5 Questions to Ask a Legal Practice Management Software Vendor Before Purchasing

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Traditionally, law firms only replace their practice management and billing software every 10-20 years, so evaluating new products after all that time can be overwhelming.

Not only have all the software products changed since the time the firm purchased their current system, but the underlying technology has also changed; so the questions they should ask a software vendor have changed as well.

Over the past few years, I've put together a list of 'gotcha' questions I provide law firms transitioning to new legal software. Firms usually only ask a few, if any, of these questions when they're speaking with software companies, but it's important you ask each software vendor ALL of the questions below:

1. Is the software fully cloud-based?

Some cloud-based practice management and billing software packages require you to install applications on a computer for administrative purposes or in order to use specific tools. Make sure you understand the technical specifications for using their software. For instance, at Centerbase we have Microsoft Outlook and Word add-ins to track time that only work in a Windows environment. If a firm uses Mac computers, they won't be able to use this feature properly. If you want more information on cloud-based software, check out our white paper 10 Mistakes to Avoid When Choosing Cloud-Based Software.

2. Do a vendor's security and data redundancy policies match the law firm's clients' requirements?

Make sure you fully understand how the software vendor works to protect your client data. Request a security and data redundancy whitepaper. If you work with large corporations, insurance carriers, banks, or health care providers, check if the software vendor's security and data redundancy practices match the standard practices you've agreed to with your clients. Also, look into your liability insurance and the level of data security they require.

3. How can we import our current data? And better yet, how can we export our data from your system?

If your firm is like most firms, you've used your current software for 10-20 years and over the years, you’ve built up a lot of historical information on your clients. Talk to the sales representative (or better yet, have someone from their implementation team on the call) about what information they can import into their software.

Here are a few examples of ‘gotcha’ situations:

- Emails – Most software companies can’t import emails from a previous practice management system, so you’re left with referencing the old system or losing that history. If this is something your firm uses heavily, make sure you understand the options.
- Calendar – Do you need your current calendar entries synced with the new system? A lot of software vendors can only link your software with new entries created after you move over. This means you’re stuck looking at two calendars for a few months or even years.
- Billing History – Do you need all of the billing history from your previous system? Many vendors won’t bring over history, instead they’ll bring over starting balances. If you’re tracking compensation or origination from reports in the software, you’ll have a hard time calculating those numbers without the billing history.
- Accounting Data – I can count on one hand the number of legal billing software vendors who can bring over accounting data from a previous system – this includes journal entries or accounts payable history. Most small firms don’t bring this type of information over, but midsize firms sometimes want to.

Take a deeper dive into what features you'll want to consider importing in: What Should Be Imported Into Your New Legal Billing Software

Now on the flip side, what does an export from the new software look like?

This is a question many firms forget to ask or overlook when speaking with a practice management or billing software vendor. When you’re evaluating new software, you’re typically excited and not thinking about the potential breakup. With a cloud-based system, you don’t have access to the database (for security purposes), so the export is only as good as the tools the vendor provides you to export data.

We’ve dealt with a lot of firms migrating to Centerbase from our competitors and we routinely run into issues with billing data. Does the system link billing entries to bill records in a way that you can reconstruct bills with history? Typically they don’t, but it’s worth asking and understanding ahead of time.

4. What integrations do I need to purchase in order to do everything you’ve shown me in the demo?

I once had a client tell me they started a game while evaluating practice management and billing software. Every time they heard “we offer an integration for that” or “we have an open API” they’d take a shot (I don’t think they actually took shots since the demos were in the morning, but it makes a good story).

Sales representatives are trained to show you a cohesive demo and if the demo is going well, they sometimes forget to mention that what they’re showing you is an additional integration that requires you to pay more. At the end of the demo, make sure to ask them about all the different software they’ve shown you and how much each piece costs. Integrations can be game-changers if they’re done right (shamelessly throwing in a sales pitch: check out the Centerbase and

NetDocuments integration) but typically, you have to buy both software packages in order for it to work. But don't stop there! Check out What Features Do I Need In a Billing Software.

5. How do you do [fill in the blank] in your software?

Make sure you think through all the firm's processes and needs before your demo (or request additional demos). Then go over them with the legal practice management software vendor.

DO NOT let them tell you they can do something, instead make them show you how they do it. I've personally seen this happen many times, especially around billing requirements and features. If they don't show you, there might be a difference in how their software operates and how your client needs to see something. A good example is how the software handles flat fee billing.

Overall, you're making a big decision and you want to make sure you're covering all the bases. No question is a bad question and a good sales representative should be willing to find the answer for you. Your legal practice management software is central to the entire firm's operations, so make sure you do your homework.

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