

MINNESOTA LAWYER

DIY lawyering: Threat or opportunity?

By: Nancy Crotti October 5, 2012 0

It all started with those “will-in-a-box” kits that showed up on store shelves several years ago. Now do-it-yourself legal document creation is all over the Internet, and may take a chomp out of small and solo practitioners’ pay — that is, unless these practitioners learn how automation can help them save time and generate revenue.

This was one topic that generated conversation at the recent Minnesota Continuing Legal Education Small and Solo Firm conference.

Those early versions of do-it-yourself legal documents probably caused more problems than they solved, according to Jordan Furlong, an Ottawa attorney and consultant with Edge International Global Consultancy, which provides strategic information for law firms. Furlong, who spoke on automation at the conference, said time and technology have had their effects on DIY lawyering.

“The quality did not stay still. The technology did not stay still,” he said. “Over the course of time, these companies started to get more sophisticated and put more time and effort into creating better product.”

Now companies such as LegalZoom, HotDocs and Rocket Lawyer generate documents that Internet users can customize to their own needs, based on a series of prompts.

“The quality of products that is out there is very comparable to what lawyers can do,” Furlong said. “More to the point, though, the price is much lower.”

So, what can’t customers get for their \$69 will? Legal advice. That’s why some small and solo firms are partnering with sites like Rocket Lawyer, which connects users with local attorneys to review the documents they have created. It’s not a big money-maker, but that’s not the point, Furlong said. The point is marketing and establishing relationships with clients whom they might not otherwise find.



Nancy Crotti

Rocket Lawyer founder and executive chairman Charley Moore said in an email statement that his company's On-Call® platform solves a real problem for local attorneys who spend about 40 percent of their time cultivating new client relationships. "By connecting local attorneys with pre-screened clients via our patented online system, we enable attorneys to deliver high quality legal advice that people can actually afford," he said.

Attorneys also should be on the offensive, telling prospective clients that their service will provide much more value than a computer-generated document, according to Furlong. He ticked off the attributes a good attorney can offer that a computer-generated document cannot: "It's character; it's wisdom; it's trustworthiness. These are things you cannot automate."

Barron Henley, an attorney with Affinity Consulting Group in Columbus, Ohio, preached at the conference that small and solo firms should take advantage of automation to speed up their processes and make more money. He warned against the practice of taking an existing document, removing the information from the last client and plugging in the new information.

"Search and replace doesn't find everything," Henley said. "It's defective from the beginning and yet lawyers routinely use those kinds of documents as a matter of course."

An attorney can use HotDocs, for example, to create a "gold standard" document to create an on-screen interview integrated with Microsoft Word. It can calculate facts and dates, fill in blanks and include or exclude language.

"Every single thing that a lawyer would have to read for, it does with lightning efficiency and speed," said Henley, whose firm automates law firms and corporate legal departments. "This is a way to build your own system which you own and it's an incredible teaching tool. It's incredibly fast and eliminates almost all possibility for error."

HotDocs works particularly well in a flat-fee environment, according to Henley. He gave an example of a Los Angeles estate-planning firm that was charging \$2,000 for 10 hours of work. Working with HotDocs, the firm was able to compress the work on each case into 1-1/2 hours, effectively increasing its rate to \$1,333 an hour instead of \$200.

Putting a form letter into Microsoft Outlook can reduce production time from eight minutes to one minute, Henley added. If an attorney charges \$45 for each piece of correspondence, that corresponds to a rate of \$2,700 an hour.

"It's dramatic," he said. "That's administrative time. That's not even lawyer time."

Edina attorneys Allison Marshal and Jenna Westby are all-in with automation. They formed LEGALnudge, a family-law firm in Edina, to offer affordable rates to clients who don't qualify for legal aid but also cannot afford a full-cost attorney. Marshall and Westby break down each case into segments for which clients may choose to retain them on

an unbundled, flat-fee basis. They “nudge” the clients through the process, and clients may discontinue the relationship at any step.

Marshall sees automation as an opportunity for small and solo firms. “It’s creating processes that don’t involve a whole lot of interaction,” she said. “We’re not reinventing the wheel every time we draft a summons and petition.”

Charging flat fees means Marshall and Westby must work efficiently, which keeps costs for clients down as well. “If we can do things faster, we can represent more people in this model,” Marshall said.

The partners have set a goal of using 50 percent automation by the 2013 small and solo firm conference.

Online legal document services are doing small and solo practices a favor in the long run, according to Furlong.

“It is forcing us as lawyers to take a really hard look at the way we do business,” he said. “We can’t keep doing business the way we were doing it in 1990 or 1970, which is essentially what we’re all doing.”

Contact Nancy Crotti at ncrotti@gmail.com.