

## Five Things Legal Teams Should Look For in a Cloud Services Provider



After several years of proving its viability through major litmus tests, such as security and cost-effectiveness, storing data in the cloud has now become mainstream in the legal profession. A survey found that 56 percent of Am Law 200 firms now use some form of cloud computing<sup>1</sup>, and a June 2017 report in Legaltech News proclaimed that for law firms and corporate law departments alike, “cloud adoption is approaching a tipping point.”<sup>2</sup> Instead of being stored directly on a firm’s network or an employee’s personal device, cloud-based data is stored on high-capacity servers owned by a cloud services provider and made accessible via the internet. If one server fails, the operation moves to another server maintained in the provider’s secure data centers with little downtime or business interruption.

“**...for law firms and in-house law departments alike, cloud adoption is approaching a tipping point.**”

With in-house counsel, law firms and outside service providers mobilizing to deal with the data security threat confronting the legal industry<sup>3</sup>, legal professionals are increasingly embracing the idea of working with a trusted cloud services provider and moving to a hosted model for managing litigation software and data. “The same way that your money is probably safer mixed up with other people’s money in a bank vault than it is sitting alone in your dresser drawer, your data may actually be safer in the cloud,” says Quentin Hardy, deputy technology editor for The New York Times. “It’s got more protection from bad guys.”<sup>4</sup> The idea behind the hosted model is that a customer (e.g., a corporate law department, law firm or litigation service bureau) contracts with a technology company to obtain an environment for securely hosting litigation software and

discovery data. The cloud services provider takes responsibility for providing 24/7 access to all software applications and data, and the best providers will do so with a “private cloud” delivery system that integrates with all applications, regardless of the product or software vendor.

## What to Look For

Here are five key things for your team to look for when selecting a cloud services provider to host your legal software and data.



**Industry experience.** As more businesses have shifted their strategy to work with a cloud services provider, new vendors have started popping up weekly. At the same time, large established tech companies

have sensed a business opportunity in legal and ramped up their marketing efforts in the industry. “Look for a partner with a track record of success in the industry – one that has successfully provided cloud services to customers of all sizes,” suggests Business News Daily. “Take a look at prospective partners’ customer lists and ask for references.”<sup>5</sup> The ideal provider has many years of experience managing large amounts of legal industry data. For example, if your chain of custody is challenged, your cloud services provider should be able to confidently testify with credibility that all links of the chain were intact during their handling of the media.

“**Look for a partner with a track record of success in the industry – one that has successfully provided cloud services to customers of all sizes.**”



**Security capabilities.** In the aftermath of a series of high-profile data breaches<sup>6</sup> in the legal industry in 2016, safe litigation data management should be a paramount considerations when selecting a

cloud services provider. Look for a partner that operates dedicated servers at secure, state-of-the-art data centers, managed by trained data security professionals.

In addition, global industry standards can provide important third-party validations that litigation data is being hosted in secure, highly available, certified data centers. Make sure that your partner has crucial third-party certifications, such as ISO 27001 certification for security and ISO 9001 certification for processes, as well as other certifications, such as SSAE16, SOC 1, AT101, SOC 2 and 3, and ISO 23001. If your firm handles data in the EU, you should seek providers that are updating to Swiss-U.S. Privacy Shield and the new General Data Protection Regulation (GDPR) regulations.



**Scalability.** Another factor to consider is whether the cloud services provider is able to scale up or down as needed by your firm. Your team members should be able to work within their preferred litigation

support environment and scale up if needed by picking up the phone and adding capacity with your cloud services provider. “The dramatic increase in the volume, variety, and velocity of data has prompted service providers to seek new, massively scalable storage architectures,” reported HPCwire.<sup>7</sup> “[This] can help service providers support the growing demand for data storage while achieving new levels of performance, reliability and scalability.”



**Disaster recovery expertise.** Most corporations and law firms have taken steps to assure business continuity and to recover from emergencies. However, most of the accumulated knowledge in the area of disaster

recovery is associated with catastrophic business disruptions, such as the death of a partner, a major fire or weather event, or a building security emergency. In today’s enterprises, a more probable business disruption is actually an IT disaster from which the company or firm must quickly recover, such as a data breach or a network outage.

