

What's happening at Worldox?

BY JONATHAN WATSON



If you've been a Worldox client for more than 20 years, you're in luck! The firm would like to buy you lunch. Its president Ray Zwiefelhofer tells Jonathan Watson about his plan to feed hungry law firms.

What's changed the most since Worldox got started in 1988?

We have over 6,000 customers in 52 countries – mostly law firms and corporate legal departments – and we're seeing a much tighter focus on security and mobility. They have always been big issues, but it's only relatively recently that they have really come to the forefront.

Firms are more interested in document archiving and retention – in removing unnecessary items from the database that can be safely archived or deleted for compliance reasons. Worldox has a very advanced ethical wall module that allows you to lock the cabinets down to a very fine level. Law firms are now picking up on that and making more use of it.

Another point worth noting is that when Worldox was designed 25 years ago, there was really no email. We were all document managers then. This means that many customers who bought our software years ago still have

author-based rather than matter-centric systems. Worldox has been matter-centric all along, but it depends on how you design the cabinets. So we are working on educating our customers on the need to redesign their profile groups, their cabinets, their databases, so that their systems are more matter-centric and work better with email and all types of content.

The key challenge of mobility is that one way or another, attorneys will take their documents with them. They are going to work how they work. If the firm does not provide a secure means to get

that data to its attorneys as they travel or work from home, they'll find a back door. None of us wants that. So it's really up to us to educate that firm's IT staff on how best to share and secure documents through Worldox.

We have a good vantage point to assess changes in the market over the years, because our client base is very well established. The average tenure of the clients at our recent user conference in Phoenix, Arizona was 10 years, with a third of them going for 15 years or more, up to about 24 years. It's a very seasoned base and there is a real attention to them at Worldox – it's like no other company I've been at.

We have our work cut out, but you know what? We love work!

Is looking after existing customers more of a priority than winning new business?

There are 250 clients who have been with us for two decades or more, and the list is growing. We've started something new recently, which is to visit these clients in person and buy lunch for the entire firm. In some cases, I will go out there and have lunch with as many people as possible, and while they eat lunch, I run sessions on how best to use Worldox. While I do that, I can also alert them to new products we think might interest them. We show them what's new, we shake their hands and basically thank them for 20 years of business.

Of those 250 firms, over 30% have 100 or more Worldox users. If we can get through that list in the next couple of years, it's going to increase our revenue and our ability to upsell within those clients. We'll also be doing over 10 ILTA roadshows next year and over 22 US and international trade shows. We have our work cut out, but you know what? We love work!

What are you showing these clients?

In our new release of the software, GX4, we've really focused on usability.



For too long, software providers have added features every year without a high regard for usability. We have all been at fault in saying 'this is how it works'. Working on this last release, we felt that doesn't cut it any more and that we need to do things that are more graceful and user-friendly. We live in a world of iPads and Android devices where you just swipe and touch. With our software, it was primarily clicks and pop-ups. We've done our best to flatten our interface so that more things are available in front of you and you don't have to go out of your way to deal with unnecessary pop-ups.

Secondly, we are aiming to provide a higher level of security. Probably 99% of our customer base consists of on-premise installations. We do have a cloud solution, and a hybrid solution, but a lot of our clients are comfortable with the way things are. There is a higher sense of urgency for security, which is why we have announced our upcoming Worldox Encryption At Rest (WEAR) product. Thanks to this, all data will be AES 256 encrypted or higher as documents are opened and saved.

We are also seeking to do more with mobility, collaboration and sharing, so we have announced a strategic relationship with Workshare. We are utilizing and building in their Connect and Protect file sharing technology, and we're hoping this will be launched around the time of LegalTech New York in February 2017. The features include full mobile collaboration, secure sharing, meta-data scrubbing and device wipe management capabilities.

We're also looking to have our first Microsoft Office 365 add-in available early next year. It's in testing now. We see Office 365 as an intriguing platform choice for the years ahead and we're

investing in it heavily. The benefits you get for the cost of that platform are fantastic. Firms are not quite ready to throw everything away and go purely to 365, and 365 is not quite ready for law firms yet, but we will eventually be able to do some outstanding things with it.

Among our customers, 50% are still on Office 2007 and 2010. Another 38% are on Office 2013 and the rest are on 2016. So we have a 3-7 year window before firms move to that latest version en masse. Seeing what we can do with Office 365 is a key mid-term goal for us.

Will you be encouraging customers to do more with the cloud?

The cloud is great for a lot of things. We have hosted Microsoft Exchange; we use hosted spam filtering tools; and for collaboration platforms the cloud is fantastic. But our clients like the usability and the speed of response of the on-premise system. You will not get a cloud-based DMS that compares with Worldox.

We've had clients who have been with us for a long time, went over to a cloud-based competitor and within 6-8 months we've ended up taking them back. The main issues they found were the uptime and consistency; the time to download and upload documents; and the nature of the web-based screen to live in on a daily basis for document management compared to a more familiar client-based application.

Apart from pure cloud vendors, I think most of us are primarily in the business of selling software with the features and benefits people can use in their organisations. It can be hosted if they want, but first, they have to understand their architecture and what's best for their firm. Educate the customer, and if they're educated, they will be happy with the end result. ■