# THE FUTURE OF LAW PRACTICE MANAGEMENT

Current Trends, Issues and Challenges Facing Today's Law Firms... And How They Are Addressing Them

Presented by

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President, TheRemsenGroup







John Remsen, Jr.

- President, TheRemsenGroup
- President & CEO, Managing Partner Forum
- Strategic Planning, Marketing/Business Development, Firm Retreats, COO/CMO Search
- More than 400 law firms since 1997
- Previous: Gunster, Porter Wright
- Speaker:

American Bar Association, Association of Legal Administrators, Legal Marketing Association, MPF Annual Conference, Law Firm Networks

Education:

MBA – University of Virginia BSBA – University of Florida







- Twenty-eight (28) Leadership Conferences since 2002
- Florida, Texas, Southeast, Midwest, Northeast
- 1,250 participants from 975 law firms
- High level participants
- Maximum peer interaction
- Next Conference: May 6-7, 2020, in Atlanta, Georgia
- www.ManagingPartnerForum.org









# THE MPF 2019 LAW FIRM LEADERSHIP SURVEY RESULTS

**JUNE 2019** 





# Survey Objectives, Methodology and Participating Law Firms





# SURVEY OBJECTIVES

- Create the most comprehensive survey about how smaller and mid-size US law firms are evolving and adapting to the changing marketplace for legal services
- Provide important bench-marking data to help law firms operate in a more profitable and business-like manner
- Assist law firm leaders to be more effective in their challenging, and increasingly important, roles
- Understand the strategic priorities of smaller and mid-size US law firms, including their investments in marketing, business development and technology
- Identify how law firms are using KPIs and metrics to measure and improve firm performance and profitability





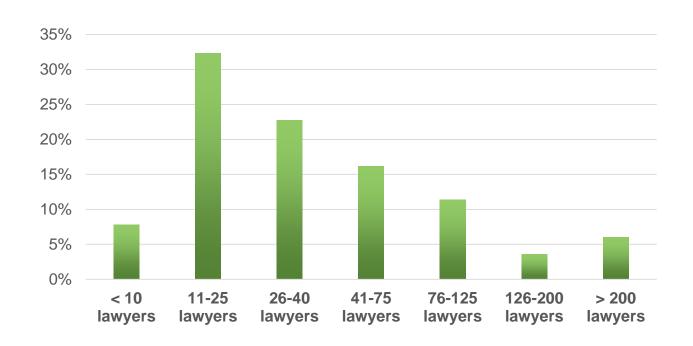
# SURVEY METHODOLOGY

- Confidential, online survey with 40 questions
- 167 law firm leaders participated
- Firms ranging in size from 10-200 lawyers
- Conducted in April 2019
- Powered by TheRemsenGroup





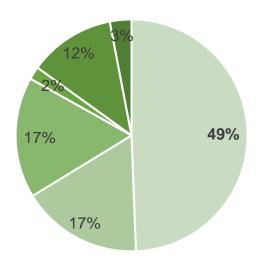
### How many lawyers are currently at your firm?







#### Which term best describes your firm's current practice?



- Full-service commercial firm
- Recognized for several practice areas, but not full-service
- Boutique firm recognized primarily for one or two practice areas
- Plaintiff's firm
- Insurance defense firm
- Other





# Leadership

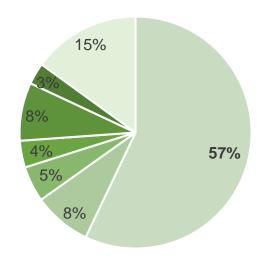


### **About You and Your** Role as Firm Leader





### What is your title?



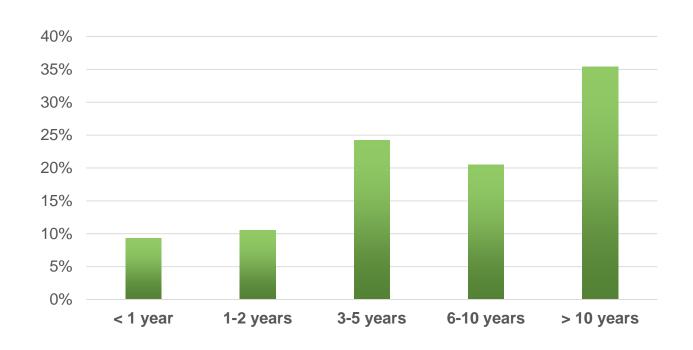
- Managing Partner
- President
- Chief Executive Officer
- Chief Operating Officer
- Director of Administration
- Chairman
- Other







## How long have you served in your current leadership position?

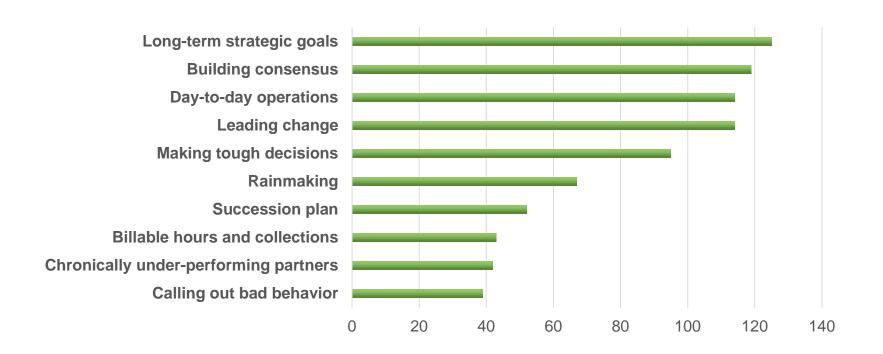








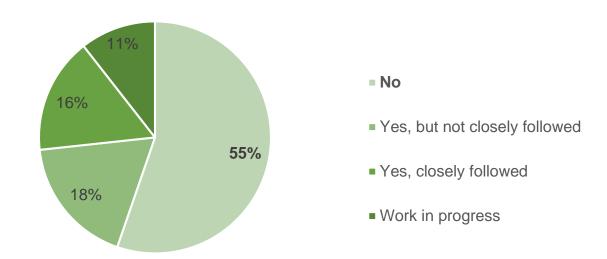
### What do you believe to be your most important contributions in your role as firm leader?







