



Five Things to Do Today to Improve Your Law Firm's Tomorrow

Mike Barry, Executive Vice President of Strategy & Product

How far did you travel?

ADER1 < 10 miles

ADER2 10-100 miles

ADER3 100-500 miles

ADER4 500-1000

ADER5 1000-4000 miles

ADER6 >4000 miles



How far did you travel?

What happened?

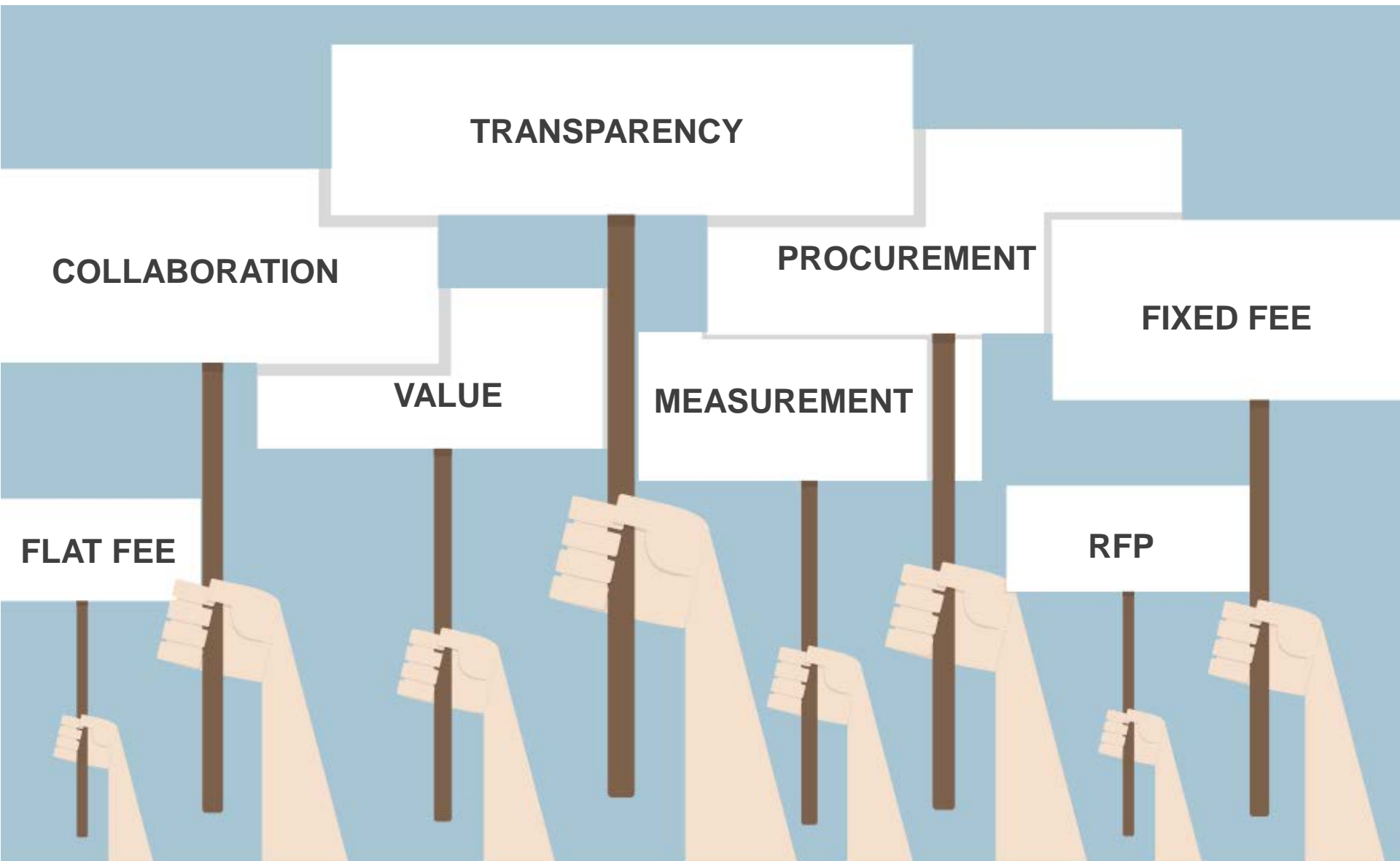
Drivers of Change



Drivers of Change



Client Revolution



TRANSPARENCY

COLLABORATION

PROCUREMENT

FIXED FEE

VALUE

MEASUREMENT

RFP

FLAT FEE

Drivers of Change



What impact has this had on your firm?

