

## **E-mail Management:** The New Imperative for Law Firms and Corporate Legal Departments

# The New Imperative for Law Firms and Corporate Legal Departments

## Executive Summary

Most law firms now recognize that the uncontrolled growth of e-mail has turned this onetime productivity boon into a mixed blessing. More than a nuisance, e-mail overload represents the largest uncontrollable cost and risk for many organizations, and poses serious threats including lost information, reduced productivity and legal liability. As a result, even a modest improvement in the way e-mail is used and managed can lead to dramatic productivity gains and an immediate reduction in operating costs.

To address e-mail overload, law firms and corporate legal departments must first understand the issues involved. Unsolicited e-mail, or spam, is a high-profile component of the problem, but three other factors can have an even greater cost impact. One is risk: as a majority of matter-related content is being communicated over e-mail, these messages must be managed carefully and in conjunction with traditional records management. Even more troubling is the impact of e-mail overload on worker productivity; because e-mail systems are traditionally separate from the repository where other enterprise content is stored, users waste valuable time searching across multiple repositories every time they need to find something. Finally, an increasing number of large and redundant attachments are pushing e-mail servers to the limit, requiring new IT investment – and risking the further loss of productivity when these servers crash.

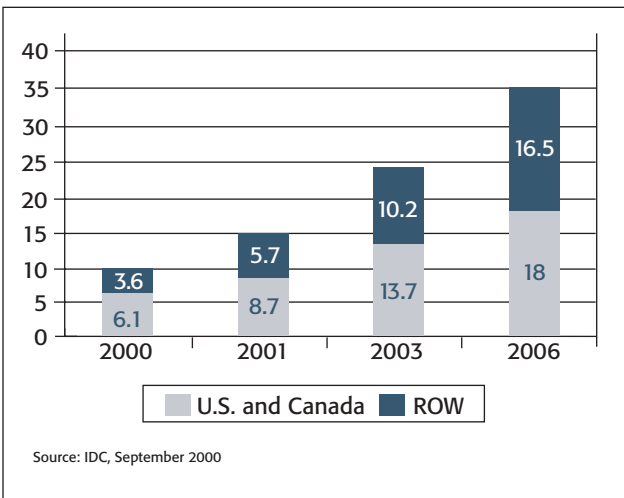
Most e-mail management solutions today focus largely on logging e-mails and archiving them outside the e-mail server in a dedicated repository. Although effective in terms of reducing the load on e-mail servers, this partial solution does nothing to improve worker productivity with e-mail, by far the largest cost element.

The most effective way to deal with e-mail overload is within the context of a company's overall content management strategy. By merging their e-mail store into a scalable document management system, companies can create a unified and highly searchable repository that minimizes total storage requirements, enables comprehensive records management and helps workers make more productive use of e-mail content.

The Interwoven E-mail Management solution, based on the WorkSite Communication Server, helps law firms and legal departments transform e-mail from a liability and productivity drain into a leverageable knowledge asset and productivity tool. By making e-mail part of a single unified matter file, and enabling convenient access to this unified content via e-mail applications, desktop applications and the Internet, the Interwoven E-mail Management solution reduces the burden on e-mail servers, while fostering broad adoption of this critical solution. Finally, the Interwoven e-mail management solution transforms e-mail from an isolated knowledge source, visible only to the person to whom it is addressed, into a knowledge asset and resource that users in any location can use for best practices capture and knowledge re-use.

## The E-mail Overload Crisis: Uncontrolled Cost and Risk; Diminished Employee Productivity

As e-mail plays an ever-larger role in business life, its volume has become truly staggering. According to IDC, over 18 billion person-to-person e-mails were sent daily in 2003, a figure projected to double by 2006.



Average number of E-mails sent per day worldwide (billions)

The impact of this increase is staggering: According to the Meta Group, typical knowledge workers today spend over 1/3 of their day in e-mail. By 2005, Meta projects that this proportion will increase to over 50%; for many people, this is already the case. This is especially true for law firms, where the majority of client communications now takes place via e-mail. Surveyed in 2003, a majority of CIOs at top law firms reported that over 60% of all matter-related communications occurs via e-mail. Many large firms send and receive an average of 100,000 e-mails per day—with no relief in sight. With such numbers, it is not surprising that so many workers find going through e-mail an overwhelming ordeal rather than a productive experience.

