

# Portal Platforms

## Technology That Empowers

ILTA White Paper July 2011

# SharePoint as a DMS: New Requirements, New Risks (and New Rewards)

**M**any law firms have been using SharePoint for years — mainly as a platform for intranets, extranets and collaboration spaces like “deal rooms.” But there has always been a sense in the industry of the potential to leverage this technology for even greater benefit. Yet several limitations have historically prevented the leap to this broader world, including very real concerns about addressing the specific compliance and information risk management challenges facing law firms.

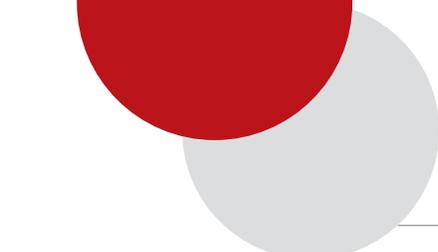
Today, the landscape is shifting and SharePoint is finding greater footing beyond its traditional intranet confines. Part of what has enabled this change is the evolution in the technology itself. Microsoft has invested heavily in building and extending the platform in response to customer requirements. And with SharePoint 2010, it has specifically set its sights on filling a central law firm technology role — document management. Supporting these efforts, several vendors have produced add-ons and plug-ins designed to add functionality to SharePoint with a specific “law firm” bent. In parallel, the legal SharePoint community continues to collaborate, both on a peer level and directly with Microsoft, to share their experiences, trade best practices and identify new requirements.

## **PURSUING PROMISED PORTAL PORTENTS**

For IT stakeholders, SharePoint offers several appealing attributes. As a Microsoft product, it aligns with the technology and architecture preferences of many law firms. It also offers tremendous flexibility and configurability. In some instances, it provides a new path to organizations looking for a fresh start from traditional document management software. And, probably most important, it gives firms greater ability to centralize business processes and acts as a unified front-end interface for lawyer-facing information, services and resources.

But achieving these ends requires careful thought, planning and action. In the context of configuring SharePoint for document management, its extreme flexibility brings with it a complex set of decisions to make and challenges to manage. And, to date, the industry is still working toward best practices, with many interested firms taking a “wait and see” attitude.

Presently, even basic questions, like those regarding DMS taxonomy, provoke serious thought and debate. How should a firm configure SharePoint to best organize its information? Is it better to store all documents for each matter in a separate SharePoint matter site or in a site collection? Or does mapping the more traditional hierarchical client/matter folder structure offer better trade-offs? Importantly, answers to questions like these



have significant ramifications. Configuration preferences not only shape the user experience for lawyers, but they will also affect which third-party applications will operate with SharePoint DMS.

## POINTING THE WAY: LAW FIRM CONSORTIUM COLLABORATION

Given that SharePoint taxonomy is only just one of a number of issues facing law firms, the legal community is taking steps to work together to effectively shepherd the technology's maturation as a DMS. In 2010, a number of firms joined together to form the Law Firm SharePoint Consortium, an initiative facilitated and moderated by IntApp. The consortium provides a forum for organizations to collaborate, exchange best practices and shape the continuing development of SharePoint as an enterprise content management solution best suited for the specific needs of legal environments. It brings together a mix of information technology, enterprise content management and vendor experts focused on the goal of accelerating law firm adoption of and success with the technology.

The program includes representatives from firms including Fenwick & West; SNR Denton; Perkins Coie; Torys; Lewis Silkin; Loeb & Loeb; and several others across the United States, Canada and the United Kingdom. Members are actively exploring SharePoint product capabilities, documenting necessary enhancements, and creating guidelines and best practices for peer consumption. The complete group holds quarterly reviews, with session topics that have included the

results of peer surveys, firm case study presentations and briefings by guest speakers.