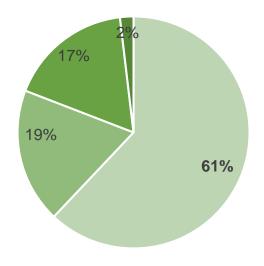
### Do you have a formal job description?







## If yes, which most closely reflects your opinion about your job description?



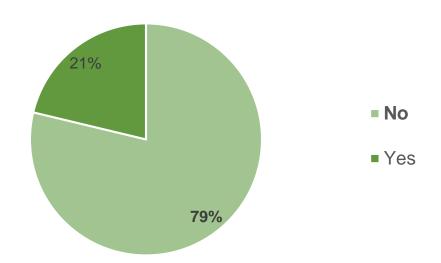
- I'm glad I have one
- I wish the firm paid more attention to it
- Other
- I'd rather not have one







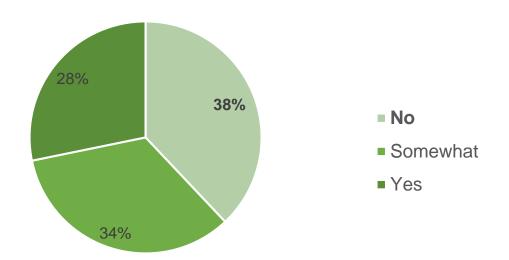
### If no, do you want one?







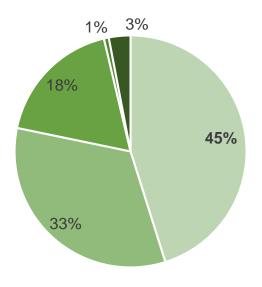
### Are you grooming your successor?







#### How does your firm select its managing partner?



- By consensus, without a formal election process
- Formal, sometimes contested, election process
- Never had an election. Founding partner runs the show.
- Position is rotated among partners every year or two
- Other





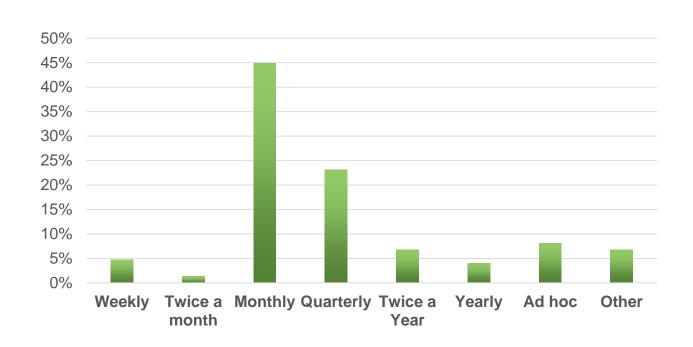


# **About Your Firm's Governance Model**





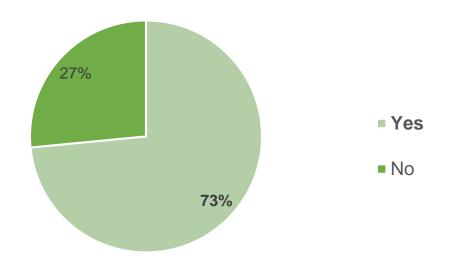
### How frequently do the Partners/Shareholders of your firm meet?







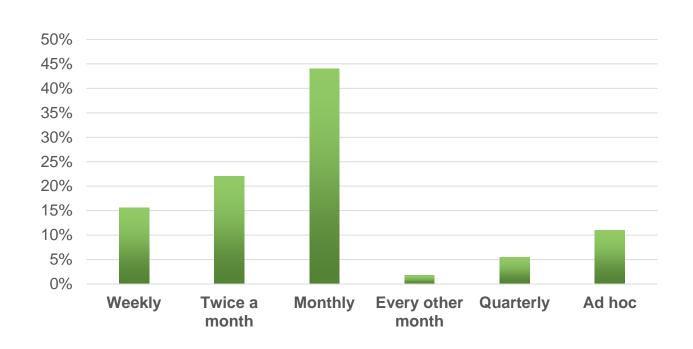
### Does your firm have an Executive/Management Committee?







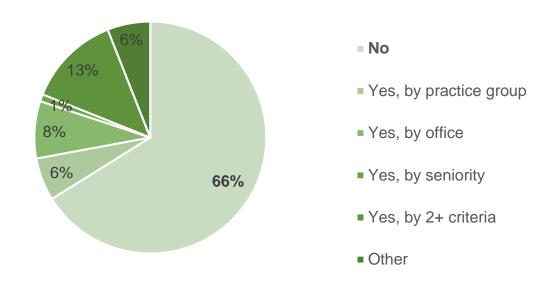
## How often does the Executive/Management Committee meet for decision-making purposes?