Although e-mail overload is widely recognized as a problem, there is a tendency for those in charge to accept it as a nuisance and a cost of doing business without recognizing its full implications — and the cost of doing nothing can be severe. The e-mails that get lost in overloaded in-boxes aren't just numbers; each represents something: a piece of business knowledge, a part of a process, a potential liability, a risk that needs to be managed, an opportunity that may otherwise be missed.

covered by the Sarbanes-Oxley Act—and the records in question are nowhere to be found. Unable to produce the paper trail demanded by the court, the client has no choice but to accept a costly settlement or submit to harsh regulatory or criminal punishment. This scenario is anything but theoretical; for many firms, the cost or difficulty of discovery is a major factor in the decision to settle. For other companies, avoiding such penalties is as much a matter of luck as strategy; 92% of leading law firm CIOs surveyed by Interwoven in 2003 consider the growing amount of matter information communicated via e-mail a significant risk.

Legal exposure is only the tip of the iceberg of the full costs of e-mail overload. Beneath the surface, countless hours of lost employee productivity are accompanied by an extensive loss of business data. While traditional paper filing systems, existing in physical form, can be stored and tracked fairly easily, e-mails are ephemeral and easily lost or destroyed. Without an effective e-mail management system, it is impossible to enforce content-based e-mail retention and deletion policies; firms are then forced to choose between paying to store an ever-rising, uncontrollable volume of e-mails, or deleting e-mails according to date or size alone, in which case all the

## Proper e-mail management drives significant ROI

*Skeptical of the savings to be gained from e-mail management? Consider these facts...*

- In professional service organizations like law firms, employee costs are often as much as 70% of total costs. If each employee spends between 1/3 and 1/2 of their day in e-mail, that means that 25-35% of your firm's total spending goes to the time people spend on e-mail. Thus, a 10% improvement in e-mail productivity would free 2-4% of your firm's costs — an amount probably close to 1/2 your total IT budget — for more productive uses.
- Professional indemnity insurance is becoming many firms' biggest single cost, and it is rising by as much as 40% year over year. Demonstrably reducing your firm's risk from e-mail may help you negotiate lower renewals — and boost your bottom line.
- By unifying e-mails and other matter related documents, you can eliminate the cost of printing out e-mails and trying to file them, and can move to an electronic matter file — which may be shared across offices without costly copying and faxing or express mailing.
- Electronic matter files may be searched with a single search tool, enabling (1) faster and more complete e-discovery at a lower cost than traditional discovery; and (2) better knowledge capture and re-use.

## What Companies Lose When Data Gets Lost

It's an attorney's worst nightmare: a judge or regulator demands that the client produce e-mail correspondence pertaining to a given matter — a stock trade, a business decision, a financial process

content and knowledge they contain is inevitably thrown out alongside less valuable messages. The lack of centralized control and management makes it impossible to implement comprehensive backup and recovery processes, for example, if the Outlook Personal folder (PST), stored on an individual's

	Filtering/Security	Policy and Compliance	Productivity	Archiving/Records
Functionality	<ul style="list-style-type: none"> <li>■ Spam blocking</li> <li>■ Virus protection</li> <li>■ DRM</li> </ul>	<ul style="list-style-type: none"> <li>■ Restrict <ul style="list-style-type: none"> <li>■ recipients</li> <li>■ content</li> <li>■ attachments</li> </ul> </li> <li>■ Logging/journaling</li> <li>■ E Discovery</li> </ul>	<ul style="list-style-type: none"> <li>■ Foldering</li> <li>■ Search</li> <li>■ Content mgmt.</li> <li>■ Collaboration</li> </ul>	<ul style="list-style-type: none"> <li>■ Storage</li> <li>■ Archiving</li> <li>■ WORM</li> </ul>
Benefits	<ul style="list-style-type: none"> <li>■ Hygiene</li> <li>■ Productivity</li> <li>■ Cost of storage</li> </ul>	<ul style="list-style-type: none"> <li>■ Risk management</li> </ul>	<ul style="list-style-type: none"> <li>■ Workgroup productivity</li> </ul>	<ul style="list-style-type: none"> <li>■ Cost of storage</li> <li>■ Risk mgmt.</li> <li>■ Business continuity</li> </ul>

**Source:** Interwoven

### The many facets of e-mail Management

computer is lost (due to hard drive failure, lost computer or other means) many valuable messages may be lost forever. E-mails are also easily lost when employees leave the firm and their in-boxes are deleted, thus erasing vital traces of their work in progress as well as their historical activities.

