NEW TECHNOL

HELPS THE STATE BAR SERVE MEMBERS BETTER,

OGY

FASTER

By James C. Horsch and John T. Berry

Introduction

The State Bar of Michigan has targeted the application of information technology to improve operations and automate functions currently performed manually. The primary motivation to do this has been to provide better service to members and to reduce the internal cost of processing transactions. The State Bar's Strategic Plan, updated and approved by the Board of Commissioners on June 10, 2005, included the following strategy:

Goal 6.4—"Harness information technology to reduce manual processing, reduce transaction cost, and improve service to members and the public based on strategic plan priorities."

New Applications

During the past year, resources were allocated to change the way the State Bar does business in the following areas:

- Election processing
- Dues billing and dues payment processing
- Updates to member record information
- Registration for State Bar events, conferences, and seminars
- Purchase of publications and SBM-branded merchandise

Election processing has already been installed and is operational. At the time of this writing, the other applications were expected to be operational by September of this year.

Voting in State Bar Elections

Historically, contested elections for the four organizations handled by the State Bar—the Judicial Tenure Commission, Board of Commissioners, Representative Assembly, and Young Lawyers Section—were conducted entirely by paper ballots and manual processing. Paper ballots, prepared and mailed to all eligible voters prior to voting, had to be returned and tabulated in a very short timeframe each June. The vision of former State Bar Executive Coordinator Glenna Peters, who was responsible for the election process, was to move this processing into the 21st century by applying information technology.

As a result, a number of election service companies were identified and a Request for Proposal (RFP) was prepared to solicit bids for the State Bar elections using Internet and telephone voting. After extensive review and analysis, the firm of VR Election Services (VRES) was selected to be the State Bar's election service provider. VRES has been in this business for over 20 years, and assures a high level of information security in the process. It also has procedures that ensure votes are counted only once. VRES was charged with distributing all ballots, providing a means to allow voters to vote using the Internet or paper ballots (telephone voting was not used the first year), tabulating all votes, and certifying the election results.

The State Bar had to propose changes to the Supreme Court rules to allow electronic voting, and establish a link on its website to redirect voters to the VRES secure voting site. When ballots were mailed this past June, voters were given a personal identification number (PIN), known only to the voter. To access the voting website, voters entered their P number and PIN, and were provided with those races they were eligible to vote in; candidate biographies could be accessed via an HTML page on the website. Voting was accomplished online, and the system immediately validated that the voter voted for the appropriate number of candidates—something that can't be done with paper ballots. This real-time validation reduces the number of spoiled ballots.

Of the 12,921 votes cast in the June 2005 State Bar of Michigan election, 3,844 (approximately 30 percent) were cast via the Internet. This was higher than our expectations for state bars converting to Internet-based voting in the first year. The advantage of Internet voting is that members do not have to pay return postage. Over time, the State Bar

will save money in processing and handling costs, and in postage costs because eventually ballots and candidate biographies will be distributed online instead of by mail. In summary, the election process is now faster, easier, and more efficient, and we look forward to lower election processing costs in the future.

Electronic Commerce (e-Commerce) Applications

The State Bar staff processes a number of routine member transactions, including member dues billing and payment; registration and payment for SBM events and conferences; ordering of and payment for books, publications, and merchandise; and updates to address and contact information in the member record. Previously, these transactions were handled via transmission by paper and manual entry into the State Bar's Integrated Member Information System (iMIS) and by manual processing of payments by the finance department—an inefficient way to capture information a single time at the source of the transaction. A number of staff members envisioned a process where members could interact directly with our website and accomplish these transactions online; data would be fed into iMIS and processed without any manual intervention or double-handling of information.

As a result, a feasibility study was completed by Will Kramer, Manager of Information Systems and Technology, that identified the costs, benefits, technical feasibility, and resource requirements of e-Commerce installation. For fiscal year 2005, the State Bar Board of Commissioners approved a budget to fund installation of the e-Commerce modules provided by iMIS (with appropriate modifications) to allow members to perform these transactions online through the State Bar website, and allow for automatic integration into iMIS. A cross-functional project team was formed to accomplish the installation of the e-Commerce capability. Will Kramer led the entire team, and team leaders were assigned to lead the development and implementation of each e-Commerce module. A steering committee provided oversight to the project (see sidebar). The project team

was given responsibility to accomplish the scope, budget, schedule, and functionality agreed to by the steering committee.