Disaster recovery planning is a critical objective, and working with the right cloud services provider can turn this risk management challenge into a powerful weapon in your firm’s arsenal. Look for a hosting partner that employs a broad team of technology, security and data management professionals to keep your firm’s data safe and instantly accessible to your team when needed.



**Cost savings.** According to CIO Magazine, 88 percent of corporate cloud users have experienced cost savings and 56 percent agreed that cloud services have helped them boost profits. Moreover, 60 percent

said cloud computing “has reduced the need for their IT team to maintain infrastructure, giving them more time to focus on strategy and innovation.”<sup>8</sup> Working with the right cloud services provider can lead to significant cost savings in litigation support by eliminating a variety of hardware, software and infrastructure investments a firm would otherwise need to make. However, it is important to evaluate the total cost of ownership when evaluating potential hosting partners, including hidden factors, such as storage and data



transfer fees. These types of cost considerations can make all the difference in maximizing ROI by moving to the cloud.

## Looking Forward

The legal industry's transition to the cloud is now beyond the tipping point, as corporate law departments and law firms of all sizes realize the significant benefits that can be achieved by moving to a hosted model for their litigation software and data. However, it is crucial to look for the right things and to select a cloud services provider with the necessary industry experience, capabilities and technical expertise to deliver the best results for your organization.

---

## Connect With An Expert

**Matt Coatney**, Vice President of Technology Operations  
937.266.7409 | [Matthew.Coatney@hbrmts.com](mailto:Matthew.Coatney@hbrmts.com)