While the term “e-mail management” is often mistakenly applied to archiving only, there are really several key functions that together comprise a complete e-mail management solution, as shown in the figure above. To date, no single vendor has provided a solution that spans a majority of these functions.

Efforts to tame e-mail overload typically address two aspects of the problem: spam, the target of various point solutions; and storage. Certainly, the rising volume of e-mail data is a crucial part of the problem, caused largely by attachments, which can easily be the size of several hundred or more text e-mails. Companies that have analyzed their e-mail servers have reported to Interwoven that 60% of their e-mail storage is taken up by attachments, of which a majority are duplicate attachments. Some vendors have responded by providing solutions that log all of a company’s e-mail and store it in offline and near offline stores to reduce on-site storage demands. Such efforts are misguided, however, overlooking the critical issue of worker productivity.

### Improving Productivity for Information Workers

As e-mail becomes a greater part of daily life, it has evolved into the de facto standard for communica-

tion in corporate America today, and it is through this medium that many substantial business discussions are held and decisions are made. In fact, according to Gartner Group, as much as 75% of a company’s total knowledge exchange occurs via e-mail; often, this is the only place this information resides. As a result, each user inbox now represents a potential repository for matter information. Disconnected from the rest of the corporate information network, these isolated islands of content are neither searchable nor scalable, and lie beyond the parameters of traditional document management systems. Over time, they inevitably reduce employee productivity, as users are unable to access all the information pertaining to a given matter.

Ironically, although e-mail serves as the default collaborative platform for many companies, it can actually inhibit collaboration. Designed for one-to-one communication, e-mail used for many-to-many collaborative discussions quickly splinters into disconnected and overlapping threads, round robin decision-making, challenges with version control and other inefficiencies. A team member’s in-box fills with messages headed Re:Re:Re:, each of which must be combed for new information, or guiltily ignored and deleted. Meanwhile, the valuable knowledge that resides in this information-rich medium—discussions of technical points, step-by-step revisions, debates of business decisions and best practices, reusable content of all kinds—is lost forever.

It is also essential to understand the distinction between archiving and e-mail management for

productivity and knowledge management. The logging and storage solutions sometimes offered as remedies for e-mail overload may address some retention and deletion problems, but they undermine much of the value of these messages by failing to keep e-mails alongside related matter content. Stripped of its context, an individual e-mail is often largely meaningless. On the other hand, by keeping e-mails together with other kinds of documents in a unified electronic matter file, a full-fledged e-mail management system can preserve the original context that helps users understand and make full use of the knowledge that e-mails contain. This knowledge is too important and too extensive to be placed in "cold storage." This productivity-focused e-mail management keeps e-mails readily accessible and ensures that their full value is retained and leveraged.

## **Success Factors for Effective E-mail Management**

When addressing e-mail overload, it is important to remember the problem's origins: the tremendous utility of e-mail for exchanging information and knowledge among workers. E-mail is not the enemy, and the answer is not to try to force users off e-mail. Rather, firms must acknowledge the importance of e-mail in daily work, and give users the tools to overcome the problems it can sometimes present. No solution can deliver results if it remains untouched. To gain widespread acceptance and full adoption by attorneys and other members of the firm, the solution must work the way they do, rather than trying to change familiar habits.

To be effective, the e-mail management solution must be capable of automatically capturing and filing inbound and outbound e-mails with integrity (making sure that the right e-mails get filed in the right place) and with minimal intrusion on the user, while being comprehensive enough to capture all relevant information transmitted by e-mail. Again, the key to ensuring complete effectiveness is to conform to existing work processes and user preferences. Thus, the solution should provide the ability to file e-mails from within any e-mail client, including desktop applications, Web browsers and wireless devices, online or offline. The solution should also be flexible enough to accommodate the full spectrum of user profiles, from meticulous organizers who insist on filing each e-mail as it comes in, to those who save such tasks for a later time, to confirmed non-filers who avoid any such activity.

