

A photograph of a cityscape at dusk or dawn, with several skyscrapers visible. In the foreground, a large, green-patina lion statue is shown in profile, facing left. The sky is a mix of blue and orange.

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15 Ways to Prepare for Your 3E Implementation

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You can jump start your 3E® implementation by devoting some time to advance preparation even prior to meeting with your implementation team. No matter what system you're migrating from, and no matter the profile of your firm, there are some basic decisions to be made during any 3E implementation.

1. First, consider your business goals and drivers. Where do you want the firm to be in the next 5 or 10 years? Are you planning to open new offices, merge with others, enter new global markets, or be listed in the top X% of American or global firms? Do you want the firm to become more paperless with fee earners having direct access to data? All of these decisions can impact how to set up a financial system that will assist with taking you to the next level of growth.
2. To achieve these goals, envision your ideal financial processes: something that fills the gaps in your current system, automates manual processes, and addresses your plans. Determine if your firm is interested in deploying automated workflows, such as new business intake, billing reviews, write-offs, purchasing and approvals, etc. Create a draft of how your current processes flow and how you think the improved processes should flow to support your policies, including any desired options for escalation, approvals, tracking, and follow-ups.
3. Inventory your reporting requirements. Gather samples of your current financial and management reports that will need to be replicated in 3E. It is especially important to include any reports that have been customized or developed specifically for your firm. Once the inventory is completed, determine who the users are, if the reports are actually in use, and if there may be a better way to provide the data to the user. Many firms develop a number of customized reports over a period of years and take this as an opportunity to identify reports which may be retired.
4. Highlight reporting gaps. In order to make sure that 3E is configured to fill all of your reporting needs, document any reports that you're not able to obtain from your current system.
5. Determine the ideal method to deliver data to management, partners, associates, and staff. Can they access data directly and be self-serviced? If so, then an intelligent dashboard should be deployed. If they are to be limited to specific data, then dashboards, reports, and notifications can be utilized. The strategy on how to deliver information to the users is a key decision that will help to facilitate growth.
6. Have billing samples. Gather samples of your current proforma, bill, and credit note templates. Be sure to include, or at least be able to discuss, any format requirements specific to a particular office or practice group. If your firm is multi-national, then consider language requirements and local statutory requirements related to currency, exchange rates, etc.
7. Document any automatic notifications generated by your current system that you wish to retain in 3E and any others that you would like to deploy.

8. List all integrations to third party applications and document load file requirements. Determine from what systems 3E will need to send or receive data. Examples include cost capture and expense reporting, document management systems, human resource providers, banking interfaces, etc. Confirm data load configuration requirements for any applications that are to receive data from 3E.
9. Develop a matrix of bank accounts. Create a simple list of all of your active bank accounts. It should include bank names and addresses, check templates, account numbers, and purposes (such as operating accounts or trust accounts). If there is historical data that should be retained in the new system, then include the historical banks' information in a similar list.
10. Draft your user roles. Think about how your staff should be grouped for system access purposes. You'll probably want to develop roles for billing staff, accounts payable, ledger accountants, supervisors, office administrators, etc. Determine what functions all users in each group should be able to access and which should be limited to specific individuals. A good example would be bill or payment reversals. Will your practitioners and secretaries be limited to viewing information on their own clients, their own practice group, office, etc.? 3E security is very robust. The key to setting security is ensuring that internal controls and ethical wall requirements are satisfied, while users have ample access to guarantee efficient processes.
11. Develop your internal teams. You'll want to identify a core team of individuals and additional subject matter experts for each of your major roles, such as billing, accounts payable, conflicts, collections, reporting, trust, etc. These individuals should represent these roles during the strategy sessions with your implementation team to ensure that all requirements are communicated. They then should lead your internal testing teams. Additionally, you'll want to appoint technical leads from your IT department to address infrastructure concerns, as well as those individuals who will represent management during the implementation.
12. Begin compiling lists of fee earner rates and unique billing situations that will need to be continued in 3E. You should address these situations with your implementation team during strategy sessions and ensure that they are factored into user testing plans.
13. Explore general ledger structure. How should 3E capture and report ledger activity? Is your firm set up with multiple legal entities? Is your current ledger account structure adequate, or have you been looking for the right time to restructure your ledger? What are your reporting currency requirements and Tax/VAT reporting requirements? What are your plans for expansion?

14. Prepare your data. What data will need to be converted from your legacy system? Some firms have a need to convert all data since the inception of their legacy system, while others limit the amount of history to a certain number of years. Will any data need to be reconfigured? For example:

- Data brought into the system as a result of a merger (which should now be made consistent)
- The amount of non-billable history to be converted, time and cost details on paid invoices, etc.
- Mailing address information. Converting addresses with different formats is a time-consuming endeavor that is open to errors. Can a standardized format be applied, and current address information updated for current matters and clients?

15. Additionally, it is highly advised that your current system be in balance prior to your test conversion. Follow the application vendor's balancing procedures and investigate/correct any system imbalances. Compile lists of any custom or user defined fields in your current system. Your implementation team will guide you in determining if these fields are still relevant in 3E and how to best handle the conversion.



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Jim has a wide background working with law and other professional services firms to select, implement, and optimize their financial systems.

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