Freedman Consulting, Inc.
CHANGE . . . RESULTS . . . SUCCESS

2027 IS DIGITAL FILE YEAR

Ellen Freedman, CLM
@2026 Freedman Consulting, Inc.

This spring, I wrote the column "Creating and Maintaining Your Digital File." I started by pointing out that if your office currently works with primarily paper-based client files, you may not be sufficiently in compliance with RPC 1.6 (Confidentiality) and/or RPC 1.15 (Safekeeping Property). In addition, I pointed out that those with physical files spend significantly more; in terms of office supplies, wasted labor and storage costs. If that wasn't enough to get your attention, I pointed out that firms with physical-only files have a higher risk of committing the types of errors that may give rise to a malpractice claim.

One thing that we learned clearly during the pandemic shutdown was that paper-based files impeded representation when multiple people at the firm participated in the representation. As our workforce had to learn to work remotely, we discovered that digital files were more efficient, required less planning for remote work and enhanced the ability of multiple people to work on the same matter.

Paper isn't "bad" per se. But working on strictly a paper basis in a digital world makes no sense. If you prefer paper, print out all you want. Just make sure everything is digital as well. Here are the problems that today's only-paper based systems perpetuate:

- Where's the folder? When you are dealing with bulky paper files, your mobility is limited. How many times do we try to make sure we have the file ready to travel home with us, so we can work despite a predicted weather event; only to find out when we're snowed in the next day that a critical folder or two is missing? Or, recent documents have not yet been filed by our overworked assistant? As long as you depend on paper files, you will never be truly mobile.

- Gusset files have become increasingly expensive. Those greedy gusset files "consume" file folders, binder clips, paper clips, pens, note pads and reams of paper. They get stored in expensive banker's boxes. Storage space is limited in modern law offices. Storage units are being built everywhere to hold the excess. But legal paper requires more than the average storage unit in terms of climate, safekeeping, tracking, and retrieval ability.

- How much does the labor cost to get all the paper into the right files? With the cost of administrative labor escalating, and the shortage of applicants to fill vacant positions causing firms to continually increase the workload of those still employed, something must give. Ask any administrative assistant and they will tell you that getting caught up on the backlog of filing is delegated to last on the list.

- Look around your office. Look around the office of any other attorneys at your firm. How many piles of paper exist? How many stacks of gusset files? If that's what you see, don't dare tell me you know where everything is.

- Paper isn't easily shareable or searchable. Period. The paper in a single 5-inch gusset file may take an hour to sort through for something. It takes seconds in digital format. If the file is buried in a pile on your floor, credenza, wherever, your paralegal or associate may waste half an hour just to find it. And upon doing so, may make a "shadow" folder for his or her use, rather than dare remove an individual folder or the entire file. As a result, there may be parts of a file completely unknown to the principal attorney. This can and does result in advising clients based upon incomplete information. Malpractice risk escalates.

- Last, but not least, paper is fragile. It's vulnerable to water, fire, mud, misplacement and theft. I get calls about loss of physical files regularly, especially every spring. Digital files can — and most certainly should — be automatically backed up every single day without fail. You have no way to do that with paper files.

Nowadays, at least 85% of the contents of files start out in digital format: documents, email and other communications, voicemails, research, transcripts, discovery, etc. All that is required is that it be placed in the client's electronic file. If you use any of today's modern law practice management software, you will find it not only tracks time, does your billing and handles your back-office accounting, but it also has a place designated for all the various forms of digital information related to the client. A place for everything, and everything in its place.

What starts as paper? Whatever comes through the mail that is handed to you and what you write by hand. All of this can be quickly scanned (and most automatically OCR'd for full text searchability) and properly placed in the client file.

Now join me in acknowledging 2027 as the year of the digital file. Just because you've got 30 or more years of paper files already accumulated doesn't mean you can't start creating complete digital files for new clients starting January 1.

And it doesn't mean you can't transition existing client files from partial paper files to digital (with paper as you wish). You just need to scan the paper-only items. For business and institutional clients who may have files spanning decades and many banker's boxes, you can start by ensuring everything is digital starting January 1. If you must go back to anything that is paper based, scan it in at that point. Because it's becoming a contemporary part of the file.

Don't forget to update your engagement agreement and end-of-engagement letter with file retention language. Remember to return original "wet ink" documents, at the latest, with your end-of-engagement letter, so that they can be properly documented as to disposition. Need samples for any of these? PBA members may contact me with a request at any time.

A version of this article originally appeared in the October 19, 2026 issue of Pennsylvania Bar News.

© 2026 Freedman Consulting, Inc. The contents of this article are protected by U.S. copyright. Visitors may print and download one copy of this article solely for personal and non-commercial use, provided that all hard copies contain all copyright and other applicable notices contained in the article. You may not modify, distribute, copy, broadcast, transmit, publish, transfer, or otherwise use any article or material obtained from this site in any other manner except with written permission of the author. The article is for informational use only and does not constitute legal advice or endorsement of any particular product or vendor.