

Cloud Technology: Is It Necessary to Remain Competitive?

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Staying current with technology can be an expensive undertaking. Software is constantly improving, and firms that continue to use server-based software are finding it impossible to keep up with advancing technology. If a firm wants to take advantage of the latest and greatest, it must be willing to adopt a cloud-based system. By asking the right questions on the front end, your firm can rest assured that a cloud-based system is a safe and viable option.

Advantages of Cloud-Based Systems

There are innumerable advantages to a [cloud-based system](#) that goes above and beyond the fact that you will always have the most updated version of the software you select. It is impossible to list all of the advantages here, but below are a few:

Economical

The use of a cloud-based system allows the firm to pay-per-user fees in a monthly fashion - there is no longer the need to shell out tens of thousands of dollars in order to purchase a server-based software that will soon be outdated. There is also no need to pay for IT support to maintain servers, address security concerns, and stay on top of software updates.

Low Risk

With server-based software, the firm spends an enormous amount of financial resources to put the software in place. While it certainly performs its due diligence before making a software selection, firms are still faced with holding their breath and hoping for the best, sometimes finding that once the software is in place it does not perform as the firm had hoped. While no one wants to make a change once a decision has been made, with a cloud-based system where the firm is paying for the system in small monthly increments, if the software does not meet the firm's needs as expected or the firm outgrows the software sooner than expected, there is the ability to pivot if necessary.

Scalability

Cloud-based systems can expand as the demand increases, so as the [firm grows](#), it only has to pay for an additional user license. There is no need for the firm to purchase additional servers, etc. to accommodate growth.

Increased Flexibility

As we all learned this past year, the ability to [access our files](#) from any location is imperative to today's practice. By having all file information hosted in the cloud, firm attorneys and staff can access the files from any location. Firms that were paperless before the pandemic were able to continue their practices without missing a beat. This advantage is valuable even outside of a pandemic, though. The mobility of your case files allows your attorneys to access the entire file wherever they are - in court, in a client's office, etc. In addition, multiple individuals can be working on a client file at the same time. In the old practice of paper files, only one person could have access to the file at one time.

Increased Efficiency and Productivity

One of the most valuable advantages of using current technology is your ability to perform some tasks faster. Good case management software can lay out the steps of certain types of cases, provide you with the status of a case at a glance, and provide a list of follow-up items and checklists. The [billing side](#) of your software can make it easy for your attorneys to enter their time, encouraging concurrent timekeeping, which will always be more accurate and prevent lost time.

Asking the Right Questions

It was not that long ago that many law firms were leery of taking their technology to the cloud. Despite Ethics Opinions of the American Bar Association and many state bars that approved the use of SaaS systems in law firms, firms were hesitant to move in this direction. There were many concerns that contributed to this hesitation to jump on board with other industries, but with the appropriate due diligence on the front end, firm partners can rest assured that they can take advantage of cloud-based systems and their many advantages. Here are some questions you should ask:

Who Owns the Servers that Will House Your Data?

Does the provider own or lease the servers? The more companies that are involved in the storage of your data, the greater the risk that security may be compromised.

Where Will Your Data Be Located?

It is important that your data does not leave the United States. Otherwise, you run the potential risk of your data being held "hostage" in the EU.

How Is Your Data Backed Up?

What is the frequency of backups? Where are the backups stored? Are there multiple locations? (If a natural disaster occurs at the location of a backup supply, is it geographically distant from another location so that the data is not lost?) Are there redundant power supplies?

How Is Your Data Encrypted?

The provider should use SSL encryption to ensure that communications between your computer and the cloud server are secure.

Who Owns the Data?

Your agreement should clearly state that the [firm owns the data](#). You will want to know how the data can be extracted should you decide to change services in the future. In what format will the data be provided? Will it be readable by other programs?

The Takeaway

It is not as foreign for law firms to use cloud-based software today as it was even five years ago. By asking the right questions, you can ensure that you are confident in the security of the software you choose and take advantage of the many benefits of having a cloud-based system.