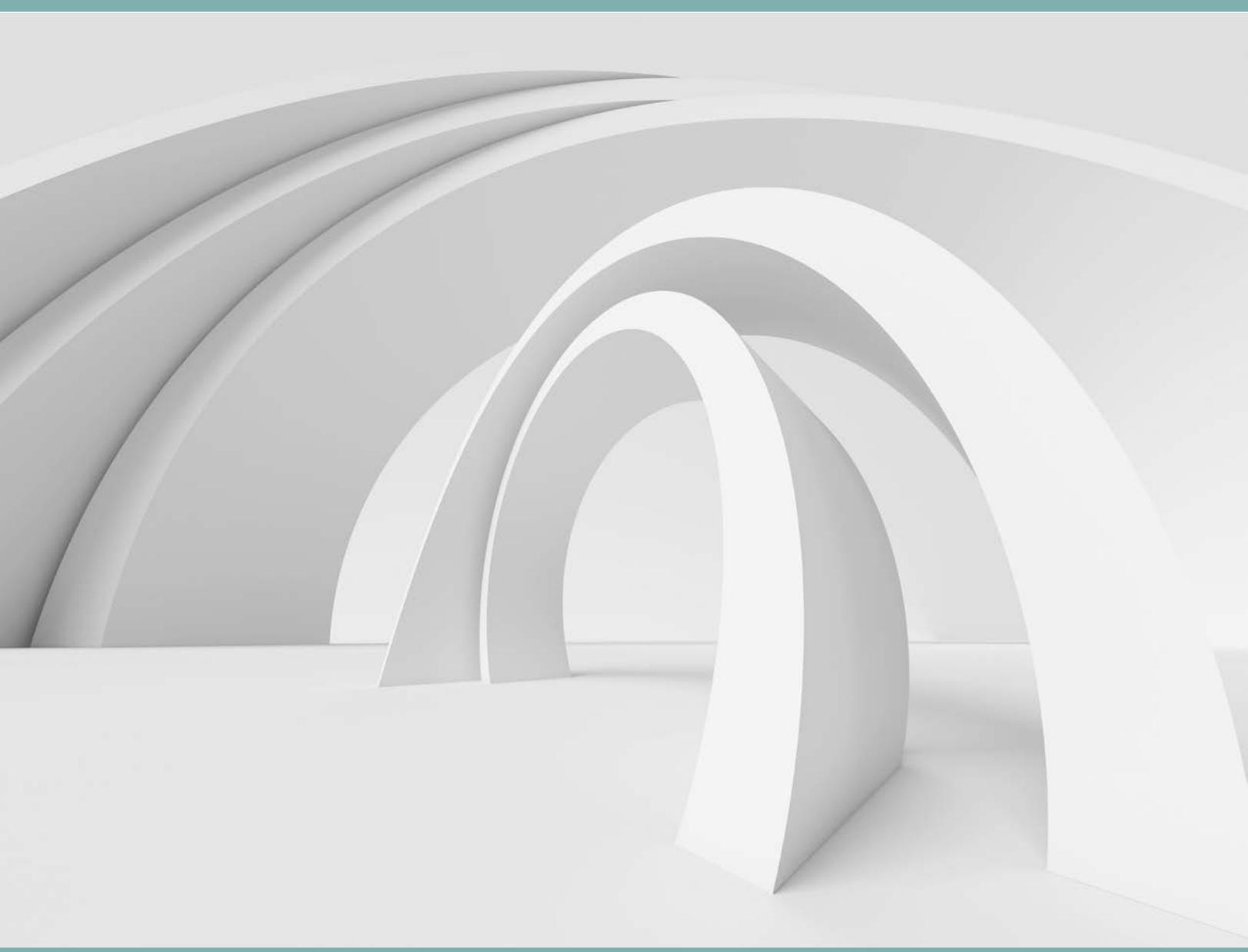
---

## Sources

- <sup>1</sup> “Law Firms Moving to the Cloud,” Olmstead, John W. Olmstead & Associates. February 14, 2017.  
<https://www.olmsteadassoc.com/blog/law-firms-moving-cloud>
- <sup>2</sup> “E-Discovery Research Reveals a Focus on Cloud Adoption, In-Sourcing and Client Service,” Kaplan, Ari. Legaltech News. June 27, 2017.  
<http://www.legaltechnews.com/id=1202791374350?slreturn=20170819163356>
- <sup>3</sup> “4 Cyber Threats Confronting Law Firms and Corporate Legal,” Teague, Daryn. LexisNexis Business of La. February 4, 2015 <http://businessoflawblog.com/2015/02/cyber-threats-law-firms/>
- <sup>4</sup> “Where Does Cloud Storage Really Reside? And Is It Secure?” Hardy, Quentin. The New York Times. January 23, 2017.  
<https://www.nytimes.com/2017/01/23/insider/where-does-cloud-storage-really-reside-and-is-it-secure.html>
- <sup>5</sup> “5 Things to Look for in a Cloud Service Provider,” Brooks, Chad. Business News Daily. November 13, 2013.  
<http://www.businessnewsdaily.com/5440-5-features-the-best-cloud-services-companies-offer.html>
- <sup>6</sup> “Law Firm Data Breaches: Big Law, Big Data, Big Problem,” Allen, Kathryn T. The National Law Review. January 11, 2017.  
<https://www.natlawreview.com/article/law-firm-data-breaches-big-law-big-data-big-problem>
- <sup>7</sup> “Service Providers Achieving Massive Scalability with Object Storage,” D’Cruz, Mario. HPCwire. January 5, 2017.  
[https://www.hpcwire.com/solution\\_content/hpe/media-entertainment/service-providers-achieving-massive-scalability-object-storage/](https://www.hpcwire.com/solution_content/hpe/media-entertainment/service-providers-achieving-massive-scalability-object-storage/)
- <sup>8</sup> “How Cloud Computing Helps Cut Costs, Boost Profits,” Olavsrud, Thor. CIO. March 12, 2013.  
<https://www.cio.com/article/2387672/service-oriented-architecture/how-cloud-computing-helps-cut-costs--boost-profits.html>

MANAGED TECHNOLOGY SERVICES

an HBR Consulting solution



Managed Technology Services LLC (MTS) is a trusted data-hosting service provider to the legal industry. A leader in infrastructure and cloud hosting services, we maintain data and applications with the highest level of security standards. For over a decade, our team of MTS experts have collaborated with clients – including 25 percent of the Am Law 100 – to manage infrastructure, systems performance, cost and risk.