As discussed earlier, over-reliance on e-mail for collaboration is a major factor in e-mail overload. The ideal e-mail management solution will augment

e-mail with collaborative technologies (such as discussion threads, task management and group calendaring) that replace e-mail round robins and infinitely long and tangled e-mail threads with more effective means for collaboration. Collaborative document editing and version control capabilities allow for efficient document revision while eliminating concerns about editing an outdated version of a document sent as an e-mail attachment.

To help attorneys make more effective use of e-mail content, the system should store e-mails alongside documents, time and billing, contacts, images and other relevant content in a single location. This "electronic matter file," accessible from the intranet, extranet, e-mail client and desktop applications, eliminates individual in-box silos and facilitates collaboration by making e-mail content uniformly available to team members throughout the organization, easily viewed in the context of the project or matter to which it pertains. Because attorneys can now access all matter content without the need to request or send massive attachments via e-mail, server capacity and bandwidth are both conserved. The unified repository also supports such processes as legal discovery and knowledge management by enabling users to be certain that they have access to and can search all the content related to a given matter without having to perform multiple searches among different stores.

Finally, to handle the huge volume of e-mail passing through today's law firms, the solution must be scalable enough to handle an average of 25,000 e-mails per user per year. Similarly, the solution's document management repository must be able to store terabytes of e-mails that formerly overloaded e-mail servers, while containing storage costs through intelligent duplicate detection and archiving.

## **The Solution: Interwoven E-mail Management Solution**

The Interwoven E-mail Management solution goes beyond storage to provide comprehensive and scalable management for the growing number of e-mails law firms handle. Designed to fit seamlessly into a user's normal work process, the solution enables firms to manage a single unified matter file that includes both e-mail and document content; collaborate efficiently with and around e-mail; and enable effective knowledge management and records retention strategies. The Interwoven E-mail Management solution is easy and quick to implement, and fosters rapid adoption by attorneys and support staff, thereby improving individual and team productivity while taming e-mail overload.

The Interwoven E-mail Management solution starts with several innovations that are unique in the industry:

1. The ability to create an e-mail address for each matter file, making copying the file as easy as adding another e-mail recipient
2. The ability to prompt users to file e-mails based on almost any criteria, making the creation and enforcement of an e-mail filing policy practical for the first time with minimal impact on users
3. The application of metadata to all content automatically, without the need to fill in long profile forms
4. The ability to share all matter related e-mails and documents across offices, and with attorneys and clients, easily and securely
5. The ability to provide a unified and consistent view into stored e-mails from e-mail clients, DM clients and Web browsers
6. The ability for a user to move (via drag & drop) personal folder structures from the Outlook inbox or PST files into the repository
7. Smart prompting that can remind the user when they forget to file an e-mail, to ensure that all e-mails are filed (and that exceptions are recorded)
8. Indexing of embedded attachments inside messages, allowing users to full-text search all documents and e-mails simultaneously
9. The ability to profile and display e-mails as e-mails, not documents; the system automatically displays the contents of e-mail folders with an e-mail view that includes the attachment paperclip.

## **What Makes It Work: WorkSite Communication Server**

At the core of the Interwoven E-mail Management solution is the WorkSite Communication Server (WCS), which receives both inbound and outbound e-mail messages and automatically files them into the scalable, searchable WorkSite repository. WCS allows administrators or users to assign a unique e-mail address to any folder in a WorkSite library, including matter, case or practice-specific folders, so users can copy or forward relevant inbound and outbound e-mails directly to the folder. Once filed, e-mails are automatically profiled by date, subject, sender and recipients, in addition to metadata inherited from the folder to which they are addressed. This rich context information makes them readily available to users through powerful search and retrieval, including searches by sender, recipient, date, subject and full-text, as well as by client-matter. E-mails are stored in their original format, and can be opened, forwarded and replied to like normal

e-mails. To conserve server space, the Interwoven solution uses intelligent duplicate detection to prevent multiple copies of the same e-mail or attachment to be filed in the same folder.

