8 Wins of Managed Services for Law Firms

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Solo practitioners and small law firms are more pressed for time than ever before. As a result, many realize it's not possible to run all operations in-house while delivering a top-notch, client-centered experience.

That's precisely where managed services for law firms can make a difference. By outsourcing specialized tasks to third-party providers, law firms can see many benefits—from increased efficiencies to enhanced security and beyond.

What are managed legal services for law firms?

Managed legal services refer to any service outsourced to a third-party company. These can range from managed IT services for law firms like network monitoring, to administrative and financial management. Regardless of the type, managed services for law firms can play a massive role in easing the burden on lawyers.

The benefits of managed services for law firms

Managed services can bring a wide range of benefits to solo and small law firms. Here, we'll delve deeper into seven of the biggest advantages that come with outsourcing services to third-party providers.

1. It can boost your bottom line

While it may seem like managed services are an exorbitant investment for a small law firm, the opposite is actually true. Providers of managed services help lower your expenses in multiple ways. For one, they can dramatically reduce overhead costs by replacing expensive in-house hardware and software. Access to one's own infrastructure can come at a reasonable monthly fee.

Beyond that, managed services providers have highly specialized skill sets—which means they can help law firms leverage the latest innovations and work efficiently to solve issues. This ensures your business runs as smoothly as possible—eliminating the likelihood of interruptions that can lead to lost revenue. Managed services also reduce the need to hire, onboard, and train staff, translating into even more savings for your law firm.

But that's not all. With cybersecurity expertise, managed services providers can help prevent costly data breaches. According to a study by IBM, the average cost of these breaches is a staggering USD $4.42 million—the highest it's been in 17 years. So, there's no doubt that managed services for law firms can help you save money—and a lot of it.

A Calculator for Lawyers?

On average, Clio customers save eight hours a week. Before you ponder what could be achieved in that extra time, we've done the number crunching. Our **Return On Investment Calculator** measures the revenue your firm can earn when those hours are put to better use.

Calculate your untapped revenue.

2. The ability to streamline processes

Lawyers know all too well that administrative tasks can clog up a workday. In fact, the *2021 Legal Trends Report* states that the average lawyer billed just 2.5 hours (31%) of an eight-hour work day in 2020. The result? Law firms are spending too much time on non-billable tasks and not enough time on practicing law—and that can have a major impact on your business growth. Clearly, it's more important than ever to simplify complex processes and streamline workflow, especially at solo and small law firms.

Managed services providers can help law firms do just that by handling time-consuming and tedious tasks. They can also empower teams to work smarter by embracing the latest technological advances. For instance, lawyers are increasingly using automation to simplify the client intake process, while artificial intelligence and machine learning have become instrumental in sifting through large volumes of legal documents within minutes.

Given the convenience they provide, it's no surprise that eDiscovery managed services are becoming more popular than ever. However, these services can be costly for small and mid-sized cases. At Clio, we've helped overcome this obstacle via an integration with Discovery Genie. An eProduction platform, Discovery Genie helps litigators master their evidence, simplify document production, and more.

3. Potential for heightened security

Cyber attacks have become a serious threat for any company—including law firms. With a vast repository of sensitive data, law firms are at an increased risk of being targeted by hackers. According to the Legal Technology Survey Report from the American Bar Association, 29% of respondents experienced a security breach in 2020. The rapid acceleration toward remote work over the past two years has only exacerbated this risk.

The good news: Managed It services providers for law firms can ensure the right security measures are in place to detect and stop potential threats. This spans from password management and email security solutions to remote monitoring technology that tracks a firm's network security.

Along with taking proactive steps to safeguard data, managed IT services can also provide access to specialists on demand. This is especially helpful for law firms that rely on the cloud.

4. Helps you maintain compliance

Given the highly confidential nature of legal work, it's no surprise that the legal industry is heavily regulated. Whether it's navigating HIPAA compliance for law firms when reviewing a client's medical records or the Payment Card Industry Data Security Standard (PCI DSS) when processing a payment, there are plenty of regulations and laws to adhere to.

Making matters even more challenging is the fact that the regulatory compliance landscape is ever-evolving. Keeping up with the latest rules is a struggle for many law firms. Yet, those that fail to comply can face major repercussions like reputational damage, lost productivity, and hefty fines—to name a few.

Fortunately, managed services providers have extensive expertise in ensuring law firms follow all rules and regulations. Take Clio Payments, for example. The tool makes it easier than ever for clients to pay their bills using credit, debit, or eCheck. But most importantly, all data processing, transmission, and storage is handled in a way that meets the highest level of certification available in the payments industry, ensuring all payments are PCI DSS compliant.

Firms that outsource payment processing to Clio also maintain compliance with trust accounting and Interest on Lawyers' Trust Accounts (IOLTA) rules. With earned and unearned funds kept separate, funds in your trust account are protected from all third-party debiting, including processing fees and chargebacks.

5. Provides enhanced accessibility and improved collaboration

Whether it's from the courtroom or in the airport, legal professionals often need quick access to sensitive documents. Managed cloud services for law firms enable them to get the information they need from any location. You won't have to worry about having to connect to a virtual private network (VPN).

Cloud services can also play a powerful role in enabling teams to reach new levels of collaboration. With managed cloud services, attorneys can securely access documents that live on the cloud at the same time as their colleagues. This ensures that distributed teams have clarity on progress and visibility into who's working on what. This reduces unnecessary back and forth, all of which helps teams work more efficiently.

6. The opportunity to meet changing customer needs

The past two years have taught us that remote work can bring an array of benefits, from greater convenience to more flexibility. So it shouldn't be a surprise that Clio's 2021 *Legal Trends Report* found that 79% of consumers say they look for remote options when hiring a lawyer, up from only 23% in 2018.

As a result, law firms are increasingly embracing cloud-managed services to help stay connected to clients. By using cloud-based legal technology like Clio, for instance, law firms can give clients the flexibility to collaborate remotely, access their documents whenever and wherever they need, and make payments online—not to mention the confidence in knowing that their data is secure.

7. Gain more flexibility as a business

Law firms know network outages, server issues, and even slow internet can cause work disruptions. One of the biggest benefits of managed services for law firms is that they free up attorneys' time. This way, they can focus on what truly matters to them: practicing the law. They no longer have to worry about issues like these—because experts are working behind the scenes to tackle potential problems before they strike.

The result? Attorneys gain the flexibility to focus on increasing their bottom line and providing a better client-centered experience. And that's what will ultimately set a law firm apart from the competition. For more on the power of putting clients at the center, check out our CEO and Co-founder Jack Newton's book, *The Client-Centered Law Firm*.

8. Gain a competitive edge with managed services

As the business world becomes increasingly complex, the benefits of managed services have become more apparent. From tapping into the latest technological innovations to eliminating time-consuming tasks, managed services for law firms can be a powerful tool.

About Clio

Clio is the global leader in legal AI, powering legal work across the profession, from law firms of every size to corporate legal teams, government agencies, and courts. Its Intelligent Legal Work Platform unites the business and practice of law, connecting the people, information, and processes behind legal work. Clio's AI brings the context together with legal sources drawn from Clio Library, a growing collection of more than one billion legal documents. Over 400,000 legal professionals in more than 130 countries rely on Clio to run their legal world. Learn more at www.clio.com.