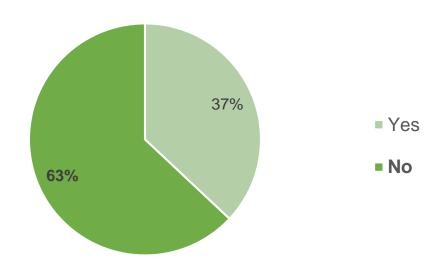
### Is there "forced" representation on the Executive/Management Committee?







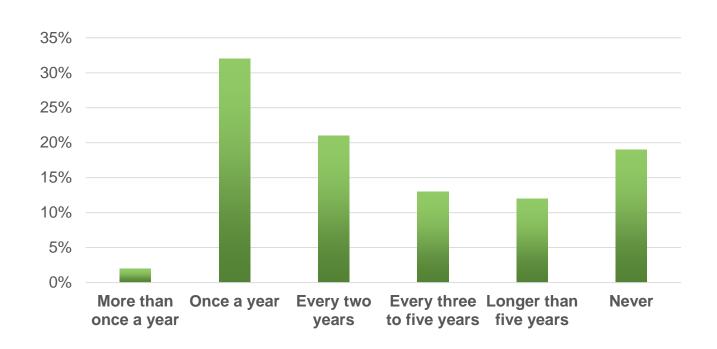
### Does your firm have a separate Compensation Committee?







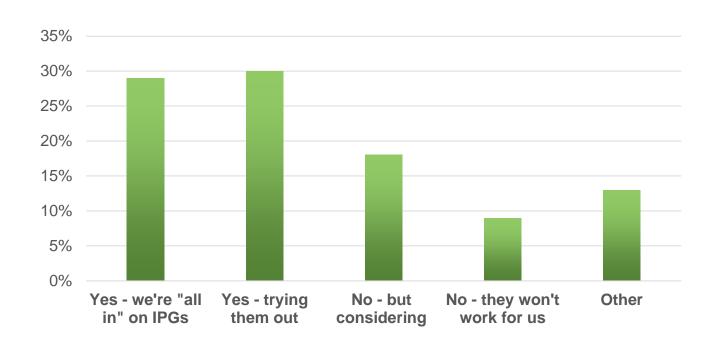
### How often does your firm have Firm Retreats?







#### Has your firm established industry-focused practice groups?

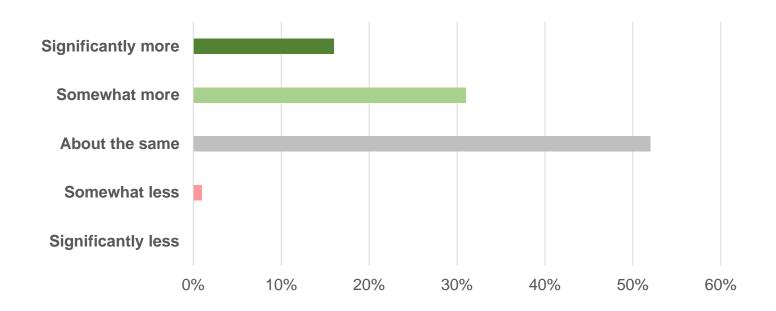








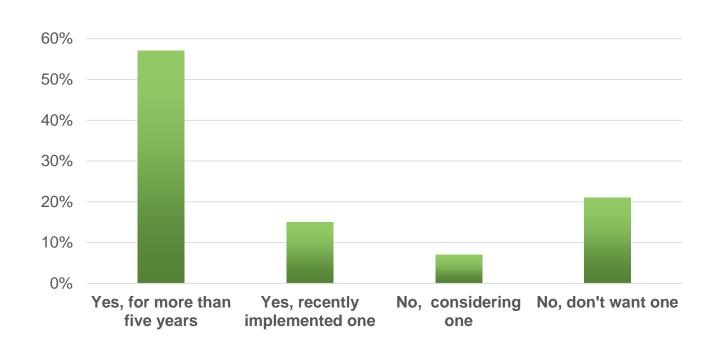
### Has your firm moved toward a more structured governance model in the last five years?







#### Does your firm have a multi-tiered partnership structure?







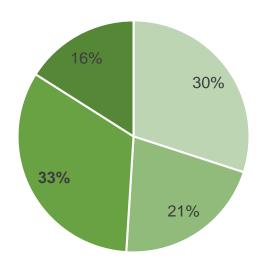


# About Strategic Planning at Your Firm





### Does your firm have a written firm-wide strategic plan?



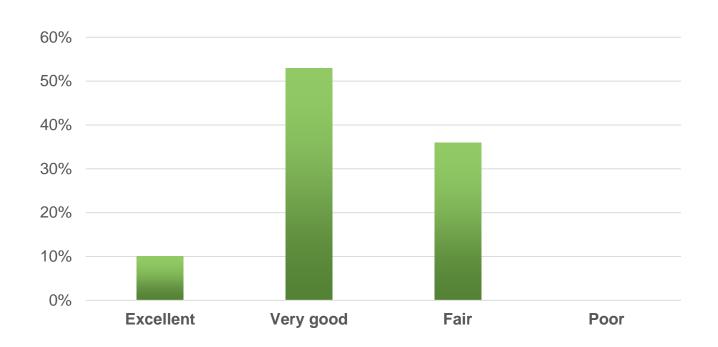
- Yes more than five years
- Yes recently
- No but considering one
- No OK without one







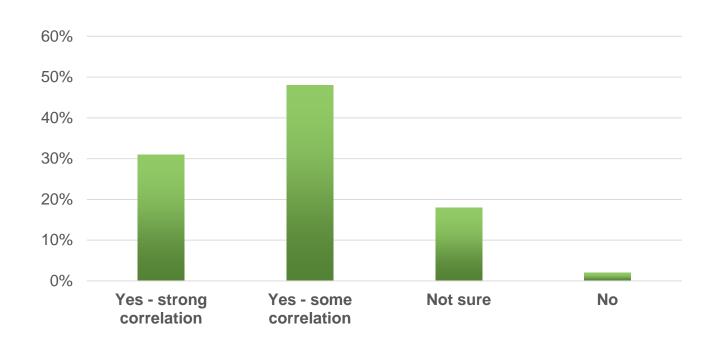
# If yes, how well has your firm implemented its strategic objectives?