## SHARING EARLY OPTIMISM AND CONSTRUCTIVE FEEDBACK

Most of the participants in the Law Firm SharePoint Consortium are already taking advantage of the technology's intranet and extranet capabilities. And many plan to expand their use of SharePoint in more operational contexts for workflow and practice management. When asked about requirements for full-scale adoption of SharePoint as a DMS in their organizations, participants prioritized several important feature requirements and capabilities:

- **Confidentiality management and access control**
- **Ease-of-use for lawyers**
- **Microsoft Office integration**
- **Search speed and configurability**

While SharePoint already provides these capabilities to some degree, many firms expressed the need for some enhancements, along with a desire to further validate that the technology is ready to smoothly integrate within their particular environments. As with any new technology, IT is concerned about user adoption and experience. In this case, the potential to impact lawyer document management practices triggers understandable caution — even positive change can impact short-term productivity and create unexpected headaches.

## Toward a More Perfect SharePoint

Law firm IT and business environments are unique. To maximize SharePoint adoption and success in legal environments, the Law Firm SharePoint Consortium has identified areas relating to infrastructure, functionality and integration that must be addressed. These include:

- **Taxonomy.** Working toward a deeper understanding and mapping of the product's information management capabilities to law firm standards and practices. Issues under consideration include suitable approaches and best practices for structuring the organization and relationship between SharePoint site collections.

- **Functionality.** Law firms have already identified specific information management in SharePoint tied to issues such as mass movement of documents connected with lateral lawyer movement, records management and legal holds. This group is tasked with identifying, analyzing, prioritizing and developing response guidelines related to product functionality (e.g., best practices or product enhancement requirements).
- **Information Security.** While SharePoint provides native security capabilities, additional enhancements are needed to address law firm business cases (e.g., "explicit deny"). Similarly, the product must provide adequate support for standard, third-party external confidentiality and ethical walls management technology.

In addition to user experience, the other key area of concern identified by the consortium (as well as other law firms) when considering broader use of SharePoint as a document management system is information risk management. With so much sensitive client and firm information stored centrally, and tools like search bringing greater visibility, organizations must take steps to ensure that suitable confidentiality and compliance protections are in place and effective.

## MORE INFORMATION ON INFORMATION RISK

Law firms must closely manage and track internal access to client information for many reasons. Today, traditional drivers like ethical screens are increasingly overshadowed by client mandates for restricting secured matters with internal confidentiality walls and by regulatory rules mandating strict privacy protections (e.g., HITECH/HIPAA, ITAR, state and international data privacy laws). Additionally, rules like the EU Market Abuse Directive require more detailed tracking and reporting on lawyer and staff access to sensitive financial information.

Today, with issues such as WikiLeaks and law firm-related insider trading incidents making news, clients take a greater interest in how their law firms treat their sensitive business information. In the past, representations of professional responsibility and diligence were enough to answer external challenges. But today the world has changed.

Consider one recent example of (alleged) insider trading

by a lawyer that made headlines this year. Exercising what might be called “prudent criminal caution,” the lawyer did not check out any sensitive documents. Instead, he relied on the ability to view document titles and metadata in the firm DMS.

In situations like this where client information is misused or accidents occur, clients and firms risk fines, damage to their reputations and other repercussions. The net impact is that clients are increasingly reviewing firm compliance capabilities as part of RFP processes and promulgating stricter outside counsel guidelines, which have been known to even include audit rights.

In response, law firms continue to enhance their internal capabilities to address these requirements in order to keep up with their peers and industry standards. Some are going as far as to pursue external ISO 27001 certification of their information security management systems and practices. But certified or not, from an information risk management perspective, firms need to be able to:

- Enforce proper access controls and restrictions
- Maintain audit trails to demonstrate compliance, including not only a record of security, but also the “human” side of the confidentiality lifecycle (internal notifications and policy acknowledgements)
- Monitor user behavior to trigger a “red alert” when suspicious activity could indicate a potential problem (data leakage, impending lateral departure, etc.)

