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THIRD QUARTER 2004

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LEADING EDGE LAWYERS

**Manhattan law firm
Hahn & Hessen takes
advantage of an office move
to step into a new era of
technology and client service.**

BY G. PATRICK PAWLING

A FEW MONTHS AGO, attorney Mark Power found himself in a traveler's dilemma: sitting on an airplane poised on a runway waiting for the weather to clear at an airport closed by thunderstorms. Adding to the challenge, his BlackBerry PDA couldn't get a signal. Once, that would mean the frustration of no e-mail and a lot of wasted time. But this time the attorney had access to a full-featured voice and data network via his mobile phone.

Power, a partner in the bankruptcy department at

Photographs by David Lubarsky



ATTORNEYS LIKE JOSH
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AWAY FROM THEIR DESKS.

Hahn & Hessen LLP, a leading financial-services law firm, used his mobile phone—which could find a signal—to dial into a network application that “read” him his e-mail over the phone. His work was no longer delayed, even if his plane was.

Although the technological progress of law firms often moves exceedingly slowly, Manhattan-based Hahn & Hessen is an exception. Hahn & Hessen’s move into the future of information technology started in late 2001 when the firm decided to move from its Empire State Building offices of 70 years to a more upscale Madison Avenue location. While planning the move, the firm decided to further differentiate itself by installing a full-featured voice and data network. The intent was to give its 54 attorneys and 36 support staff

attorneys become more effective and responsive. A faster, secured, and more stable network would enable those tools and more, including new streamlined invoicing and billing methods, increased digital archiving, and new phone tools.

The firm’s decades-old phone system was so complicated that even basic services such as forwarding messages were difficult. And it was amazingly expensive. Third-party conference bridge services alone cost up to \$3,000 per month. When combined with support and maintenance for voice mail and the PBX system, the total sometimes reached \$40,000 annually. And the existing call-accounting and -tracking systems were so inefficient that many entries had to be manually tracked and entered for invoicing.



more communication and connectivity tools, providing greater accessibility and flexibility while increasing productivity, boosting profitability, and improving client service.

“Clients don’t want excuses, they want performance,” Power says. “If they call you, they want an answer. If they e-mail you, they want an answer. Let’s face it: Clients are paying for good service, so that’s what they should get.”

MAKING A CASE

“Our clients are very sophisticated financial institutions, and they are at the leading edge of technology,” says John Amato, a Hahn & Hessen partner and member of the firm’s management and IT committees. “We needed to demonstrate that we can not only stay abreast of their technology advances, but continue meeting their needs in the future.”

The firm had its eye on productivity applications such as unified messaging, which combines e-mail and voice mail in a way that allows access and response by phone or computer. Secure remote access to information would help

Additionally, attorneys needed access to information at client sites, on the road, in court, at other law firms, and from home. Anything less meant inefficiency. But there was a problem—a perceived problem, that is.

“The primary concern with any new system was reliability, and the secondary concern was cost,” Power says. “In our business, if the phones or e-mail aren’t up you can’t work, and our revenues are generated by the hour. If you’d gone through the late 1990s, when your computer crashed every other day, then you could see our concern.”

Hahn & Hessen spent eight months identifying possible voice technology solutions and eventually selected an end-to-end Internet Protocol (IP) data and voice network built on Cisco Systems technology.

“After testing a Cisco system in our offices, making calls, and kicking the tires, we were convinced that it was the way to go,” says Nicholas Lucenko Jr., IT manager for Hahn & Hessen. “The solution thoroughly addressed our concerns of redundancy, scalability, and highest availability of applications



ATTORNEY SONALI SHAH HAS FULL ACCESS TO THE NETWORK VIA A WIRELESS ACCESS POINT.

and tools that would be available as our needs evolved.”

“Many firms don’t have the opportunity to address all their technical needs at once, yet an office move provided the ideal opportunity,” Lucenko says. “We were committed to installing an infrastructure that would give us the highest availability and flexibility for the future. Realizing that the needs of a law firm are continuously changing, we are confident that the technology will keep up with our needs.”

SETTING THE BAR

The new system includes a high-speed intelligent network foundation, integrated voice and data systems, support for a client-information tracking application, unified messaging, secure remote connectivity, and wireless access. A robust firewall provides security. The telephony solution delivers advanced phone features over IP networks to 175 Cisco IP Phones (some partners have multiple phones in their office areas).

