the desired resolution. Unbundling is one of the primary methods of online legal service delivery. While unbundling may be handled offline as well as online, the use of technology greatly facilitates the delivery of these services.

A few examples of unbundled legal services include the following:

- Drafting pleadings, briefs, declarations, or orders
- Document review
- Conducting legal research
- Negotiating
- Making limited appearances
- Advising on court procedures and courtroom behavior
- Coaching on strategy or role playing
- Preparing exhibits
- Online dispute resolution
- Organizing discovery materials
- Drafting contracts and agreements
- Providing legal guidance or opinions

B. Document Automation and Assembly

One of the benefits of online delivery is the ability to streamline many of the administrative and routine functions so that the lawyer may focus more on the actual practice of law. Document automation and document assembly may be incorporated into a law firm's technology solution to accomplish this goal.

Web-based automated document assembly most commonly occurs in virtual law practice when a client who has registered online with the firm fills out a secure online form. This form may be “intuitive,” meaning that if the client responds affirmatively to a question, the form will automatically know which question to provide next, based on the responses. When the client has completed the online form, the lawyer may have the opportunity to edit the responses before completing the process of having the answers auto-generate either back into an original legal document or to create an entirely new document. That final product may then be sold to the client directly online, or instructions and online legal guidance may also be provided. Additional methods of online communication with the client, such as calendaring events, invoicing, and accepting payments for legal services or web conferencing, may also be available.

Web-based document automation is different from desktop document automation. Desktop document automation involves a member of the law firm, typically a paralegal, inputting the client’s information into a desktop questionnaire. This may occur after the paralegal and/or lawyer has met with the client in person for an initial client interview and collection of information related to the legal matter, typically in person. Web-based document automation is a form of “coproduction” because the client is working with the technology to provide the law firm with that information directly through a system that records it and provides it to the lawyers to generate a document. This “coproduction” from the use of a web-based document automation system results in a large jump in productivity for the law firm.

C. Online Advising Tools

Another form of online legal service delivery includes the use of online tools to advise the lawyers and their clients about the best course of action to take related to the client’s case. In some cases, a law firm could develop and provide tools for the client to use online, independent of the law firm. Larger firms with the budget to build customized legal expert systems have the ability to develop robust systems that predict legal outcomes and suggest methods for proceeding with a case. Other systems might predict the best settlement option or negotiation strategy for an online client. Some advisors may be integrated with document assembly and automation systems that provide guidance through the creation of legal forms for online clients. The use of these online advising tools will depend on the type of online legal service that the law firm wants to deliver as well as the ability of the firm’s clients to use these systems independently or with guidance of a lawyer or law firm administrator.

D. Web Calculators, Web Advisers, and Mobile Apps

Simpler online delivery methods include web calculators, fee calculators, or other web-based advisers and mobile applications. These tools might walk an online client through a legal question he or she may have or merely provide an estimate of cost for legal services with the firm. They might be browser based or part of a mobile application. Law firms delivering online legal services may choose to feature these calculators or advisers on their website but may also use them to deliver a form of unbundled online legal service behind the scenes.

Because the public use smartphones to access the Internet more often than any other form of technology, developing online tools that will both render well and work seamlessly on all mobile device platforms would be a wise investment for a law firm to add to its marketing strategy. In addition to delivering a legal service to clients online, these can serve as valuable engagement tools to encourage prospective clients to register for online legal services with the law firm. Some of these calculators are intended for use by existing clients, while others are meant to appeal to prospective clients by showing the amenities that the firm has available to work with clients online.

SAMPLE LAW FIRM WEB CALCULATORS

[Infinity Law Group, Legal Fee Calculator](#)

[Kelly Law Firm App](#): clients may use this to interface their phones with BaseCamp, which Kelly uses to communicate with clients online;

[Rosen Law Firm: North Carolina Child Support Calculator](#)

[Law La Carte](#): appeals to prospective clients requesting unbundled or limited scope services online. It permits the firm to conduct the client intake process using a list of standardized questions based on the service a prospective client chooses. This reduces the amount of time needed to spend conducting initial interviews with clients.