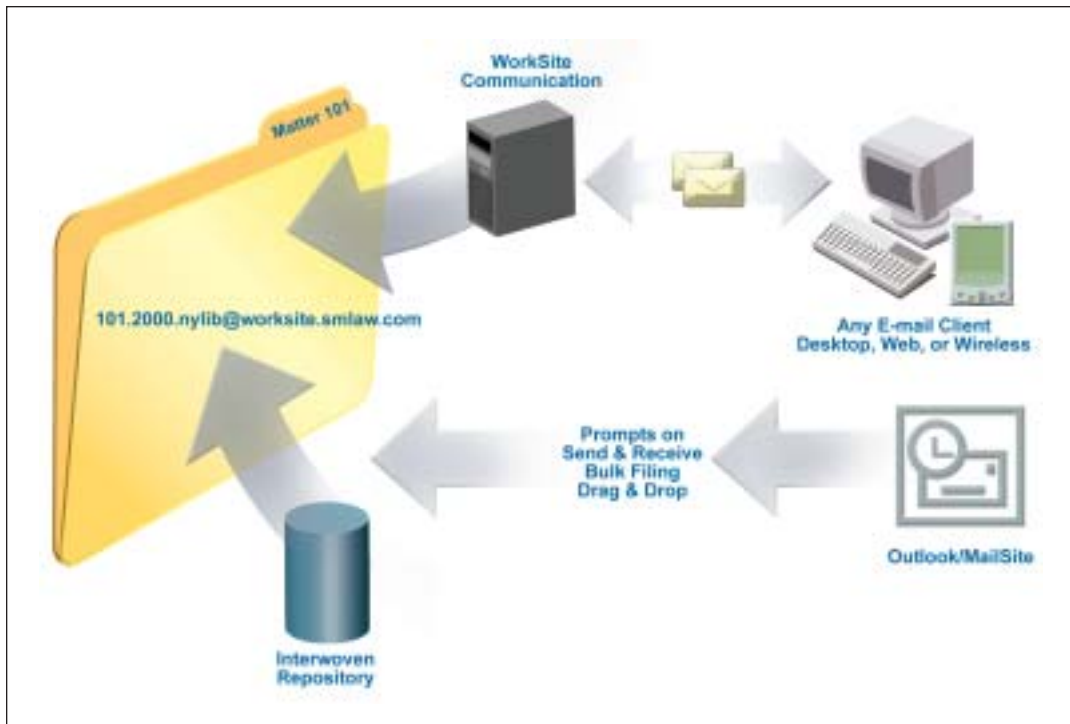
By making it simple for users to file correspondence in the same easily searchable repository as other matter content, WCS saves time and increases efficiency and productivity. As an additional benefit, WCS improves customer service by providing a single place to look for all matter correspondence, enabling faster responses to inquiries while maintaining a complete record of customer communications in the event of a dispute. New attorneys added to a matter can scan all correspondence and documents to quickly get up to speed from any office or location.

The Interwoven E-mail Management solution also includes enhancements to MailSite, Interwoven's leading e-mail integration, to enable practical e-mail capture. Custom client-side scripting gives administrators at law firms flexibility to enforce e-mail filing and retention policies on a user by user basis, by prompting them to file e-mails on send, receive or save. For example, a firm can set a policy that requires all client communications to be filed in a matter folder.

Administrators can now write scripts that inspect the "to" and "cc" fields on all outbound e-mails, and if a matter folder has not been copied, prompt the sender to copy a matter folder or decline to file this e-mail (an exception which may also be logged). Inbound correspondence not copied to a matter folder may also bring about the same prompt when it is opened, saved or closed. In this way, firms may implement as sophisticated or simple an e-mail filing scheme to ensure that all e-mails end up in the appropriate matter file. Duplicate e-mails and attachments are automatically eliminated and attachments may be stored with the e-mail to which they were attached or as separate documents in the document management system (with their own metadata). Lotus Notes and GroupWise are also supported, but in a slightly different manner.

Finally, the Interwoven E-mail Management solution enables firms to add collaborative elements to electronic matter files such as group calendaring, milestones and critical dates, and discussion threads, all of which can act to reduce the use of e-mail messages for scheduling, task coordination, milestone measurement and group discussions on hot topics.

