BUILDING A TECHNOLOGY BUDGET

BUILDING YOUR BUDGET

Whenever you spend a lot of money or buy many different things (which may or may not add up to a lot), the best first step is to create a budget. For example, here's a screenshot of a sample budget.

Your Firm Budget

Description	Quantity	Unit Price	Subtotals	Grand Totals
Computers				
Notebooks: Dell Latitude E6430 notebook computers - includes dual 23" monitors, docking station, 3 yr/next business day/on-site warranty and 3 yr accidental damage protection, DVD/RW, webcam, backlit keyboard, fingerprint reader for security, bluetooth, Microsoft Office and Adobe Acrobat XI	2	$2,319.58	$4,639.16	
Desktops: Dell OptiPlex 7010 desktop computers - includes dual 23" monitors, 3 yr/next business day/on-site warranty , DVD/RW. Do not include MS Office because they won't leave the office.	1	$1,458.02	$1,458.02	
Services: Computer set up & configuration - fix defaults with Windows 7 and MS Office, download all updates to Windows & Office, install antivirus software - go through 8 page checklist on each computer.	3	$300.00	$900.00	
Delivery & Installation: Deliver all new computers and hardware at your office, setup & install everything (computers, scanners, VOIP phones, and iPads); answer any questions; make sure everything works properly. FLAT FEE PER DAY	1	$1,650.00	$1,650.00	
Computers Total:			$8,647.18	$8,647.18
Tablets				
iPad w/ Retina Display 64 GB Black - Wi-Fi only (www.amazon.com)	2	$672.95	$1,345.90	
Anker® Ultrathin iPad Bluetooth Wireless Keyboard Aluminum Cover with Stand for iPad	2	$35.99	$71.98	
Tablet Total:			$1,417.88	$1,417.88

If you build your budget in a spreadsheet (Excel, for example), you can play with quantities and prices to see how changes impact the total. This process also helps you think of every possible thing you will need. Surprises can ruin budgets, so writing it all down avoids them while providing a realistic idea of the overall cost.

SAVE MONEY, BUT DON'T BE CHEAP

SOME THINGS ARE WORTH THE PRICE

Quality, reliability, and performance, in that order, should be frontmost when purchasing business technology. Spending more money for known quality avoids frustration and unexpected failure. For example, if you spend 10+ hours a day in front of a computer, buy an enjoyable one. Faster processors, lighter laptops, bigger monitors, and nicer keyboards cost a little more. If you're talking about something you use constantly, every day, then remove it as a cost-cutting target. Getting the best possible deal on high-quality technology beats buying underpowered, under-performing technology to save a buck.

CHEAP SOFTWARE REQUIRES PAINFUL TRADE-OFFS:

Every law firm relies heavily on email, calendaring, and contacts. One can reasonably debate whether Microsoft 365 or Google Workspace best fits the bill. Both choices are backed by large companies accustomed to timely and consistently meeting the needs of thousands of businesses that depend on them. While affordable, they are not the cheapest game in town. But for these tools, dependability is priceless.

A few years ago, we worked with a firm that didn't want to spend money on legal industry standards like Microsoft 365 and Google Workspace. They went with open-source software instead. Open-source means that they paid nothing for the software.

Open-source software possesses three prominent characteristics. The program's code is available for anyone to examine and modify. Many good programmers spend countless hours improving the software for free. Anyone can download and use the software for free. Open source has distinct advantages. For example, being able to read the code means security vulnerabilities and backdoors are much harder to conceal. It also has flaws. Free software often has only limited volunteer support. While it's nice to pay nothing for software, that also means that there's no one to call for technical support.

Open-source software is less likely to "play well" with modern firms' full cross-section of hardware devices. By contrast, Microsoft 365 worked with nearly all web-based and server-based legal practice management systems. Google's Gmail works with many web-based systems. Every Windows and Mac computer, every Android or iOS tablet, and every Android and iOS smartphone wirelessly sync with Microsoft 365 and Google. Document management programs all integrate with Outlook. Adobe Acrobat has an incredible integration with Outlook. The list goes on. The result of this open-source money-saving strategy for the firm in question was that users hated the feature-deprived email software. It linked with nothing else they used, and no one could get their email, calendar, or contacts from the free email software to sync with their tablets or phones.

You can get free office suites, including word processors (*e.g.*, LibreOffice or OpenOffice) and free PDF creation programs (*e.g.*, CutePDF). However, they're not the legal-industry standard; they have non-existent technical support and integrate/link with nothing else. In short, they're just not worth it.

WAITING FOR TECHNOLOGY TO DIE IS THE WORST WAY TO UPGRADE
Many law offices use their existing technology until it dies. This is a bad idea for the following reasons:

DATA LOSS
Using anything until it no longer works often means there is no opportunity to transfer data, programs, etc. from the old device to the new one. Transferring data while the old one works is much easier than restoring data from a dead device onto a new one.

NO TIME TO RESEARCH
If someone's computer just died, you don't have time to conduct much research to ensure you're getting the best replacement technology at the best price.

NO TIME TO WAIT FOR SOMETHING TO SHIP
You generally find lower prices online than from brick-and-mortar vendors. However, if the technology is mission-critical, you might not even have time to wait for something to be shipped to you (or built and shipped to you like a custom computer configuration). Instead, you'll have to go to the nearest store and buy whatever they have in stock, regardless of whether it's appropriate for your use or your office.

NO TIME TO NEGOTIATE
If you're buying more than one of anything, you can negotiate the price better. If you purchase everything one at a time as old technology dies, then you give up that leverage, and you pay more.

END UP WITH A HODGE-PODGE MIX OF TECHNOLOGY
Problems with having a mix of technology include the following:

- It's more expensive to maintain computers of different types/brands/models bought at different times than to maintain a set of identical computers.
- Users can't easily help each other if your office uses Office 2019, 2021, and 365.

- You must always keep five different toner cartridge refills if you have five different printers.
- If you haven't upgraded software in a long time (5 years or more), it may no longer be supported by the manufacturer, which means you don't have any technical support options.