

by Mike Russell of Liberty Mutual Insurance Company



ILTA's 2007 Law Department Survey

Twenty-one law department respondents completed the ILTA's Law Department Survey this year, and we thank everyone who participated for lending their information, experience and expertise in this initiative. The Law Department Peer Group has grown quite a bit this past year, and we are hopeful that next year we will have much larger participation and, therefore, even more valuable data. The law department size categories used in the survey are based on number of attorneys and are grouped like this:

Law Dept. Size	Number of Attys
Small	< 50
Medium	51 - 100
Large	> 100

All but one of the participating respondents are corporate entities. Fewer small organizations responded compared to last year, with 10 reporting more than \$26B annual revenue, nine with \$1B-\$25B and one with less than \$1B. 90% of respondents' organizations are U.S.-based, and more than two-thirds have between 50-500 employees in the legal department. 57% reported having 11-100 attorneys in their department.

A Good Foundation

All of the large and 90% of the small legal departments reported they do not maintain their own technology infrastructure, meaning their corporate IT department maintains the legal department's applications, servers, etc. However, nearly half indicated physically separate servers are used to maintain attorney/client privilege, with the other half handling security with access control lists and software to control access rights to attorney/client materials stored on common servers and systems.

Curb Appeal

Mobility continues to be a theme, with almost half of our respondents reporting between 76-100% of their attorneys using laptops in lieu of desktops. All respondents indicated they provide support for BlackBerry and similar PDA devices for access to corporate e-mail and other resources, typically used by about one-third of their legal department workforce. Additionally, 100% of organizations offer more than one type of remote access, most commonly via VPN or Citrix.

Closet Space

Scanning seems to be making a comeback, perhaps due to a desire to store and manage electronic images when it comes to records management, e-discovery, etc. A 10% increase from 2006 to 2007 in the use of both dedicated network scanners and multifunction devices was reported, although when it comes to litigation-specific scanning, there remains a 60/40 split in favor of outsourcing that type of scanning.

Utilities Included

Internal technology tools remain consistent with legal industry standards, with most organizations using the MS-Office 2003 suite, although several small departments reported still using the XP release. Additionally, one third of small departments indicated no use of document management systems whatsoever, but mid- and large-sized departments frequently (73%) choose their own DMS, including Interwoven (42%) and Open Text (25%). Others use a corporate standard solution, such as EMC Documentum (19%). Most departments are not using a document assembly tool, but those that do most often have the HotDocs product or a solution integrated with matter/document management systems. DeltaView remains the most frequently cited document comparison tool, although native Word document compare and track changes are used by at least one-third of responding organizations.

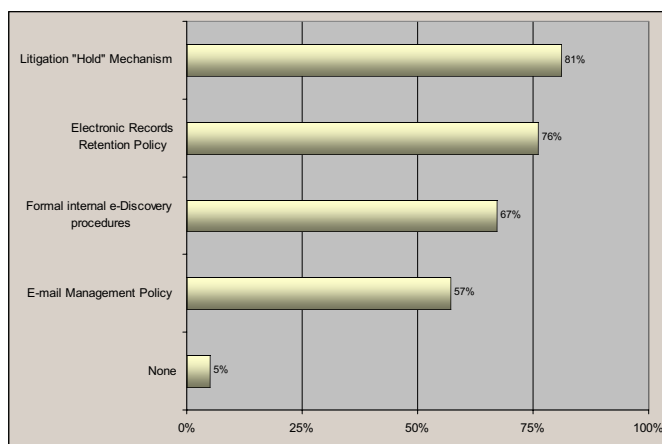
DIY

Most departments are not using tools for knowledge management, workflow, extranets or digital dictation/voice recognition; but nearly all have some form of desktop faxing, an intranet or portal for legal department use only.

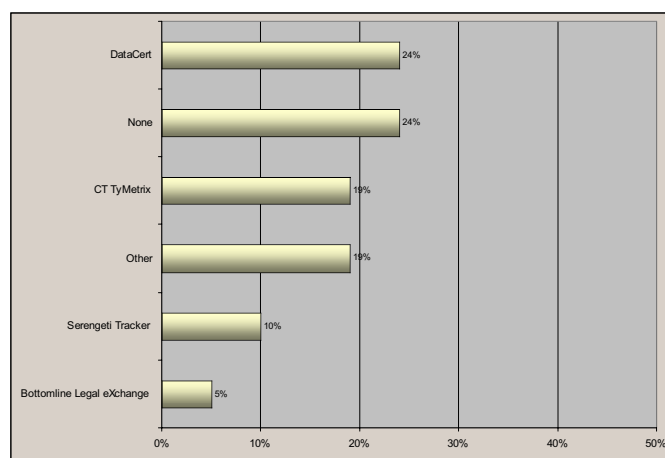
Energy Efficient

Overall, most respondents felt technology can be used to the greatest advantage to maximize efficiency of operations (versus reducing cost or risk) and that technology in general will continue to have the greatest impact on the litigation practice (over compliance or transactional work).

Nearly all organizations reported multiple ways in which they have formalized records management and e-discovery:



E-billing remained dominated by a few players, although a quarter of the organizations are not using any type of electronic invoicing service or system whatsoever:



Home Improvements

Several innovative projects were cited by respondents as being helpful in improving the efficiency and productivity of their legal organization:

Business intelligence portal for mining matter management data

Matter-centric document management integrated with matter management system

Secure e-mail with all outside counsel firms at domain level

Integrated document and records management where the legal professionals are moving documents and e-mail messages to virtual folders that are part of a file plan based on corporate retention schedules

Closing

Finally, if there is one common theme throughout, it is less about the technology and more about getting people to use it. Training and support remain paramount, with most departments offering various forms of user groups, best practice methods, etc.



Acknowledgement

We gratefully acknowledge the time and analytical skills of our author, Mike Russell. Mike is a strategic legal technologist on the enterprise legal services team at Liberty Mutual Insurance Company supporting over 1,500 legal users in more than 50 locations. He has been actively involved in ILTA for more than 10 years, served as Mid-America Regional Vice President from 1996 to 1998 and is a frequent speaker and presenter at the ILTA conference and other legal technology organization conferences. He can be reached at Michael.Russell@LibertyMutual.com.

About ILTA's Law Department Peer Group

ILTA's Law Department Peer Group, which covers corporate, governmental and judicial law departments, connects IT professionals and legal staff in member organizations to facilitate educational opportunities and networking events. The group strives to provide webinars, white papers and networking opportunities for its members; and its e-group facilitates discussion relevant to both the technical and process-related needs of corporate members. For more information, please contact Sally Letteri at salletteri@uss.com.

About ILTA

Providing technology solutions to law firms and law departments gets more complex every day. Connecting with your peers to exchange ideas with those who have "been there, done that" has never been more valuable.

For nearly three decades, the International Legal Technology Association has led the way in sharing knowledge and experience for those faced with challenges in their firms and legal departments. ILTA members come from firms and law departments of all sizes and all areas of practice, all sharing a common need to have access to the latest information about products and support services that impact the legal profession.

ILTA's Statement of Purpose: ILTA is the premier peer networking organization, providing information to members to maximize the value of technology in the support of the legal profession.