### If yes, can you attribute improved firm performance to your firm's strategic plan?

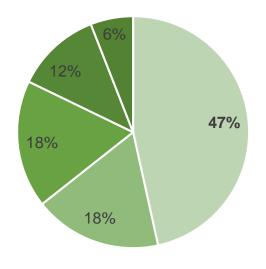








# If no, what is your personal opinion about strategic planning for your firm?



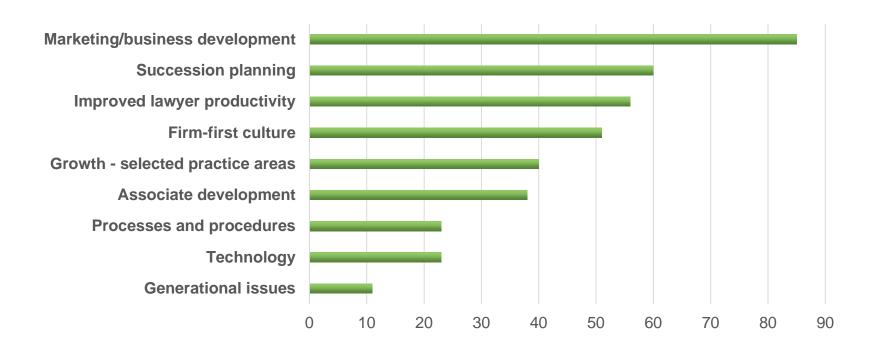
- I'm sold, but not enough of my partners agree.
- We're too busy. Not enough time.
- It's too expensive with little return to show for it.
- I don't think we need one and most of my partners agree.
- Not sure. I've never seriously thought about it.







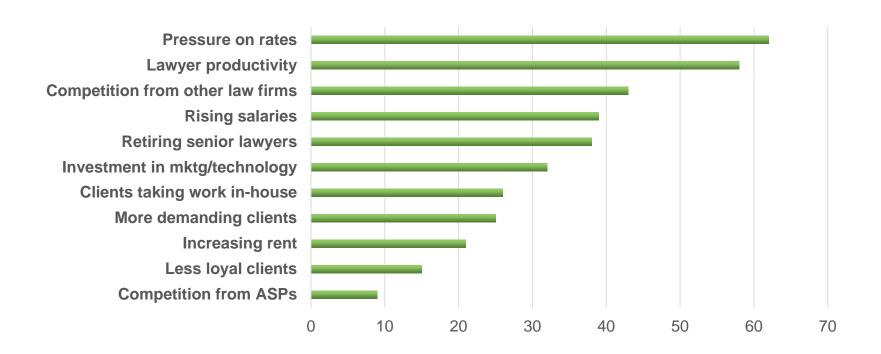
### What are your firm's most important strategic priorities?







