

# LAWYERS JOURNAL

## L A W P R A C T I C E M A N A G E M E N T

### Legal technology trends that are changing the industry

By the LawPay Team

The digital revolution is reshaping interactions from shopping habits to business transactions. The past decade alone has ushered in more than a little growth spurt, but a veritable explosion of self-service and virtual experiences. And with 82% of individuals preferring online payments, that's not changing anytime soon.

Historically, the legal sector has moved along at a snail's pace in the race to keep up with ever-evolving legal technology trends. However, the verdict is in – for modern lawyers to scale the peaks of success, they can't just treat technology as a tool but as an essential ally in their arsenal.

The right tech innovations are more than just Silicon Valley buzzwords, they're catalysts for transformative change. When used intelligently, they streamline operations, fatten revenue streams, and elevate client interactions from mundane to memorable. Yet, in the tech landscape, discerning a fleeting craze from a game-changing powerhouse can seem like finding a needle in a digital haystack.

So, how do you select the cream of the tech crop for your legal practice?

In this article, we'll share the legal tech trends worth your attention and explain why adopting them is not only wise, but a necessity for your firm.

#### What is Legal Technology?

Most law firms use some form of software in their day-to-day, so what specifically sets "legal tech" apart?

Legal technology refers to individual apps or collections of software that are specifically built to support law firm operations or provide digital services for their clients. The right technology can enable law firms to provide entirely new offerings to clients or simply help them streamline existing processes to be more efficient. Law firms are already benefiting from legal tech in the following areas:

- Billing and Invoicing
- Case Management
- Calendaring and Time Keeping
- Client Intake and Communication
- Document Management
- Legal Accounting (Including 3-way reconciliation)

Many legal software solutions are designed to follow legal industry trends and best practices out of the box. This makes the process of implementing the technology into a law office easier than if a firm was to use a more general software.

#### Why It's Important for Law Firms to Adopt Technology

There have been many reasons why law firms have been slow to adopt new technology over the years.

Smaller firms in particular have historically been hesitant because the effort and costs of implementing new software are seen as too risky for a business already on a tight budget. Even legal professionals who are eager to modernize their practice can be cautious because of the difficulty of finding technology that adheres to legal ethics rules and IOLTA compliance.

Today, there are a number of legal billing and case management solutions that are specifically designed to improve and simplify common legal tasks. Adapting to legal tech trends gives firms practical ways to increase efficiency, reduce costs, improve client experiences, and support long-term growth.

With the abundance of affordable, user-friendly, and fully compliant solutions on the market, the benefits of staying current with law firm technology trends and best practices far outweigh the risks.

#### Top Eight Legal Tech Trends

Though embracing new technology is vital to staying competitive on the whole, not all legal tech trends are equally valuable for all types of businesses. But by understanding some of the major law firm technology trends – and more importantly what problems they solve – you can better prioritize your upcoming technology investments.

##### 1. Legal Tech Spending is on the Rise

If you feel like the buzz about AI and technology in the legal world has reached new levels, you're not alone. Year over year, spending on legal tech has risen as online services, automation, remote work, and other digital processes become increasingly integral for law firms of all sizes to stay competitive and meet client expectations.

Recently, Gartner estimated that legal spending will increase almost three times in 2025 from what was being spent in 2020. Though the global pandemic certainly accelerated the need for certain digital improvements, today's clients often prefer digital options for things like payments, communication, and more. Additionally, as the economic situation remains in a state of uncertainty, certain business-oriented technology solutions seem like safer investments compared to hiring additional staff.

##### 2. Boosting Productivity by Automating Basic Tasks

An inescapable reality of legal work is that a huge portion of it is spent on non-billable admin tasks, such as following up on invoices, client intake, document preparation and more. While some firms can afford to give some of these tasks to paralegals and legal assistants, it's still time that could be better spent on more strategic work.

So, it's no surprise that automation has become one of the biggest, most impactful legal technology trends today. Legal automation simplifies or completely handles a wide variety of routine tasks. Implementing automated workflows not only helps firms of any size boost productivity – it also reduces errors that are common with manual data entry.

Of course, not every aspect of a law firm's day-to-day can be automated, nor is automation meant to be a wholesale replacement of an attorney or a paralegal. Things like client interviews and communication will always benefit from a human touch. Instead, smart automation helps support lawyers and legal assistants, allowing them to focus on high-value, client-oriented tasks.

### 3. Offering Convenient Digital Payment for Faster Payments

Today, people pay for everything online from groceries and travel all the way to more complex services like insurance and bank services. Digital payment and billing is not only preferred by many customers, but is increasingly a factor when they're selecting a law firm.

While the strict rules surrounding commingling funds made it difficult for law firms to adopt digital payments in the past, there are a number of convenient and fully-compliant options on the market. Implementing digital payments is helping law firms reduce errors, maintain IOLTA compliance, and ultimately get paid over 30% faster than manual billing processes.

Best-in-class legal billing platforms like LawPay allow you to offer clients a variety of modern payment options while also streamlining payment management. Using a flexible payment solution also opens up a practical way to support alternative fee structures, like sliding scale fees, evergreen retainers, flat-fee pricing, and more.

### 4. Tracking Time to Improve Accuracy and Goal Settings

In the legal world, time tracking has become increasingly important for far more than just accurate legal billing. Firms both large and small are using software to track the progress of each case and other key performance indicators (KPIs) in order to set goals for financial growth.

Modern case management software allows you to automatically track time spent on different tasks for every case, significantly streamlining your accounting and billing processes. More importantly, digital time tracking is empowering firms with an accurate and transparent view of operational data, which can be plugged into business analytics and forecasting tools. This has proven invaluable for firms when setting pricing, investing in technology, and making other strategic decisions.

