

Contents

Executive summary	ix
About the authors	xv
Chapter 1: The law firm profit primer	1
<i>By Toby Brown, CEO, DV8 Legal Strategies</i>	
Let's get started	2
Moving right along	4
Putting it all together	8
Core challenge	9
Conclusions	10
Chapter 2: KPIs for aligning strategy to enhanced client value and partner profitability	11
<i>By Steven Campbell, consultant, Acumen KPI</i>	
Avoiding unintended consequences	12
Don't confuse margin (net income) and profits per equity partner (PPEP)	14
Dashboards should focus on areas of greatest impact	14
Vision drives strategy – strategy drives effective KPIs	17
Example law firm mission, values, and vision	17
Non-financial KPIs	18
New tools to help measure and prioritize strategic action	20
Effective KPIs should inspire action	21
Conclusion	22
Chapter 3: Applying battlefield lessons during peace time – learnings from the COVID-19 pandemic	25
<i>By Tim Corcoran, BringinTim</i>	
The standard playbook	26
The onset	31
Lessons learned	32
The long view	45

Chapter 4: Linking partner and associate compensation to the achievement of a firm’s strategy	47
<i>By J. Mark Santiago, managing partner, SB2 Consultants</i>	
Vision and strategy development	47
How did we get here?	49
Compensating the rain dancers	51
Contribution roles	52
Individual partner goal setting	54
Assessment and evaluation	54
Communicating pay decisions	55
The partnership compensation system	55
Closing the loop	56
 Chapter 5: Pricing approaches and firm profitability	 59
<i>By Shaun Jardine, founder, Big Yellow Penguin</i>	
Business development, clients, and positioning strategy	63
Understanding clients	67
Create a pricing strategy and vision	69
Lead the change	76
 Chapter 6: The roadmap to £1,000,000 extra profit in three years	 79
<i>By John McCarthy, profit coach, Summit Business</i>	
Introduction	79
The P.R.O.F.I.T. system	79
The nine-step roadmap	80
Implementing the P.R.O.F.I.T. system	83
The business blueprint	84
Not following the business blueprint	85
Following the business blueprint	86
How poor cash flow almost sank a law firm	89
The five cash flow levers	90
The five cash flow levers being implemented	93
Profitability and efficiency first, marketing second	94
Profit exercise	97
Implementing the profit maximizer	99
Don’t do what many other law firms do	99
Focusing on effectiveness	100
Putting this into practice	100
Closing thoughts	101

Chapter 7: How a sound matter pricing strategy can elevate law firm profitability 103
By Jack Kingston, account manager, BigHand
 Bringing in the best matters for your firm 104
 Differing approaches for payment of legal services 105

Chapter 8: Questioning the value of law firm rack rates 111
By Richard Brzakala, senior director, Global External Legal Services
 Background 111
 Why RRB discounts are so attractive to CLDs 112
 The credibility of cost savings based on RRB data 113
 The utilization of supplementary fees 114
 Zero negotiation strategy 114
 What are CLDs looking for? 115
 Law firm reliance on pricing specialists and business intelligence tools 117
 What CLDs want to see from firms utilizing a RRB strategy 118
 The importance and value of transparency 120
 Conclusion 123

Chapter 9: The next frontier in pricing strategy – capturing value from legal technology 125
By Stuart Dodds, principal, Positive Pricing
 Making sense of the legal technology landscape 126
 The partner’s perspective 128
 The client’s perspective 129
 The pricing professional’s perspective 130
 Pricing approaches adopted to date 134
 Key considerations 135
 What we can learn from the early adopters 136

Chapter 10: Harvey Specter – the ghost of a law firm reality yet to come 139
By Phil Nixon, senior sales executive, Elite Technology
 What is available and how will this impact legal services? 141
 Will you take the blue pill, or the red pill? 143
 Building the foundations for technological success 143
 Can technology actually help us become more profitable? 144
 Improving profitability and WIP to cash with technology available today 147

Improving profitability and WIP to cash with one eye on the future	148
A technology roadmap – getting your house in order	150
Chapter 11: AI and what it means for law firm profitability	155
<i>By Wayne Hassay, managing partner, Maguire Schneider Hassay</i>	
The ethics objection	156
The fear of change	157
The risks and emerging power of AI	158
Making a smarter, more profitable, law firm	161
Conclusion	163
Chapter 12: Sustaining success along the profitability journey	165
<i>By Madhav Srinivasan, CFO, Proskauer, and Mitch Spradlin, pricing director, Hunton Andrews Kurth</i>	
Overview	165
Positioning	166
Goal setting	167
Matter management	168
Matter lifecycle	169
Resourcing	170
Summary	172
Chapter 13: The seven profit zones formula for higher profits – without working more hours	175
<i>By Michelle Peters, former practicing solicitor and founder, The Business Instructor</i>	
Introduction	175
A different approach – the seven profit zones formula for profitable growth	177
Getting practical – how to increase each profit zone	182
Beyond ten percent increases – doubling your profits without doubling your clients	191
How long does it take to double your profits?	193
The implementation paradox – information vs action	194
Getting started	195
Conclusion	196

Chapter 14: The human cost of boosting profitability	197
<i>By Richard Martin, principal consultant, Byrne Dean and CEO of the Mindful Business Charter</i>	
Mental health in the legal profession	197
A couple of caveats before we start	199
Why lawyers become lawyers	199
Where’s the balance?	202
How profit is increased and the impact of that	203
Doing more work	204
Reducing costs	205
Charging more or differently for work done and improved financial management	206
A different approach	207
 About Globe Law and Business	 211