# What have been your firm's biggest challenges to improve profitability?

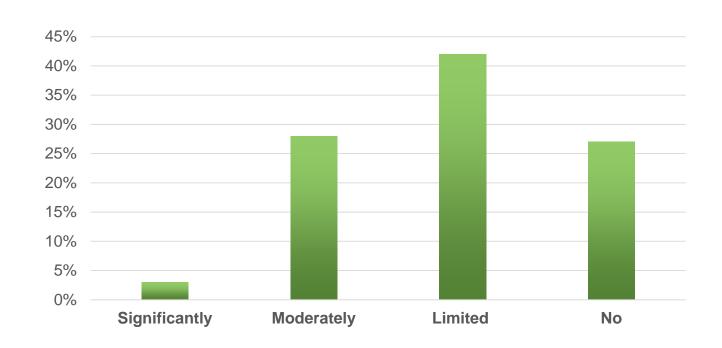








# Has your firm changed how it prices legal services in the last five years?





# Technology

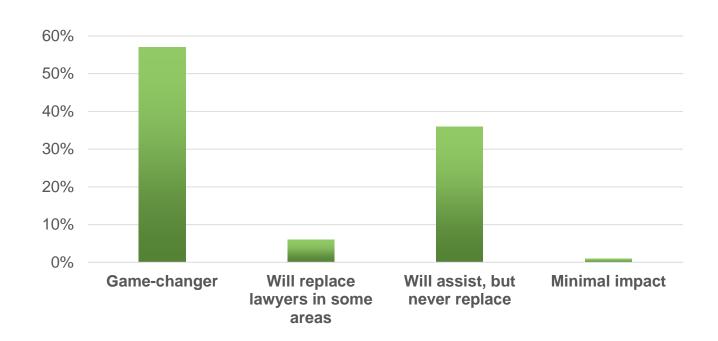


# About Your Firm's Investments in Technology





# Which statement best reflects your opinion about technology and its impact on the future delivery of legal services?

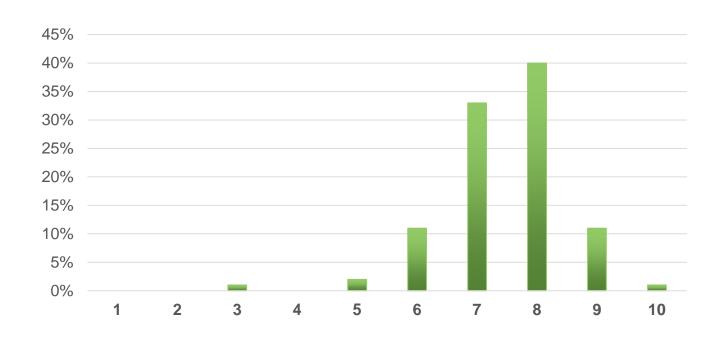








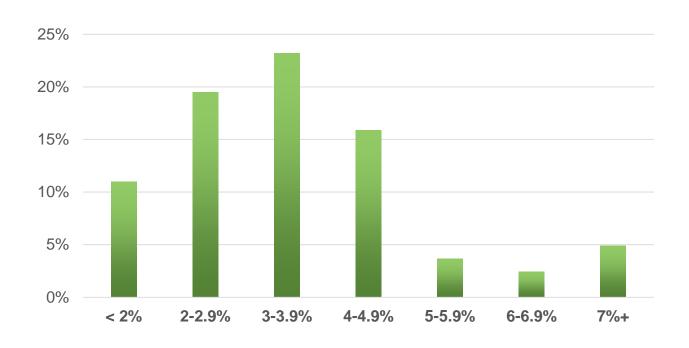
# On a 1-10 scale (with 10 as the highest), how satisfied are you with your firm's overall IT systems?







# What percentage of revenue did your firm invest in technology in 2018?

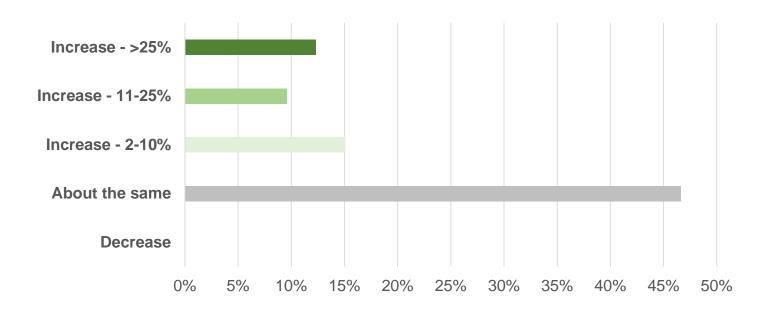


NOTE: 20% were unsure





# Case Management Software (Change in investment over last three years)

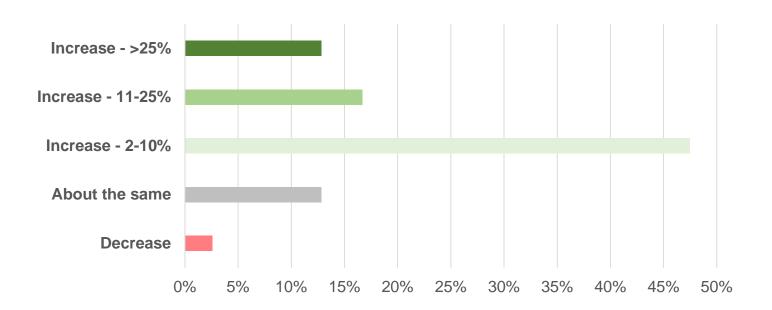


NOTE: 16% were unsure





Cyber-Security
(Change in investment over last three years)

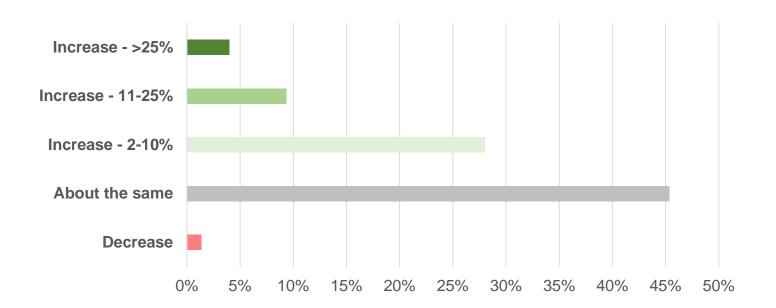


NOTE: 8% were unsure





E-Discovery
(Change in investment over last three years)



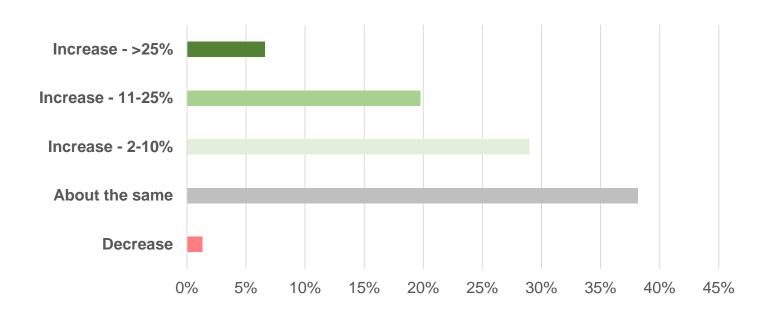
NOTE: 12% were unsure





### **Website and Internet Marketing**

(Change in investment over last three years)