Ultimately, the best way to improve your law firm's productivity is to get an accurate, up-to-date view of your strengths and weaknesses – and digital time tracking is an excellent first step.

### 5. Increasing Flexibility and Reach Through Remote Work

When the 2020 global pandemic started, remote work was seen as a temporary (but flawed) way to stay in business. Now, an increasing number of workers and government agencies have fully embraced the benefits of remote offices, meetings, and more. As an added benefit, the ability to work remotely is helping businesses of all sizes stay more agile and increase their customer reach in ways a physical office couldn't.

Leveraging cloud-based legal software to enable remote work is one of the most impactful trends in legal technology

we've seen in recent years. Offering fully functional ways to communicate and handle client cases from anywhere is both convenient for clients and lawyers alike. However, whether a firm's remote legal services are cost-effective or not often comes down to choosing the right technology.

Using legal apps and software that's tailored to legal work is vital to delivering the experience and results clients expect. While a fully remote office may not be your ultimate goal, taking the time to implement effective remote tools gives you more flexibility when finding talent and clients as market conditions change.

### 6. Maintaining Client Trust and Compliance with Improved Cybersecurity

With the many benefits that come from making a digital business transformation, there's also an added responsibility to keep client data safe. As more communication and court processes shift online, leading law firms are more focused on using software that is fully compliant with ethics rules and cybersecurity best-practices.

As a start, legal experts are increasingly vocal about avoiding social media. Important communications and documents should be sent only on secure channels. Lawyers should avoid any type of sensitive communication on social media (even the chat function), as they do not offer enough privacy to keep client information safe.

Luckily, utilizing case management and legal billing solutions takes some of the security burden off of your team. Many modern platforms are constantly updated with new security features to keep them IOLTA compliant with the latest data privacy and online payment standards.

### 7. Driving Growth with Streamlined Client Intake

Client intake is arguably one of the most important aspects of a successful law firm as it sets the foundation of a healthy client-attorney relationship. Many successful law firms are abandoning the more haphazard approach to client intake and using Client Relationship Management (CRM) tools to streamline the process.

With CRM tools, you can automatically collect important information, check for obvious conflicts of interest, get any initial documents signed, and set up interview times with minimal need for manual follow ups. CRM can also be used to track where successful client leads came from, allowing you to better allocate advertising and marketing resources in the future.

The goal of implementing CRM into your client intake isn't to eliminate the need for human interaction, but to free up time so attorneys and paralegals can focus more on a potential client's needs. It also organizes information to ensure you're quick to follow up with every potential lead, which is important in an age when most customers expect response times of 24 hours or less.

### 8. Staying Competitive by Modernizing the Customer Experience

Beyond just boosting productivity and profits, new technology is also transforming the way that clients and legal professionals interact. Self-service options like secure payment portals and e-sign for documents along with secure client portals for documents and communications are making the legal experience much more convenient.

The best part is that these kinds of customer service improvements come without added operational complexity. In fact, it's quite the opposite. For lawyers, implementing customer service improvements are a boon for improving revenue and productivity.

Perhaps more importantly, these improvements to the customer experience aren't just "nice to have" options, they're a major factor when people seek out legal help. More than ever, potential clients are well versed in doing their own research and won't even consider firms that don't offer the

modern digital experiences they expect. Things like a firm's response times, convenience of accessing documents, data security, and flexible payments are increasingly important to standing out from the competition.

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## **Best Practices for Implementing Legal Tech in Your Firm**

When following legal technology trends, it can be hard to know which are the ones that will have the biggest impact on your business. The best place to start is by tracking time and expenses so you can see where your inefficiencies and immediate areas for improvement are. For this step using some sort of software is ideal (even if it's not specifically legal software), as having hard data might reveal some inefficiencies that you otherwise weren't aware of.

From there, you can identify which pieces of technology are the most beneficial to implement first. Even if you don't plan on rolling out every new feature of legal technology, choosing comprehensive case management and legal billing platforms like MyCase and LawPay Pro might be the best choice. With a number of seamless integrations with most existing software used at law firms, these platforms give you more flexibility to introduce new offerings as needed, instead of having to purchase and install piecemeal solutions.

With specialized legal solutions like LawPay Pro and MyCase, you'll have the ability to implement offerings and process improvements like:

- **Convenient Online Payment Options:** Offer clients a secure payment portal where they can pay for legal services with credit card, debit card, e-check, and more – all while remaining fully compliant with IOLTA rules.
- **Unified Time Tracking and Billing:** Unify all of your time tracking across multiple clients and cases and generate invoices and expense sheets automatically.
- **Improved Case Management:** Track the progress of every case and stay on top of appointments, communications, documents, and to-do items all in one place.
- **Alternate Fee Structures:** Leverage the full customization and flexibility of legal software to easily offer alternative fee arrangements to clients.
- **Secure Client Communication and Documents:** Improve client communication with secure client communication portals and give easy access to important documents.

## **Leverage the Latest Tech to Stay Agile in the Face of Change**

When looking at legal industry trends, one thing is certain: change is inevitable. Within the last decade alone, there's been an unprecedented shift towards more remote work, online payments, and other digital services. This is perhaps why many firms remain cautious about making new technology investments. After all, why spend so much on new technology when the landscape will change again?

The short answer is law firms that don't embrace innovation and new technology will struggle to stay competitive moving forward. When assessing legal tech trends, try to honestly assess your strengths and weaknesses and choose innovations that will meaningfully make a difference.

Ultimately, by leveraging solutions that are specifically designed to meet the challenges legal professionals face, you can help future-proof your firm against whatever is coming next. This is why leading legal professionals across the country are using solutions like LawPay Pro to deliver exceptional client experiences and modernize their operations. ■

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*To learn how you can easily implement modern billing and online payments, schedule a LawPay Pro demo today. For*