

## Document Assembly Over the Internet

By Richard S. Granat

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*Web-based document assembly greatly reduces the time needed to accomplish legal work, enabling higher margins for firms and lower pricing for clients. Lawyers who take the trouble to learn how to automate their own forms will have a competitive advantage over those that don't.*

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[Richard Susskind](#), in his book, [The End of Lawyers? Rethinking the Nature of Legal Services](#), devotes a chapter to disruptive legal technologies and identifies automated document assembly as a leading example. A related analysis can be found in Darryl Mountain's paper titled, "[Disrupting Conventional Law Firm Business Models Using Document Assembly](#)". Darryl is an attorney in Sidney, Australia. Both authors make the point that automating legal documents is one of the major ways a lawyer can increase productivity, particularly for document intensive practices. Offering these documents directly to clients via the Web through a secure client area, where the client completes an online questionnaire, increases productivity even more. It is much more efficient than a process where a lawyer or paralegal gathers a client's data and enters it into a desktop document assembly program.

### Legal Document Creation the Old Way

For years some law firms, but not all, have used some form of document automation in their law offices. Ranging from an MS Word macro to long-standing programs such as [HotDocs](#), as well as automated forms distributed by legal publishers such as [Willmaker by Nolo](#), some law offices have incorporated some form of document automation in their law practices. Automation of high-volume legal documents has been an indispensable process for increasing law firm productivity and maintaining profit margins in an era of intense competition.

The manual process of cutting and pasting clauses from a master MS Word document into a new document, which many firms still use as a method for creating documents, is a process which is fast becoming outdated.

### Barriers to Change

An obstacle to wider use of automated document assembly methods is typically the lawyer's insistence on crafting the words in each clause to their own satisfaction. Because most lawyers do not have the requisite programming skill to automate their own documents, law firms by default will opt to use their own, non-automated documents rather than risk using the legal documents automated by an independent provider, because by definition the content of the documents is "not their own." As a result, many law firms do not consider using desktop document assembly solutions when the forms are published by an independent provider or publisher. Instead, they continue to use time-consuming and less productive manual methods.

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Even in firms where document assembly software is used, typically a paralegal enters answers from a paper intake form/questionnaire into a document assembly program running on a personal computer. This results in the extra time-consuming step of entering data from the intake questionnaire to the document assembly program. However, it is still more efficient than cut-and-paste manual methods.

## Web-Enabled Document Automation

Now comes "web-enabled legal document automation", or as it is sometimes called, "document assembly over the Internet." Web-enabled document automation is a process whereby the intake questionnaire is presented to and completed by the client online via the Web browser (Internet Explorer, Mozilla Firefox, etc.).

As the client answers the questions, a document is *instantly* created, ready for the lawyer's further review and analysis. If the client misses a question, the lawyer can easily communicate by email and request additional information or provide a clarification on how a question should be answered. But that is much more efficient than jotting down the client's answers to the attorney's questions on a yellow pad over the telephone. The result is a further leap in productivity because the client is actually doing part of the work at no cost to the lawyer, freeing the lawyer up to focus on analysis and further customization of the document.

Here is a model for a new client journey that is based on a client-facing web-based questionnaire, integrated with an ecommerce component, and supported by advice, review, and revision from a lawyer.



This is consistent with Susskind's analysis that lawyers should automate what they can, leaving to human intelligence what it does best, which is providing legal advice and more customized and individualized drafting. Today, automated document assembly solutions are very robust and can automate very complex documents with multiple levels of "if-then" clauses to accommodate hundreds of different fact situations. Automation of more standardized legal documents should be a "no-brainer." Using web-based automated document assembly reduces greatly the amount of time the attorney has to spend on an individual document project, enabling alternative billing systems that yield a higher margin for the law firm and also potentially lower pricing to the client.

Web-enabled document automation applications will continue to evolve in ways that desk-top document automation cannot because of the limitations of a desk-top approach. This will lead to

greater productivity for law firms that embrace this technology. Most web-enabled document automation applications incorporate capabilities for collaborating between one or more authors, between lawyer and client, and lawyer to lawyer accelerating the communication and negotiation process. One document automation system enables the lawyer to edit an assembled document on the fly within the web browser, without disturbing the underlying logic that is used to assemble the document. See *Dancing in the Cloud* in this issue, by Marc Lauritsen, for more discussion about document collaboration.

Unfortunately, lawyers have been slow to adapt to using web-based document automation because of their reluctance to use legal documents drafted or automated by someone else. In order to automate their own documents, they must either acquire the skill to automate their documents, or commit the capital to have a skilled professional automate their documents for them. For solos and small law firms, these two constraints create formidable obstacles to adopting web-based document automation applications.