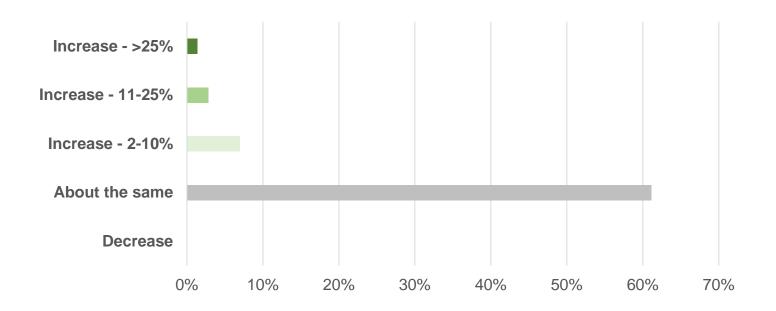


NOTE: 5% were unsure





# Artificial Intelligence (Change in investment over last three years)

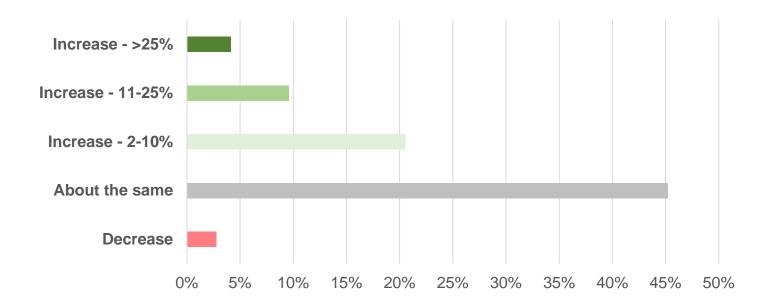


NOTE: 28% were unsure





# **CRM / Marketing Database** (Change in investment over last three years)

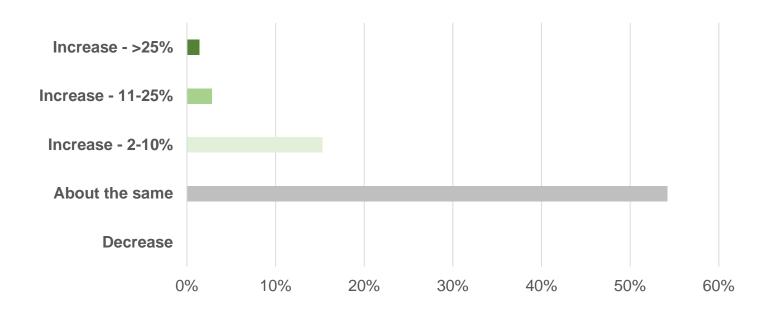


NOTE: 18% were unsure





# Competitive Intelligence (Change in investment over last three years)

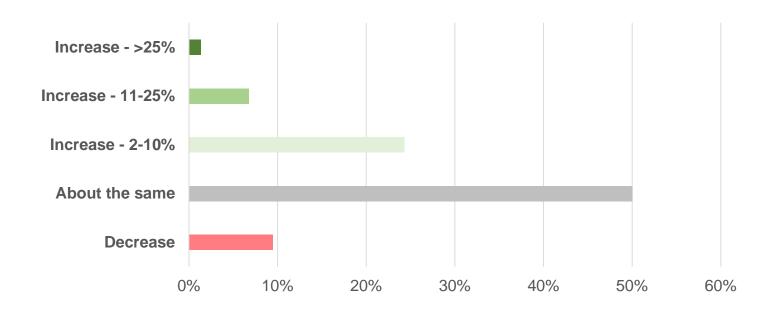


NOTE: 26% were unsure





Legal Research (Change in investment over last three years)