The firm has configured secure access for all attorneys for both their laptop and home computers, providing a secure, inexpensive solution for extending network access. A few highly mobile employees also have Cisco IP SoftPhone, which provides a virtual IP phone on their laptops, allowing them to access their personal phone extensions and call features from any location with a high-speed Internet connection. The firm uses a dedicated virtual private network connection to connect its Albany location with the New York office to provide access to all the services of the home office.

The new system has “almost entirely eliminated” the money that the company spent each month on telephone conferencing services, says Carla Goggin, the firm’s executive director. Administrative staff and some attorneys set

up conference calls with the Web-based bridge services. Given the rates the firm was previously paying for these services, the Cisco Conference Connection solution paid for itself within the first year of implementation.

A wireless access point covers all seven conference rooms, providing secure high-speed Internet access to clients, visitors, and employees with wireless-enabled laptops, creating a more collaborative workplace. The system controls access to protected information.

CALLING FOR A VERDICT

Amato is particularly impressed by the new phone features. “Unified messaging, with the ability to have your voice mail left as an e-mail and vice versa, is a wonderful thing,” he says. “Regardless of where you are, you can listen to a missed call on your computer, flag it, forward it on to other



IN BRIEF

GOALS: Equip a leading law firm with IT solutions that will strengthen its ability to serve clients, enable its attorneys and support staff to work more efficiently, and save money—all while improving reliability over the equipment it replaces.

STRATEGIES: Hahn & Hessen began a selection process that consumed eight months but, in the end, left the firm with the conviction that an end-to-end IP data and voice network was the clear choice.

RESULTS: Clients understand the firm has a clear and sophisticated grasp of technology. The message is not only that Hahn & Hessen can help immediately, but will be ready no matter how sophisticated the client’s needs. Inside the firm, productivity is up, costs are down, and customer service—a key success factor in the competitive legal world—is better than ever.

people just as you would an e-mail, save it in a client file, and selectively review your voice messages for those items that you know are priorities. It's a huge convenience."

For tracking billable phone time, the firm chose a customized third-party application integrated with the Cisco IP Phones and created by Dimension Data. It automatically synchronizes the call-detail records into the accounting systems for billing and cost recovery. The application downloads usage data every evening to the firm's time and billing system for eventual invoicing. The application has allowed the firm to eliminate most manual billing processes.



"WE ARE CONFIDENT THAT THE TECHNOLOGY WILL KEEP UP WITH OUR NEEDS," SAYS NICHOLAS LUCENKO JR.

"Clients are always sensitive to charges, so we attempt to be equally sensitive to costs," Goggin says. "The client-billing system enables us to understand our true costs and provides the raw data needed to negotiate better voice- and data-carrier contracts. This information is invaluable to any business, whether or not you are reimbursed for the expense. When it is appropriate to be reimbursed, automating data transfer from the phone and computer systems to our time and billing systems reduces the time required to produce detailed billing reports and create invoices. The sooner we can invoice, the faster we will be reimbursed."

The converged voice and data network has delivered substantial reductions in deployment, administration, and support costs because Hahn & Hessen needed only to install cabling for a single infrastructure. And the firm can now manage both services in-house. Voice communications have

the same or better quality as traditional analog systems, with greater reliability and flexibility at lower costs.

Hahn & Hessen's IT staff now handles all the phone system's moves, additions, and changes. In the past, if there was a problem, administrators had to place a service call and resolution could take several days and multiple calls. Now the staff can address and resolve issues in-house within minutes. And because administrative services are accessible via a Web browser, they can respond from virtually anywhere.

The new system has improved staff morale and enhanced the firm's image with clients. Staff members enthusiastically received the new Cisco IP Phones with integrated video displays. Employees already report that applications such as unified messaging have made it substantially easier to do their jobs, and Goggin notes that greater access to new tools via the network results in overall increased efficiency.

"Young associates are more comfortable drafting their own documents directly on their computers, taking advantage of our knowledge-based systems," Goggin says. "This provides greater opportunities for reducing expenses through improved attorney/staff ratios and reduced time to produce work."

PLANNING AHEAD

Although there is always some trepidation when an organization changes processes, training was basically a nonissue. "A few days prior to relocating, we held brief 20-minute classes," Goggin says. "We left handouts on all desks the day of the move. The phones are so intuitive that additional classes were not required."

"We were able to leave the office on Friday and on Sunday, we were back in the office with the phones live," she adds. "And they haven't gone down since then."

The firm plans to outfit more attorneys with Cisco IP Soft-Phone, enabling them to stay better connected outside the office and ensuring that all calls are routed through the tracking system. Recognizing that many attorneys maintain home offices, the firm also plans to outfit some of these remote locations with routers, firewalls, and IP phones, giving home workstations the convenience and security at the office.