ADERA None

ADERB Small impact

ADERC Temporary impact

ADERC Significant lasting impact

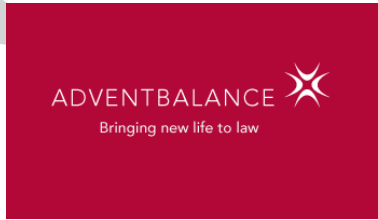


What impact has this change had on your firm?

Innovative Response around the world



PricewaterhouseCoopers Legal LLP



Innovative Response around the world



PricewaterhouseCoopers Legal LLP

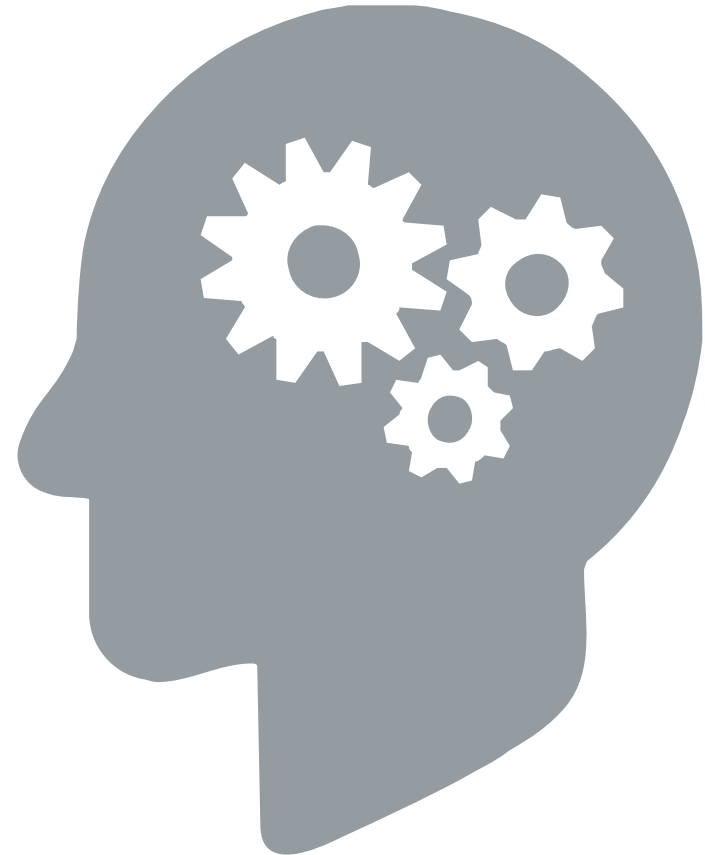


Predicted 2020



Predicted 2020

- Artificial Intelligence
- IBM Watson



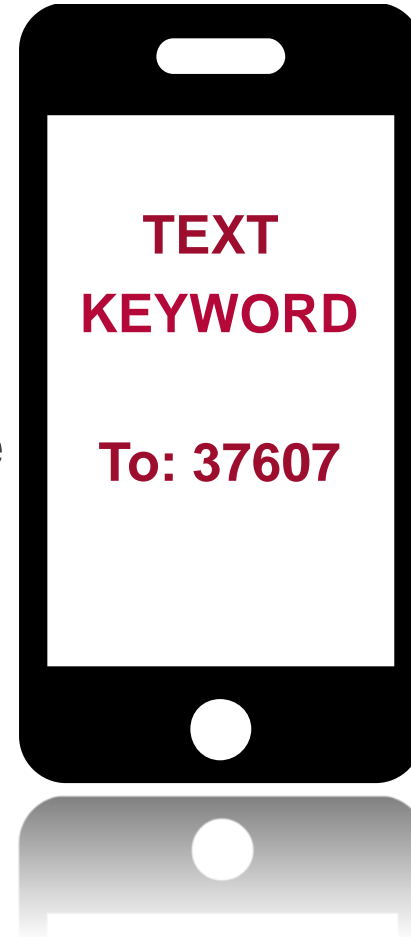
How does your firm respond to change?

