

## **This month:**

- **Managing the business with the right BI?**
- **Are you failing you lawyers?**

### **“You cannot manage what you cannot measure” – “You need Business Intelligence from your data”**

A social media statement in May that is just so true. There are very few partners and department heads in law firms, that do not want to see the success of their business and their personal rewards whether it be money, retirement or work:life balance and job satisfaction however it is pitched. However success needs effort.

Most firms now do some work annually generating at least a 3 year strategy doing a stocktake of where the business has come from, where it is at and where we want it to go.

In most case as well we are beginning to make people accountable – department/work-type or location heads for revenue, gross profit, working capital (WIP realisation, lock up and cash collection), compliance and business development, client satisfaction. We are also now making individual people accountable for their own performance – fee earners - WIP, billing, billable hours, SLA achievements as a minimum.

It is therefore critical that we have the information available in order to measure the performance, see how it is trending clearly showing and analysing peaks and troughs an how to capitalise on the good and how to correct the bad. This intelligence needs to be with us at the appropriate time to take action so we have to fully understand the need to separate

- **Key Performance Indicators (KPI)**
  - These provide information so that a few earner is in a position to action and recover within say a monthly time period – so daily information on billable time recorded, billing and the like with follow up from management and peer pressure
- **Reports**
  - Probably on a monthly basis but giving trend data on key areas by department or team – billing, gross profit, working capital, enquiry conversions, matter starts, matter closes.  
Trending of data is critical so that peaks and troughs are evident and have to be commented on and exploited or recovered with actions being agreed to enable forward forecasting

Do have a look - <http://www.professionalchoiceconsultancy.com/articles.php>

Again the Finance Head should be responsible for this data availability and again most of the PMS/CMS products that you have should enable this data as a when you need it. This should be part of a formal review with your vendor. Again even with financial management your on-site product will have more capability than many are aware of plus there are also supplementary tools like Katchr and PowerBI

The odd added value accountancy firm could potentially help here too – **Article April 2017**. We should be getting so much more added value from them and some are responding.

Working with law firms I have found the need for department heads to report and present monthly against their accountable measurement criteria to their peers a really useful exercise – commenting on performance and why, peaks and troughs, recovery and exploitation actions and revised forecasts incredibly useful.

See all the management matters articles plus so much more here.

<http://www.manchesterlawsociety.org.uk/the-messenger-north-west-law>

## **Research reveals “Lawyers believe they are being held back as firms fail to .....**”

A few years ago a good number of progressive firms were prepared to sit down as a group and as part of their 3 and 5 year strategy plans even consider how they were going to get to a paperless environment with all of its practical benefits in terms of performance, compliance and security. It is never going to happen overnight but it does need a plan

Most case, matter management and document management suppliers have the technology in their products that are already sitting in the law firm environment but the firms are not getting the benefit of utilisation because of management and training.

### **More Recent Evidence**

The month of May 2017 saw the results of a survey conducted by Microsoft in conjunction with Legal Week

You may say that Microsoft would say that but their survey states that lawyers questioned emphasised

- Just 20% said their firm had equipped them with the right technology to work seamlessly in and out of the office
- More than 86% said they still used pen and paper to complete legal work
- The desktop PC was the second most popular at 71%
- 62% use a laptop and less than 17% used a tablet

Robert Epstein Windows Product Marketing Director at Microsoft has said *“in terms of people’s ability to compete, they are going to have to change rapidly because of the slowness that brings to processes and document review. It might be good for billings but it’s certainly not good from a client’s perspective or frankly for the productivity of the individual”*

The surveyed lawyers also criticised their firm’s adaption to technology changes

- 50% gave an unsatisfactory rating
- 10% described the firm’s response as poor/very poor
- Lawyers used smartphones and tablets for checking mail - 71% & 20%
- Web browsing - 60% and 21%
- Few for work related projects

- 83% of lawyers said that embracing available technology would lead to greater productivity

Apparently of those surveyed it was felt that senior partners often (31%) made the decisions to buy hardware and 65% said this decision maker hadn't changed in the past five years.

Getting involved with mobile devices is a necessary evil. It is of course aided with the moves into the – **let's make sure it is a secure** hosted environment we are seeing this whole process adding to agility and mobility of working.

This is undoubtedly the way forward – it is just a matter of timing. However it has to be done carefully and to the right standard. The need for security and the right supplier should never be under-estimated. Many of our articles cover this – it's a fundamental and why deal with someone that doesn't know the requirements for law firms – it does require a specialism.

I refer you to MLS Advantage members

[www.nasstar.com](http://www.nasstar.com)

[www.xyonecybersecurity.co.uk](http://www.xyonecybersecurity.co.uk)

[www.matrix247.com](http://www.matrix247.com)

Please look at the **March 2017** article which included **the cost of abdication**.

There is absolutely no issue with your firm getting the right infrastructure – available, mobile, compliant, secure. Just deal with the right people with the right track record.

## Way forward

The use of technology has to be a clear part of the firm's strategy reviewed every year for a three year horizon.

Yes there is growth, revenue, geography, work-types, profitability, working capital succession, client satisfaction and development, competitiveness and so on but we cannot ignore technology which in reality will enable all of those things.

IT therefore has to be part of the debate – what can it contribute? Efficiency, productivity, cost reduction, availability, speed of working, competitiveness – **the Magic of IT – October 2015 article**. 18 months behind the times now with the developments of artificial intelligence and machine learning. We do however have to make a start.

The full headline and hopefully leaving the technology word out of the heading we had a few more readers

## Research reveals “Lawyers believe they are being held back as firms fail to embrace technology”

In fact hopefully there are many suggestions within this column and there are some relevant and selective articles on this website.

<http://www.professionalchoiceconsultancy.com/articles.php>

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