VI Online Engagement

When dealing with legal needs, consumers still prefer some element of human interaction and hand-holding through the legal process. This may be as simple as talking to an assistant at the firm by telephone before being passed on to the online legal service platform for delivery of legal documents. Or it may be a half-hour free consultation with a lawyer at the firm before the client will feel comfortable enough to use the firm's document automation and assembly tool to purchase what they need online.

This need for human interaction may be due to the level of trust that is increased when talking to another human rather than text-based communication or it may also be because the consumer is simply not sure that they even have a legal need and are unable to adequately search online to find a solution. Even if the law firm provides numerous educational resources and web advisers to allow the consumers to self-assess, the consumers' unique circumstances may lead them to question if those resources apply in their situation and whether they need to actually spend the money to purchase services in the first place.

Regardless of the psychology behind online consumer behavior and how many free, educational resources for self-help a firm provides, most law firms that have implemented online delivery options find that without the human connection and engagement with the prospective client at the beginning of the process, virtual law practice will not be successful. User-centered design of online delivery methods matters.

A. Client Experience in Design of Online Legal Services

Technology companies that produce mobile devices and applications focus a significant portion of the design of their products and services on user experience. These companies will look at the user's journey through the user interface they have developed and make sure that it is not only as intuitive as possible, but that the process of working on the device or using the service instills brand recognition and loyalty in the user. Based on our understanding of the level of engagement that is needed for successful online delivery, law firms developing online legal services would benefit from learning about user-centered design.

User-centered design requires establishing empathy for the users – your clients. This includes an understanding of what their needs and desires are and looks at how they would personally go through the process of searching for a law firm, browsing your law firm website, selecting to work with the law firm, and so on through the entire process.

To discover empathy for your prospective clients, the law firm has to do some ethnographic work. This means speaking to existing clients as well as potential future clients about what they want and what their experiences are with related services. To make the most of this process, the members of the law firm who are conducting this research have to let go of existing assumptions about what their clients need—even if they've been practicing law for years and have hundreds of clients. This

USER-CENTERED DESIGN

For more information about design methodology and user-centered design, see Tom Kelley & David Kelley, *Reclaim Your Creative Confidence*, Harvard Business Review (December 2012).

Also refer to the crash course in design thinking from Stanford's Design School, in particular the [session](#) entitled "Understand: Mixtape: Discovering Insights via Human Engagement."



process may also be difficult for professionals who are used to be in an advisory role with clients rather than a role of learning from them.

Clients are more than just the data that comes with their legal need that ends up in the case file, and they are also more than clients of the law firm's business. Interviewing the users of any potential model for online delivery will require a different mindset from that of a traditional lawyer but the information gathered from this process will be invaluable to the law firm's business plan going forward.

The design process also involves fast prototyping and testing of ideas. Rather than put up an online library filled with resources and tools you suspect your prospective clients might enjoy, asking them their preferences and feedback with early mock-ups of the concept will save the law firm time and expense. Going through prototypes is easier than investing and setting up an online services process without knowing first if your target online client base is going to want to use it.

To innovate for online delivery, going through the design thinking process is a valuable exercise. Here is a basic design process checklist to discover who the user (the law firm's client) is based on the Stanford d.school's design thinking process:

- Start with one legal service that the firm will deliver online.
- Create a small team of two or three people from the law firm.
- Find users of the law firm's service (an existing client or a prospective client).
- Observe them using the law firm's website, platform for communication, or other system such as a document automation and assembly walkthrough: what are they doing, how are they doing it, and why are they doing it? This interview could be done in person or through remote desktop sharing.
- Interview them with the curiosity, without judging or making assumptions based on the firm's prior experience. Listening closely, ask why and how and encourage them to tell stories and share experiences rather than answer yes or no.
- The team shares their experience of hearing the interview and observing, even if all team members were present at the same time. Each member of the team defines a user based on his or her experience.