ADERF Ignore it

ADERG Reactionary

ADERH Embrace it

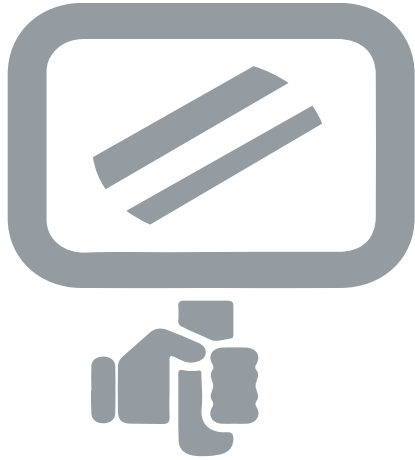
ADERI Use it to your advantage



How does your firm respond to change?

Where do I start?

What You Need to Know



1. Know Yourself

- What can you measure today?
- What should you measure tomorrow?



2. Know Your Client

- What do they think of you?
- What do they want from you?

1. Measure yourself



Without ~~understanding your profitability,~~ **#1 measurement today.**
Your ~~matter~~ **nothing if profitability.**

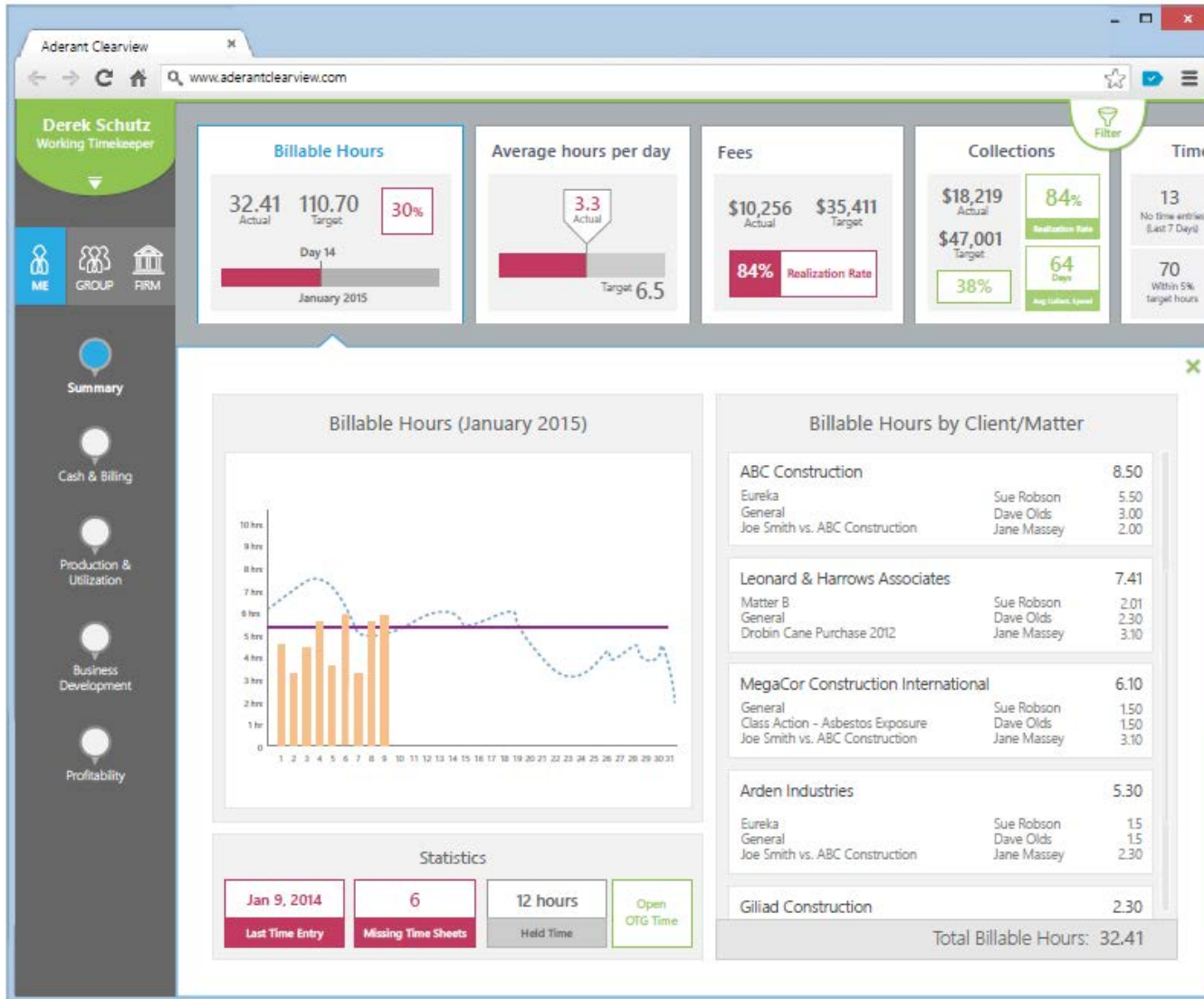
1. Measure yourself

Need these before you get to profitability:

- Utilization
- Billing Realization
- Inventory Metrics
- Leverage
- Write offs
- Collections



Don't just measure....act

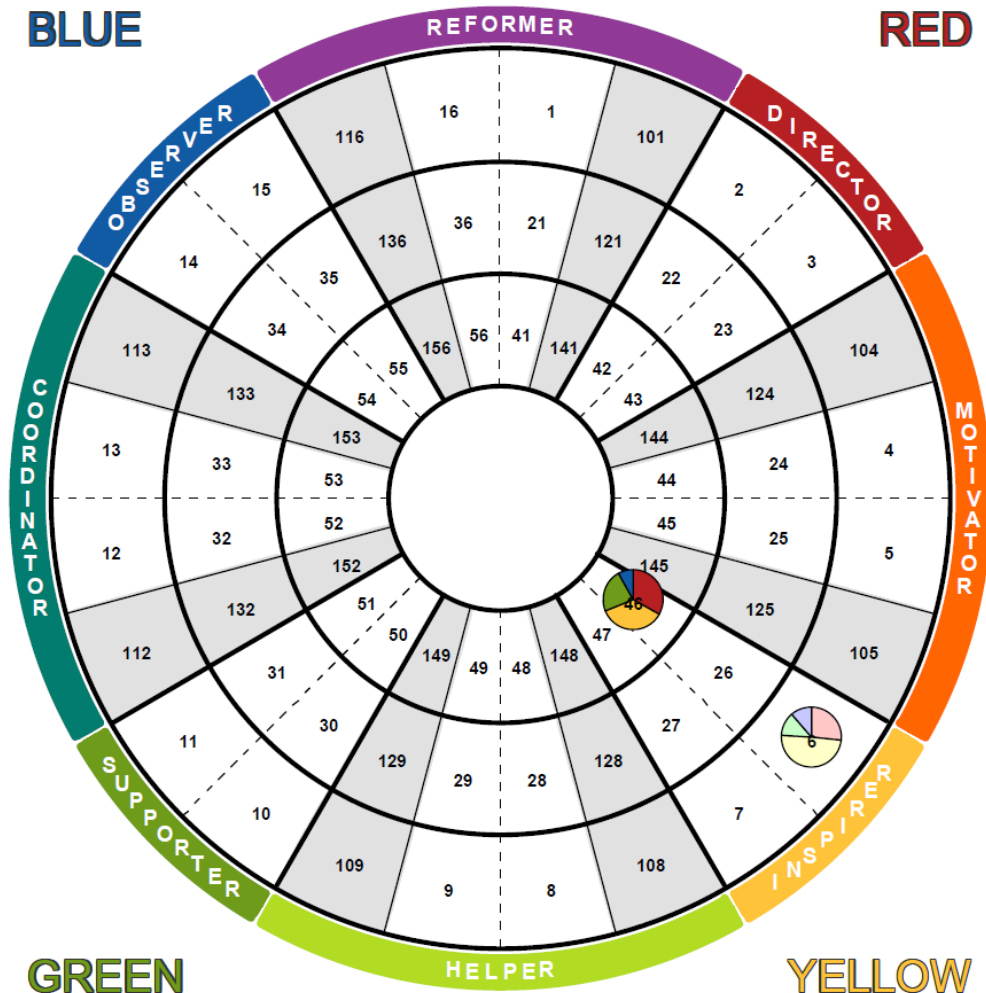


2. Leadership



Is your leadership team aligned to the **goals** of your firm?