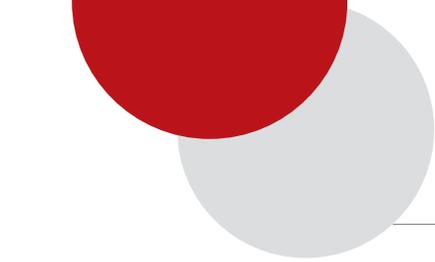
- **Infrastructure.** Assessing SharePoint hosted and cloud models (SharePoint Online/Office 365) and analyzing each approach for law firm environments. Identifying other infrastructure parameters such as storage, access and latency requirements.

- **Integration.** Law firms commonly pursue a “best of breed” application strategy. Business process efficiency depends on the ability to communicate data with external applications and interface with automated provisioning solutions. This group focuses on data access, API and integration requirements.

- **Business Considerations.** Identification and exploration of non-technical issues related to the adoption and success of SharePoint as an enterprise content management solution. Topics of focus include: Economics (migration and ongoing TCO), user adoption experience and strategies, process and change

management, and Microsoft and third-party vendor ecosystem support.

Some of these areas can be managed by configuration choices, others by the use of third-party software, and some will require continued product enhancement by Microsoft. However, all firms looking to SharePoint will benefit from considering these issues, understanding the specific priorities and requirements they face in their environment, and developing a plan that leverages the knowledge and experience of their peers. **ILTA**



## SHAREPOINT AND INFORMATION RISK

On a technical level, one of the most pressing issues any firm looking to use SharePoint for document management must address is the ability to enforce restrictions regarding access to sensitive information. Presently, SharePoint does not possess an “explicit deny” security capability. What this means is that there is no intrinsic way to affirmatively exclude named individuals or groups from accessing specific information.

The net result is that any organization moving from a traditional DMS will be unable to migrate and enforce their ethical walls and information barriers, leaving that information open and accessible. Because client requirements and professional rules often mandate these restrictions, the lack of this feature has delayed SharePoint adoption. In many instances, firms have hundreds if not thousands of such access restrictions and walls which must be maintained. It’s vitally important that any IT department pursuing SharePoint as a DMS explore these ramifications with the firm’s risk stakeholders to understand and map the new technology to existing requirements.

## CAN WE SHARE A LITTLE LESS?

One information security option available to firms is moving to a ring-fenced model where the DMS is closed and matter information is only accessible to designated team members. While a few firms have adopted this approach within their existing document infrastructure, it runs counter to widespread firm practices that focus on collaboration and knowledge management.

Another option is to define unique membership groups on a per-matter and per-site basis, excluding walled or screened users. However, in practice, the complexities and permutations involved in this approach make it unfeasible at any practical scale.

Instead, in practice, firms are looking to external software solutions to work around the native security challenges in SharePoint. By leveraging centralized, automated security enforcement, organizations can effectively work around the lack of “explicit deny” security by creating and maintaining dynamic access groupings. So long as information is properly classified and stored, access controls remain enforced and transparent to end users, including via native SharePoint or external search tools. Confidentiality software also provides the added benefit of addressing other information risk management requirements including notification, logging, audit trails and abnormal activity alerts.

## KEEPING WHAT MATTERS IN “SITE”

While technical challenges exist, industry excitement over the potential of SharePoint continues to grow. In consortium sessions, several CIOs remarked that the ultimate aim of IT

is to make lawyers more productive by making technology more transparent. Said Matt Kesner, CTO of Fenwick & West: “Document management takes up too much time and energy for the lawyers. It needs to fit into a matrix of other familiar interfaces, like SharePoint and the browser, rather than be its own distinct application.”

And in the context of information risk management, SharePoint offers net benefits to law firms. For one, by centralizing information, it provides a path to simplified information management and governance. As Jan Durant, head of IT at Lewis Silkin remarked, a move to SharePoint offers “a good opportunity to re-look at policies and document profiles put in place five years ago. In today’s world, five years is really a long time.” Another CIO echoed similar thinking in that document management should just happen in the background; compliance should be built into the fabric of what we already do.

By taking the right approach to organizing and securing content in SharePoint, collaborating with peers to accelerate the development of best practices, and leveraging external technology designed to assist, law firms can make document management, knowledge management and compliance much more transparent to end users while keeping risk in check. **ILTA**