For further steps in the design process, which includes prototyping and ideating, please refer to the full edition of the *Virtual Law Practice: How to Deliver Legal Services Online* for instructions and checklists.

VII Choosing the Technology

A. Research the Software Provider and Hosting Company

Operating a virtual law practice does not require a lawyer to become an IT specialist. You should find a trustworthy software provider, hosting company, and other IT specialists to assist in updating the virtual law firm website content, keeping the web-based technology current, and handling any security issues that might affect the online business. New SaaS providers with products developed for the use of the legal profession or other business professionals are emerging daily.

Expect the following provisions to be found in a standard legal SaaS contract. If they are not there, ask the provider for clarification.

- Service availability.
- Customer support response time.
- Data retention and return policies.
- Confidentiality and nondisclosure statements.
- Who has access to your data?
- Privacy policy.
- Subscription and renewal terms.
- Terms for payment of the service.
- Limitation of liability: the provider should not be held responsible for the lawyers' own decisions and actions taken in regard to the operation of their virtual law office. Nor should the provider be responsible for the actions that the lawyers' online clients may take when working on the virtual law office.
- Define "use of the service" in terms of the following: server memory, CPU time, hard drive space allowed along with provisions for growth of storage space used, reasonable use of the network, such as the computer hardware, network servers, and/or any third-party computer software programs that the provider uses to host the service.

For more comprehensive checklists for choosing a technology for online delivery, please refer to the second edition of the book *Virtual Law Practice: How to Deliver Legal Services Online* (2015).

B. Creating a Virtual Law Practice by Combining Separate Software Applications

In addition to products designed specifically for lawyers, there are many SaaS products for general business that may be used piecemeal by legal professionals to enable the firm to deliver legal services online. Some software applications may be free, and they may have a professional version of their software that will provide more features for a price. Choice

software is going to depend on the size of the law firm as well and whether the technology was developed to handle a small team of a dozen or a team of hundreds.

There are some risks associated with the fact that different applications will handle different aspects of the client's confidential data. For example, some lawyers will use BaseCamp by 37Signals to work with clients and other lawyers online, or they may use Cisco's WebEx conferencing to meet with their clients. They may then use a full practice management solution, such as Rocket Matter, MyCase, or Clio, to manage client files online and to provide their clients with online invoices and the ability to pay online. These systems are full practice management solutions that contain features that support various levels of online delivery.

The data transmitted during these transactions with the client may or may not be securely saved and recorded, depending on what the software provides and what level of security the lawyer has paid for. The lawyer must then find creative ways to ensure that all of the transactions with the client across platforms are easily accessible for future use, link the client and case matter together, and comply with recordkeeping requirements.

Before selecting a technology to deliver legal services online, review your jurisdiction(s)' rules and ethics opinions related to cloud computing and third-party hosting of law office data

While using separate software applications that sync up may cost less in the short term, there may be more risks involved. A lawyer's practice requires a higher level of security and confidentiality for client data than many other professions and in general businesses for which these applications were developed. Consider a popular Google application, for example. Google Drive not only allows individuals to collaborate on a document together, but it also allows them to upload and download files for sharing that are related to the project. However, a review of Google's terms of service provides the warning that Google does not guarantee the security or privacy of the information stored in their applications. Furthermore, the user agreement makes no guarantee that the data you have stored there will be there tomorrow and that it is securely backed up. There is no guarantee of who has access to your data once it is placed in the application.

VIII Basic Setup of Online Delivery

There are several steps involved in the initial setup of a system for a virtual law practice. This whitepaper will only cover the development of a law firm policy and procedures manual for online delivery. The following steps are also necessary:

- Selecting the name and crafting a brand for the online delivery component of your law firm
- Domain name selection
- Building a website
- Design requirements to comply with the rules of professional conduct and other regulations of the lawyer's state bar regarding lawyer advertising
- Creating a business plan and budget
- Costs and ROI analysis
- Forming the business entity for the practice
- Selecting billing methods and online payment options for clients

Developing Law Firm Policy and Procedures Manuals for Online Delivery

Part of the setup of a virtual law practice includes the development of a concise policies and procedures manual for the online delivery component of the firm. This manual might be integrated into the manuals for the rest of the firm, or they may be handled separately and only shared with members of the firm who will be handling the online delivery features. However, regardless of whether the law firm adds online legal services, it will need to have a technology use policy in place and that policy will most certainly apply to the online delivery of legal services.