2. Leadership – knowing your team



Mike Barry

Conscious Position:
Motivating Inspirer
(Accommodating)

Less Conscious Position:
Motivating Inspirer
(Focused)



How do you know your CIO is good?



Is your firm secure?

SECU1 Yes

SECU2 Somewhat

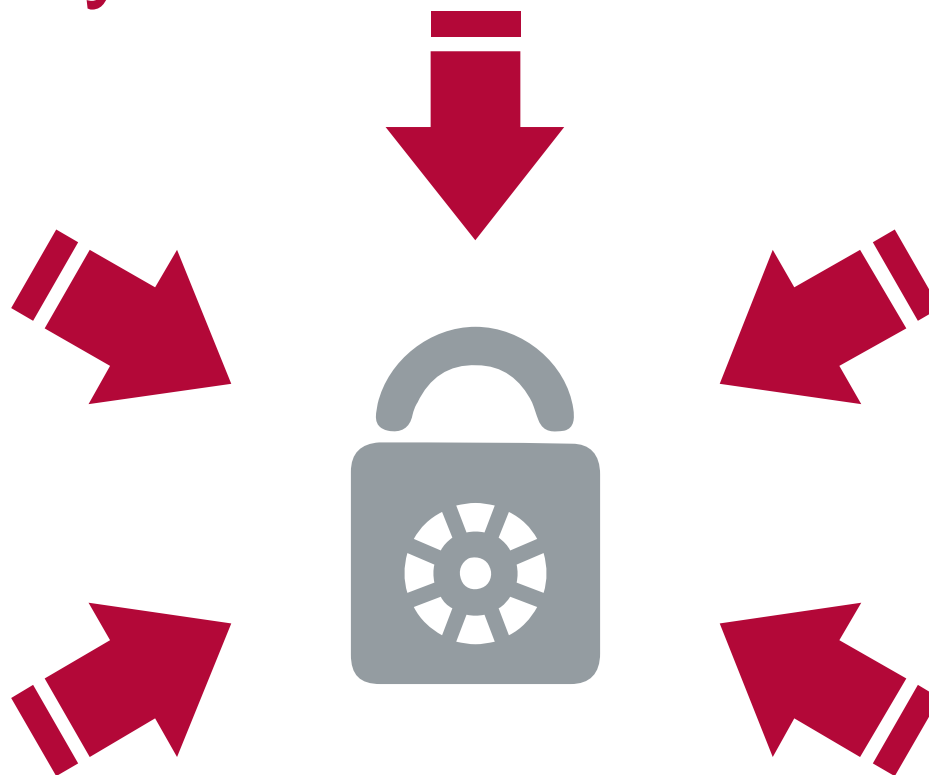
SECU3 Not very

SECU4 I Have no idea



Is your firm secure?

3. Security



Outside threats cannot be predicted or controlled.

3. Security




Assume the threat is **already in your system.**

Mitigate the risk from there.

Know Your Client

Your client knows you from:

- Report cards
- Their lawyers came from your firm
- If you participate in ebilling you are freely giving away a ton of data to your clients

ACME REPORT CARD  Good value
Would use this firm again

★★★★★ April 7, 2014

Trustworthy, talented but expensive

We have been using Acme Law for 5 years. They are an excellent firm, however we need to keep an eye on invoices. We have seen several invoices where there have been charges for conference calls attended by more lawyers than we asked for.

Score by criteria

- ★★★★★ Understands objectives/expectations
- ★★★★★ Legal expertise
- ★★★★★ Efficiency/process management
- ★★★★★ Responsiveness/communication
- ★★★★★ Predictable cost/budgeting skills
- ★★★★★ Results delivered/execution

Are you using Net Promoter?