Since neither condition is common within smaller law firms (programming skill, investment capital), the result is that the law firm gets stuck using older, less productive methods of document creation.

Vendors that provide Web-enabled document platforms include [Rapidocs](#)<sup>1</sup>, and [Exari](#), [Brightleaf](#), [HotDocs](#), [DealBuilder](#), and [Wizilegal](#), to name only a few. All claim their authoring systems are easy to use, but I have yet to see lawyers with no programming skill create their own, automated legal documents in any quantity. Lawyers become stuck in a negative loop of their own creation which reduces productivity (and profitability). Here is the consequence of this frame of thinking:

"My legal documents are the best. However, I can't automate them for the Web because I don't know how; thus, I will be less productive and be required to charge you more because of my own inefficiency, lack of skill and/or unwillingness to change the way I do things."

One kind of collateral damage that results from this way of thinking is that non-lawyer legal form Web sites are eroding the solos' and small law firms' market share for common legal transactions. Non-lawyer, Web-based legal form companies have embraced the power of Web-enabled document assembly and are creating vast libraries of automated legal forms in every common practice area from divorce and business documents, to bankruptcy and immigration forms. This is a classic case of "pure-play" disruption. Because the user is "doing" the work by completing an online questionnaire and the software does the rest, these companies have a very high profit margin on these legal forms once the capital cost of initial automation is recovered.

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<sup>1</sup> Full disclosure: We use Rapidocs as the document assembly solution for our DirectLaw Virtual Law Firm Platform.

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The limitations of a "forms only", self-help approach are self-evident. Without legal advice and guidance, the consumer may be using these forms at their own peril, and there is no assurance that the created form will actually fit their individual circumstances. None of the benefits of using an attorney accrue to the users of self-help, automated legal forms.

Nevertheless, and ironically, solos and small law firms ignore these developments at their own peril. While many solo practitioners ponder these developments, non-lawyer operated Web sites like [LegalZoom](#), [CompleteCase](#), [LegacyWriter](#), and dozens of other non-lawyer sites are using Web-enabled document assembly methods to eat away at the market share of the legal profession.

I have heard some critics of automated document methods assert that lawyers were not trained to be "robots." This perspective misses the point. By figuring out what parts of a legal process can be efficiently automated, and which parts need to remain in the domain of human intelligence, the productivity of the lawyer is greatly enhanced. In the future, automated document assembly over the Web will become the norm, as it offers the promise of greater value and lower prices.

It is time for the legal profession to catch up and not cede this piece of business to non-lawyer operators. At the end of the day, it is the consumer who will suffer by not having access to the legal profession.

## **What can be done? What are next steps?**

The "Web-based, legal document automation solution" used by non-lawyer providers is a disruptive technology and is eating away at the core business base of the typical solo and small law firm. Reportedly, [LegalZoom](#) will generate over a \$100 million in sales volume this year using Web-enabled document assembly to power a business model that did not exist a decade ago.

**Step #1:** What can solos and small law firms do to compete in this challenging and competitive environment? The [American Bar Association's Legal Technology Resource Center](#) reported last year in their Annual Technology Survey that only 52.2% of solo practitioners have a Web site. Even if this number is underestimated, it is shockingly low compared with Web site utilization by other industries, such as the travel, banking, brokerage, and retail sector of our economy. If you don't even have a Web site, the idea of "Web-enabled document automation" is not possible. Creating a Web site that incorporates a secure "client portal" is the first step towards developing a business strategy leveraged by the use of Web-enabled document automation.

**Step # 2:** Once you have a Web site, a Web-enabled document automation solution can be incorporated, enabling clients to complete online questionnaires that result in immediate assembly of the first draft of a document, ready for the attorney's further analysis, review, and revision as appropriate.

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**Step #3:** Legal form content, either the lawyer's own legal forms or automated legal forms licensed from a third party vendor, needs to be incorporated into the Web-based delivery system. The selection of forms will of course depend on the lawyer's area of practice and is a strategic decision related to the volume in the practice area and the use of a Web-based document automation approach to differentiate the firm's identity from others in the same practice area. Lawyers who take the trouble to learn how to automate their own legal forms will have a competitive advantage over those that don't, as they can focus in niche areas which are not easily available through third party vendors.

Extending a firm's brand online by offering legal services through a Web-based approach should be the center of law firm thinking and the future delivery of legal services. Secure client portals, Web-enabled document assembly, and smart Web advisors, together with alternative pricing models and limited legal services delivery, will be the next wave of innovation in the legal profession.

The train is already leaving the station. Don't be left behind.

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