A policies and procedures manual is critical because when lawyers and firm members are communicating with each other and online, they need to be consistent in the way that they are naming and tagging the data involved in the case files. When using cloud-based technology to store the law firm's data, ~~in order~~ to protect the client, and for the lawyer to not have to reinvent the wheel, members of the firm using the technology all need to be using it in the same manner. For example, tagging and keywords for retrieval of data should be the same. In larger firms, there are actually codes set out by the law firm to ensure standardization of the collection of data. The importance of this does not change with online delivery of legal services even though it may feel more informal to the lawyer who is chatting online with the client in their secure portal.

Additionally, because the online legal services component may involve one or more other technologies that then sync up with the law firm's main practice management solution, if those file numbers and formats are not the same, data may be lost for an individual client. Law firm policies and procedures manuals for online delivery help to keep everyone on the same page. These manuals may include suggestions for customer service related to the online delivery as well as standard responses and timeframes to provide to online clients so that across the firm there is consistency in the customer service that is provided to online clients.

A sample policies and procedures manual along with other basic setup checklists and sample forms can be found in the second edition of the book, *Virtual Law Practice: How to Deliver Legal Services Online* (2015).

VI. Conclusion

This whitepaper provides a basic overview of virtual law practice and how a law firm might integrate online delivery methods into the firm's business model. The second edition of the book *Virtual Law Practice: How to Deliver Legal Services Online* contains important chapters covering online marketing, ethics issues, best practices, budgeting for online delivery and analyzing return on investment, working with remote firm members and virtual assistants, outsourcing, online customer service, practice management technology, etc.

As the changing legal marketplace puts pressure on lawyers and law firms to innovate to survive, technology to deliver legal services online provides opportunities for growth, collaboration, and competition. It is up to individual lawyers and law firms to decide whether this form of law practice is appropriate for their business success and for the clients they serve. It is up to law firms to decide how they will integrate online delivery methods to stay competitive in the new legal marketplace.

Virtual law practice provides the public with another option for access to legal services and gives lawyers the ability to build unique law firm business models that enrich their professional and personal lives.

*Please refer to the updated second edition of the book, **Virtual Law Practice: How to Deliver Legal Services Online (2015)**, for further research including case studies from law firms, legal technologists, practice management advisors, checklists, sample forms, and an appendix with links to relevant resources and state ethics opinions. virtuallawpractice.org*

About the Author

Stephanie Kimbro, MA, JD, is a Fellow at Stanford Law School Center for the Legal Profession in Palo Alto, California. She is also Co-Director of the Center for Law Practice Technology where she teaches legal technology and practice management.

She is the author of several books including *Virtual Law Practice: How to Deliver Legal Services Online* (2010, 2nd ed. forthcoming 2015), *Limited Scope Legal Services: Unbundling and the Self-Help Client* (2012), *Consumer Law Revolution: The Lawyers' Guide to the Online Legal Marketplace* (2013), and *Online Legal Services for the Client-Centric Law Firm* (2013). Her current research at Stanford involves the use of gamification to increase productivity in law firms and to improve online engagement between lawyers and the public.

Stephanie practiced law for ten years delivering unbundled, online legal services to clients through a virtual law firm. In that time, she also founded a legal technology startup which was acquired by a larger legal tech company in 2009. She frequently writes about ethics and technology issues of delivering legal services online and is interested in the use of tech to increase access to justice. She has presented her work on these topics for many state bars and other legal organizations across the country and has also been an adjunct professor at several law schools teaching legal technology and practice management.