The project team prepared an RFP and solicited bids for module installation and software modifications, and RSM McGladrey was selected as the e-Commerce vendor. A detailed project plan and schedule was prepared, and the project team worked closely with the vendor on the detailed specifications and functionality expected and to ensure that the process was secure. The project began in December of 2004 and was completed and operational in September 2005.

One hurdle for all e-Commerce applications was the lack of a common access point for members to enter transactions and pay for services in a secure environment. The SBM website was modified to include an e-Commerce access point, and members were provided with a means to access the system, create a password, and conduct transactions.

Online Dues Billing and Payments

Previously, all billing was handled through the mailing of dues statements. Members could mail their statements back with a check or credit card number, or fax them with a credit card number. The State Bar now has the capability to allow members to go online and pay for their dues, as well as select and pay for sections, verify preferences and contact information, answer required disclosures, electronically sign the form, and pay by debit or credit card.

The advantages of this capability are: 1) reduced transaction processing cost (no manual intervention); 2) reduced future printing and mailing costs (in the future, members will be able to elect to receive online e-mail notification that their dues statements are ready online); 3) reduced cost to members (no postage stamps needed to mail their payments); 4) quicker processing and turnaround time (members receive their State Bar cards quicker); and 5) fewer errors, because validation will be online at the source of the transaction. The cost of credit card service fees are expected to increase to the State Bar as more members eventually pay online, but this will be offset by the benefits already noted.

We expect the users of this service to be those who currently use a credit card number to pay and those who have active e-mail addresses, and we expect at least 20 percent of dues to be paid using the online payment method for the 2005–2006 fiscal year.

Online Member Records Update

Previously, State Bar members submitted changes to their membership database record, including changes to address, phone number, e-mail address, company and job title, and other information. These changes

were typically submitted by mail, fax, and e-mail, and required a member records clerk to process the record change into iMIS. With the e-Commerce implementation, members can go online and make their own member record changes. Changes to the database will be immediate and require no manual intervention.

Advantages of the new process include: 1) less opportunity for errors because the transaction is handled one time and at the source; 2) quicker updates, as lag time in processing will be eliminated; and 3) eventually the need for less staff time and fewer resources in this activity.

Online Meetings Registration

The State Bar provides various events, meetings, and conferences (section conferences, Annual Meeting, Bar Leadership Forum, Golden Celebration, training sessions, etc.), usually requiring registration information and payment by members. Previously, this process was manual and registrations were handled by mail or fax and processed into iMIS by State Bar staff. With the implementation of e-Commerce, members can register online for events and conferences, and pay for the cost of the event by credit or debit card. They can also request name badges and special arrangements.

As with member records updating, the advantages of this module include the need for less staff processing, less potential for errors with online validation, quicker processing, and immediate confirmation to members of their registration.

Online Storefront

The State Bar sells directories, merchandise with the State Bar logo, books, pamphlets, and periodicals. Previously, orders were taken by mail, fax, and phone, and processed into iMIS by State Bar staff. With the e-Commerce implementation, members can go onto the SBM website and order any of these items and pay for them by credit or debit card, 24 hours a day. The system will notify staff that an order was placed and paid for, and the order will be packed for shipment to the member.

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Again, advantages include quicker order processing and receipt by the member, less staff processing time, and less potential for errors in handling the order.

Awareness Campaign

To ensure that members are aware of the new online technology available at the State Bar, an awareness campaign has been developed to communicate these new capabilities to members and to encourage their use. Naturally, over time, it will be advantageous for more members to avail themselves to this electronic interface.

Future Applications of Information Technology Being Considered

There are a number of additional areas of State Bar operations where information technology and e-Commerce can be applied in the future, including:

- New member application and interface with Board of Law Examiners/courts
- Character and fitness process
- Dues payment for affiliates
- Online lawyer referral

We will continue to aggressively seek ways to apply technology to automate and streamline processes.

Summary and Benefits of New Technology

It is important that the interface with members is not simply automated in a way that "paves the cow path," but improved in a way that truly re-engineers the method in which the Bar does business; for example, capturing information electronically one time and at the source, rather than handling paper several times in the processing chain. This not only helps drive down processing costs, but also substantially reduces or elimi-

nates the potential for error. The State Bar of Michigan is taking its stewardship to members seriously in this regard, and is responsibly employing process changes and enabling technology to better serve its members.

If you have not yet used the new system, we encourage you to do so by logging on to http://e.michbar.org. We look forward to your comments and feedback as you use the new e-Commerce capability. ◆

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