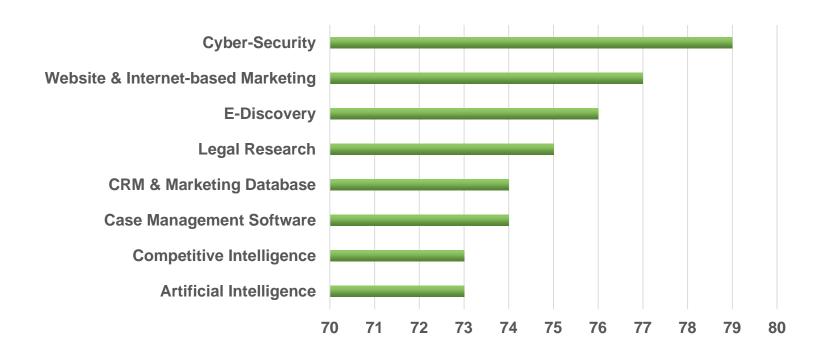
NOTE: 8% were unsure







# Over the last 3 years, in which areas of technology has your firm invested the most resources?

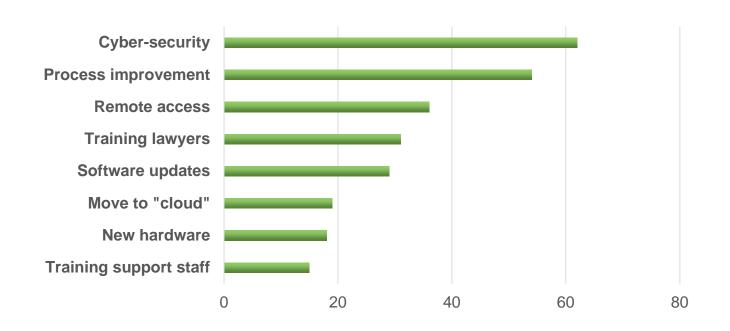








### What are your firm's top technology priorities this year?

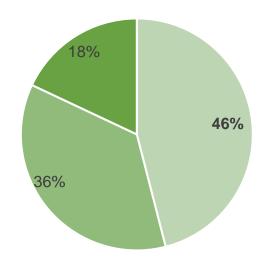








### How does your firm handle its IT management and support?



### All in-house

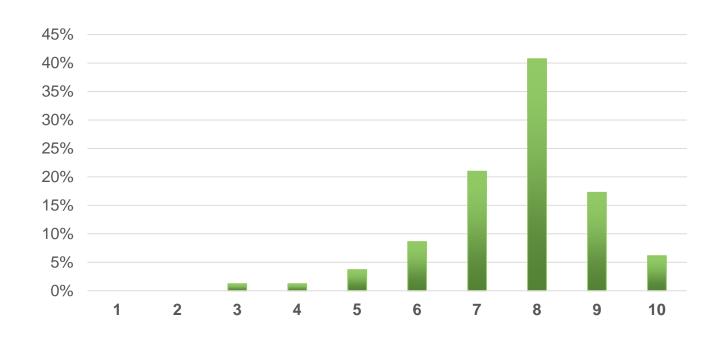
- Blend in-house and outsourced
- All outsourced







# On a 1-10 scale (with 10 as the highest), how confident are you with your IT staff's capabilities?







# **KPIS** (Key Performance Indicators)



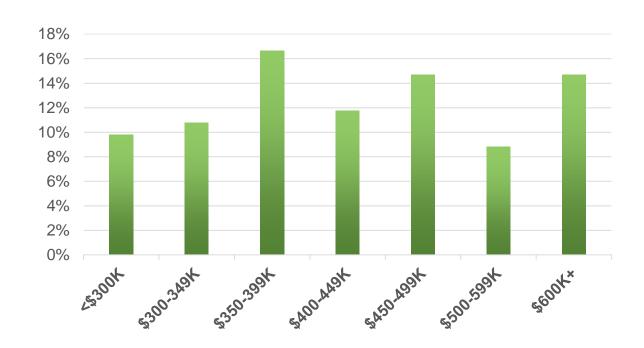
# About Your Firm's Key Performance Indicators (KPIs)







### What was your firm's Revenue per Lawyer (RPL) in 2018?



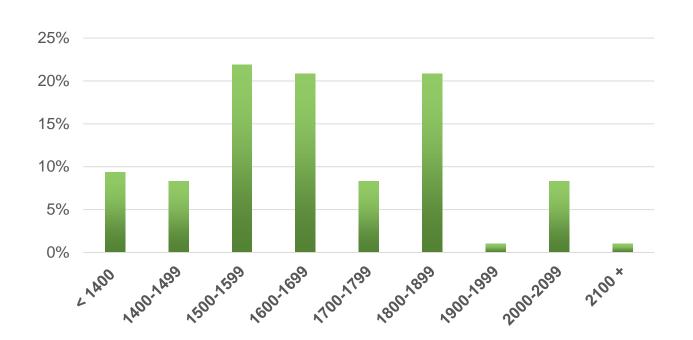
NOTE: 13% were unsure







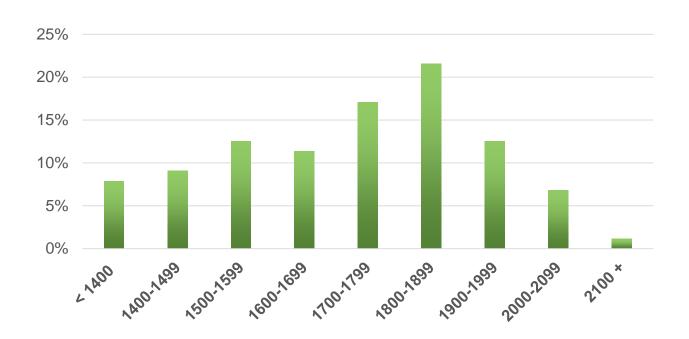
### **Billable Hour Expectation – Equity Partner/Shareholder**







### **Billable Hour Expectation – Non-Equity Partner/Shareholder**

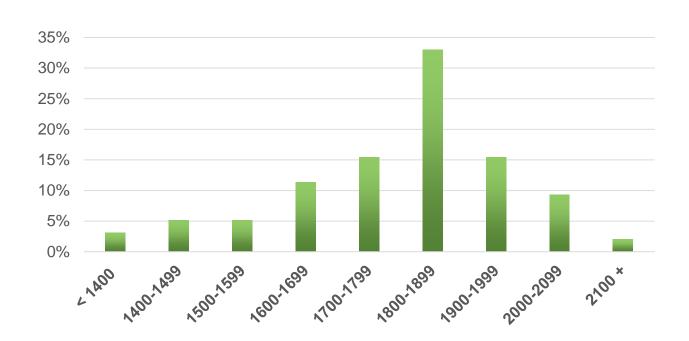








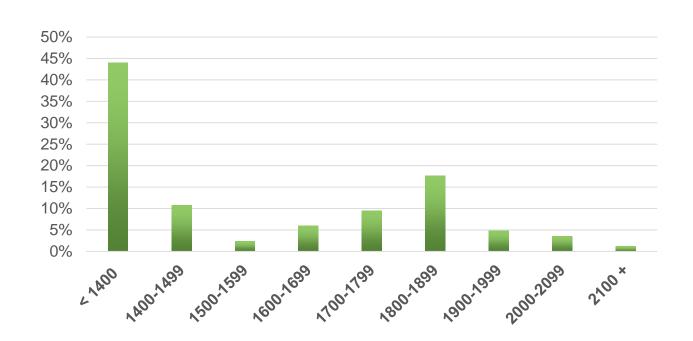
### **Billable Hour Expectation – Associate Attorney**