Hahn & Hessen plans to expand its wireless access points to cover all common areas, including the lobby. The firm is also investigating enhancing its knowledge-management systems and expanding its program of imaging records.

"We hope to eventually have all client data imaged—to increase availability of all client records to authorized users through our secured networks, and to provide an additional level of disaster preparedness," Goggin says.

Digital records are faster and less expensive than paper, she points out. "For example, an attorney may be looking for a file for a client. The usual procedure would be to check our records-management system, identify one or several boxes of materials for the client, and request that these boxes be delivered to the firm. Retrieving the boxes, getting

LAW FIRMS PARTNER WITH TECHNOLOGY

It's survival of the fittest in the legal industry, where leaders are coming to recognize that a network can be a strategic business asset. Accordingly, several top U.S. firms have "right-sized" their networks, creating powerful, intelligent information systems. They're also adopting new business applications and increasing productivity, collaboration, and customer satisfaction.

Supporting more than 70% of the top U.S. law firms, Cisco offers "Empowered Law Firm," a suite of network solutions for the legal sector, including application-enabling voice, security, and wireless network services.


A converged Cisco network paves the way for a collaborative workplace where legal organizations can improve overall efficiency and client focus. Using the network for processes such as knowledge management, time management and billing, client collaboration, and electronic research, applications can boost productivity, lower costs, and strengthen client relationships.—JOANNA HOLMES

A partner publication to iQ Magazine, Packet is the Cisco technical users' magazine. For the full article, go to cisco.com/go/iq-packetlegal.

the file, and eventually returning the file took a minimum of four hours and could take days. But with imaged documents, files can be viewed and retrieved from anywhere at any time. We work in a business where time is always of the essence."

"We've adopted a future-proof technology," Lucenko adds. "As we extend the network, we'll see many more benefits from this system that we wouldn't see from any other solution. We have the foundation in place to keep us at the front lines of converged technologies for many years."

For Power, the network has delivered a benefit he never would have imagined: time. Before, if a client left an e-mail message that needed to be put in the client's file, for example, Power would have to dictate a memo for an assistant to transcribe the message and put it in the file. Now he saves e-mails directly to a client's electronic file, which takes seconds compared to what might have required an hour and two people. "It really does make things easier and faster," Power says.

But not air travel. Some things never change. 

G. PATRICK PAWLING, BASED IN SOUTHERN NEW JERSEY, WRITES ABOUT BUSINESS AND HIGH-TECH ISSUES FOR LEADING U.S. AND INTERNATIONAL ORGANIZATIONS.

NEXT STEPS

For more information on solutions for the legal industry, go to cisco.com/go/legal.

For a video profile of Hahn & Hessen, go to cisco.com/go/iq-hhvideo.

FROM CISCO

TECHNOLOGY CHANGES THE FACE OF LAW



As a lawyer and general counsel for Cisco Systems, Mark Chandler believes the future is bright for firms that adapt to technology smartly.

iQ: Has the legal profession hit an inflection point?

Chandler: The practice of law represents one of the last vestiges of the medieval guild system. Many lawyers still act as if a monopoly on legally related information can be held by those inside the guild, and that they will continue to be paid to look up and redo work that has often largely been done before.

Smart firms will transform from gatekeeper to gateway. As people learn to store information and make it reusable, successful firms will figure out how to

facilitate client access to information with well-designed tools, integrating more closely into their clients' business models. This will allow firms to focus on areas where individual counseling is needed.

iQ: How can firms start to adapt?

Chandler: The most important thing is to be well aligned with client needs. Some will be surprised at how well clients are using the Web to raise productivity; law firms can build tools to match.

Some firms offer subscription services for clients. A few are doing really good jobs of putting information on Web sites and extranets.

iQ: Are there any particular challenges?

Chandler: Ethical walls must be in place. There are client confidentiality issues. Firms want to make sure they have a good adviser who can focus on return on

investment and alignment with how the firm services clients.

iQ: How has Cisco's legal department changed?

Chandler: Our Web-enabled legal invoicing system saves \$50 per invoice in paper handling and data entry. Beyond that, the idea is for us to be a self-service legal information center as much as possible. Employees don't need us for contract templates or any number of other resources.

We have a scanning workflow application and a Click Accept tool [for online acceptance of terms and conditions]. We built a laboratory to assist with discovery requests on electronic documents that has saved more than \$10 million. Click Accept alone is expected to facilitate about 6.5 million transactions a year; we figure potential annual productivity benefits of at least \$10 million.—G.P.P.