PROM1 Yes

PROM2 No

PROM3 What is net promoter



Are you using Net Promoter?

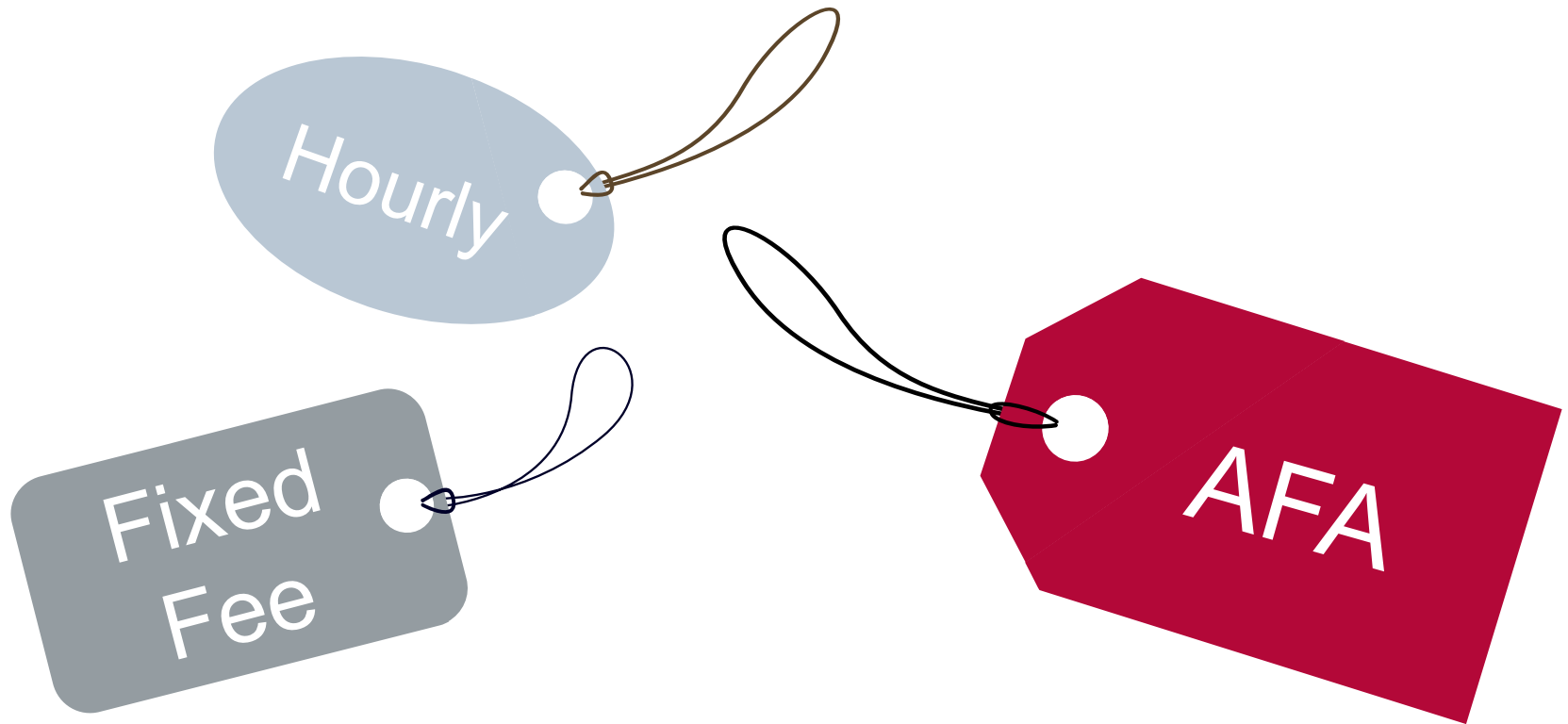
4. Net Promoter Score



Do you know what your client thinks of you?
It's **easy** to find out.

5. Pricing

Once you understand **costs**, you can offer many pricing options to your client.



Can I do even more?

- Matter Decomposition
 - Outsource
 - Create consulting arm
- Internal Fixed Fee model to force efficiency



Can I do even more?

- Profitability as a major component of Partner compensation
- Open plan to facilitate effective collaboration