For firms, the Interwoven E-mail Management solution reduces both risk and cost. The system enables compliance with regulations such as the Sarbanes-Oxley Act by allowing administrators to



**WorkSite Communication Server is at the heart of the Interwoven E-mail Management solution. Capture and file matter related e-mails in scalable DMS folders alongside document content to provide a complete electronic matter folder that can be searched and shared across offices.**

institute and enforce standard retention and destruction policies; the option of printing each e-mail automatically as it is filed provides a paper backup for storage in a physical file. In the event of a discovery requirement, the unified search features greatly reduce the cost of discovery. The E-mail Management solution also provides relief for the uncontrolled escalation of storage costs associated with e-mail overload. The system enables IT to periodically archive complete matter folders, including e-mails and documents, in hierarchical storage systems that reduce the cost of content retention and records policies and avoid silos of content with potential gaps and inconsistencies in how records retention policies are applied. The solution also reduces the load on e-mail servers, resulting in lower e-mail administration and storage costs and greater reliability.

As firms seek to improve the ability to work on matters across offices and time zones, the Interwoven E-mail Management solution supports matter centric collaboration by enabling the creation of a unified electronic matter file that can efficiently be shared between attorneys anywhere in the world. Consistently accessible through the e-mail client, word processing and other desktop applications, and

any browser enabled computer, this electronic matter file provides increased visibility to enable anyone in the firm to understand the status of a matter at any point in time, improving client service and utilization. The electronic matter file reduces ramp-up time for new team members by providing a complete snapshot of all matter content and correspondence, and preserves all matter activity and content as part of an effective approach to records management.

## Summary

Although often taken for granted, e-mail overload is a serious and fast-growing crisis for law firms and corporate legal departments, creating both uncontrollable costs and unacceptable risks. To address it effectively, these organizations must first recognize the role that e-mail plays in their users' work lives, then implement solutions that embrace and support it appropriately. An e-mail management solution must make it simple for users to access both the messages themselves, and the related matter content that makes them meaningful. This means making it simple and intuitive for users to file e-mails in their original context, where they can retain their full value as a knowledge resource; making them readily accessible to users throughout the firm, rather

## User and industry reaction to the Interwoven E-mail Management Solution

“Too often we find that client work product originates and remains in our e-mail system. For records and case management administration, this poses a significant challenge. Interwoven has provided a logical solution that attorneys and staff can understand and use on a daily basis.”

— Michael Williams, chief technology officer, Littler Mendelson, P.C.

than siloed in isolated islands of content; and ensuring that they remain easily searchable through the automated assignment of rich metadata. Archiving solutions alone fall far short of the mark; to preserve the full value of e-mail as a knowledge resource.

By providing rich, simple-to-use e-mail management functionality backed by a unified, scalable repository,

the Interwoven E-mail Management solution enables firms to embrace and extend the utility of e-mail for their attorneys, and transform it from an intractable problem into an invaluable knowledge resource.

### **Automatic or Rules-based Filing: Nice Promise, but Flawed Premises**

Some e-mail management solutions attempt to automate the filing of e-mails through the use of rules that eliminate the need for human involvement. While the notion of sparing users any involvement in the e-mail filing process is attractive at first, there are several reasons why this is not a practical approach:

#### **There is no perfect rule set.**

Imagine having to define a set of rules that will file each of the 100,000 or more messages received and sent by a large law firm each day automatically, without imposing standard formatting conventions and additional metadata on all e-mails (a highly impractical burden for most organizations to bear). The effort to develop, test and maintain such a rule base would add considerable cost to any solution.

#### **What is an acceptable error rate?**

Auto-classification schemes, regardless of how rigorously defined, are no substitute for the ability of a human being to understand the context for a matter and where a document should be filed. Claims of 90% accuracy in classification seem impressive on paper, but in reality this means that one e-mail in ten is misclassified. These messages become invisible and essentially lost to discovery, and may end up exposed on the wrong side of an ethical wall or company firewall. An e-mail may pertain to multiple matters, but be auto-classified according to only one.

#### **The meaning of e-mails may change over time, while the metadata used by rules to classify them may not keep pace.**

As e-mail threads evolve, they may actually morph into entirely new subjects that pertain to a different matter or folder within a matter. However, since auto filing rules use standard metadata (and sometimes the text within a message) for filing, these kinds of e-mail messages are more likely to be auto-filed into the wrong folder.

While rules can be used to suggest filing locations rather than as an auto filing mechanism, leaving the final decision to the user, the notion of using rules to auto-file e-mail is not viewed as practical by many IT professionals. Automated filing relies on extensive rule bases that are challenging to develop and maintain and also on metadata or other elements in e-mail messages that may not be preserved. In each case, the misfiling that can result will compromise the effectiveness of such a solution.