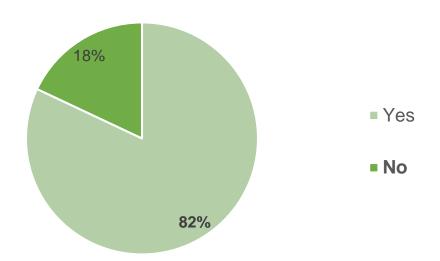
### **Billable Hour Expectation – Of Counsel**







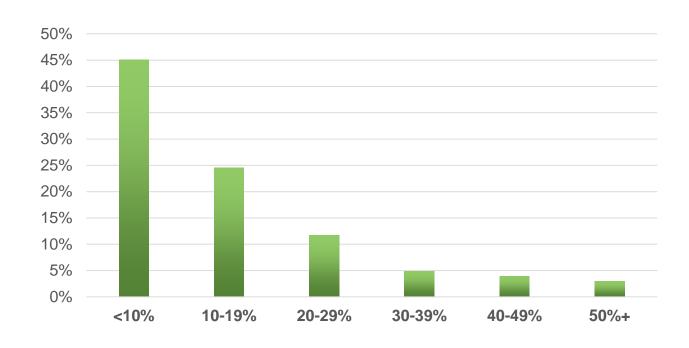
# Does your firm closely monitor attorney utilization and realization rates?







# What percentage of revenue is generated through Alternative Fee Arrangements (AFAs) at your firm?

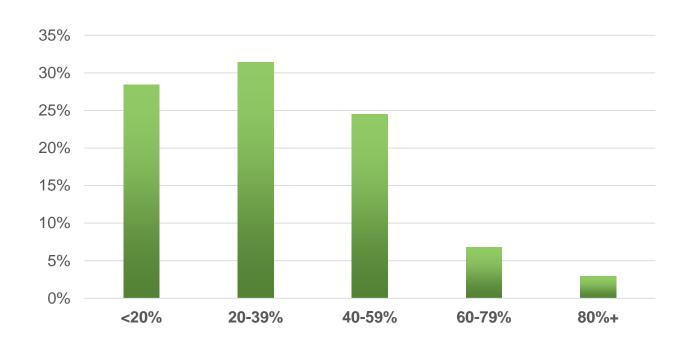


NOTE: 7% were unsure





# What percentage of revenue is generated by lawyers 60 years and older at your firm?

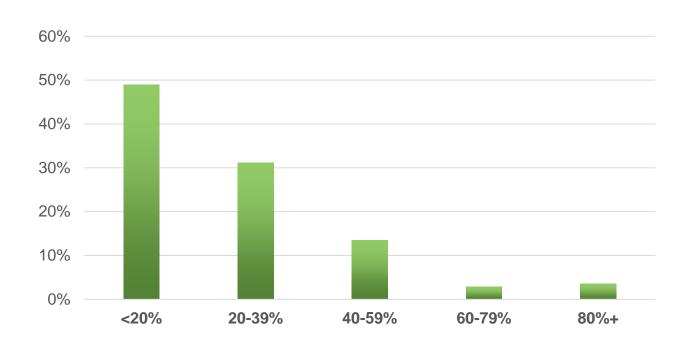


NOTE: 6% were unsure





# What percentage of Equity Partners/Shareholders are women and/or minorities at your firm?



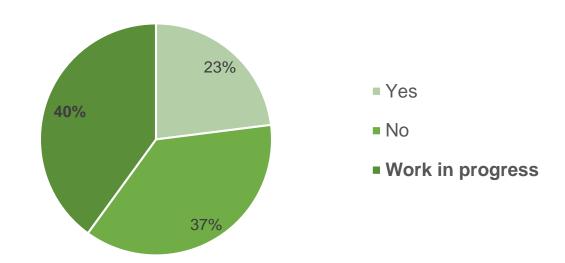
NOTE: 0% were unsure







# Does your firm provide leadership training for its current and future firm leaders?

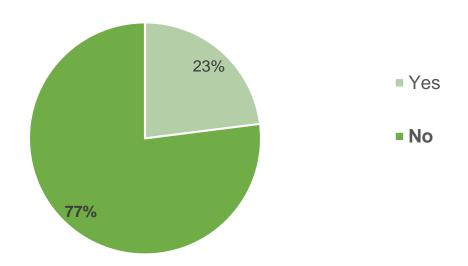








# Does your firm systematically measure client satisfaction in any way?

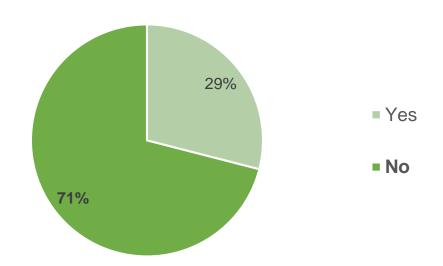








# Does your firm systematically measure employee satisfaction in any way?

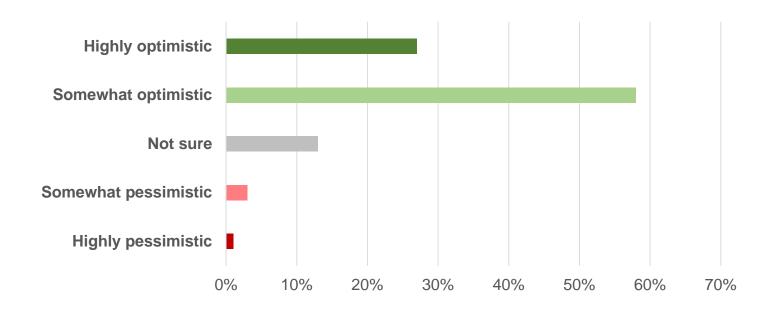








### How do you feel about your firm's future?







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