

MANAGING THE EVOLVING WORKFORCE

Solving Your Law Firm's Greatest Challenges

Turnover has replaced business development
as the number one challenge for many law firms

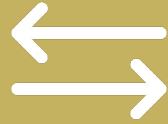
Brian Kennel
Founder and CEO
PerformLaw, LLC

We make law firms better places to work

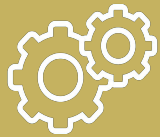


PerformLaw
Do Law Firm Management Right!

OVERVIEW



The Covid-19 pandemic catalyzed macro and micro-level forces that require evolved law firm operations.



Firm leaders must address changing workplace priorities, recognize new opportunities in operations management, and learn to measure success beyond short-term profitability.



We intend to share our managerial insights to help create and maintain sustainable organizations.

AGENDA



External Influences and the Priorities of the Modern Workforce



Challenges and Outcomes to Avoid



Recognizing Opportunities to Optimize Firm Operations

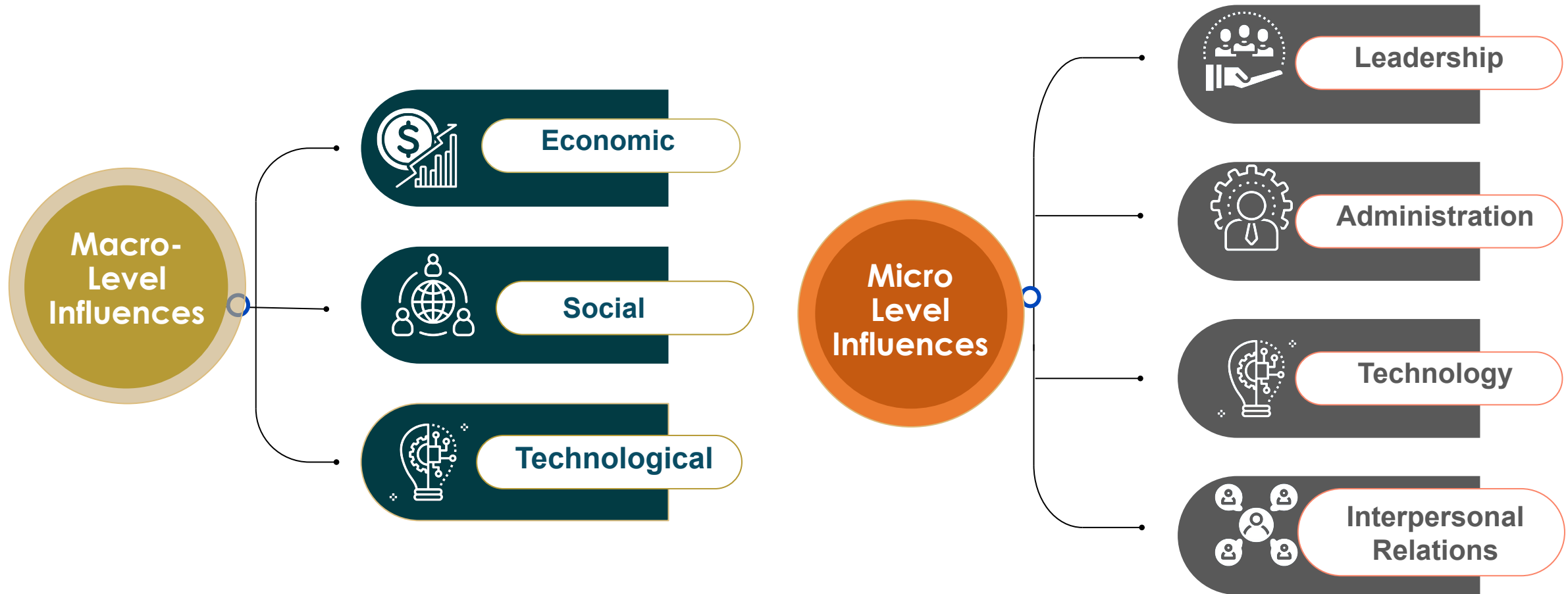


Takeaways

External Influences and the Priorities of the Modern Workforce



External Influences and the Priorities of the Modern Workforce



Macro-Level Influences

1

Economic

- Shortage of available talent and high employment rates
- Demand for higher compensation to offset higher costs of living

2

Social

- Socio-cultural evolution drives the desire for acceptance of personal authenticity in the workplace
- Employees seek purpose, fulfillment, balance, and **flexibility**

3

Technological

- Evolving systems and tools advance productivity and human connectivity
- New opportunities exist to earn a living without sacrificing purpose, flexibility, and adequate compensation.

Micro-Level Influences

1

Leadership

- Leaders can either motivate or discourage workers
- Rainmaking and billable hours are not enough; employees seek regular communication, mentorship, training, and support

2

Administration

- Administrative teams play a significant role in building a productive work environment
- Firm administration must push beyond the status quo and implement tools and resources that optimize workflows

3

Technological Infrastructure

- Outdated technological systems create unnecessary obstacles to getting work done
- Investing in robust, accessible networks and advanced practice management software is the way to eliminate waste, simplify tasks and increase productivity

4

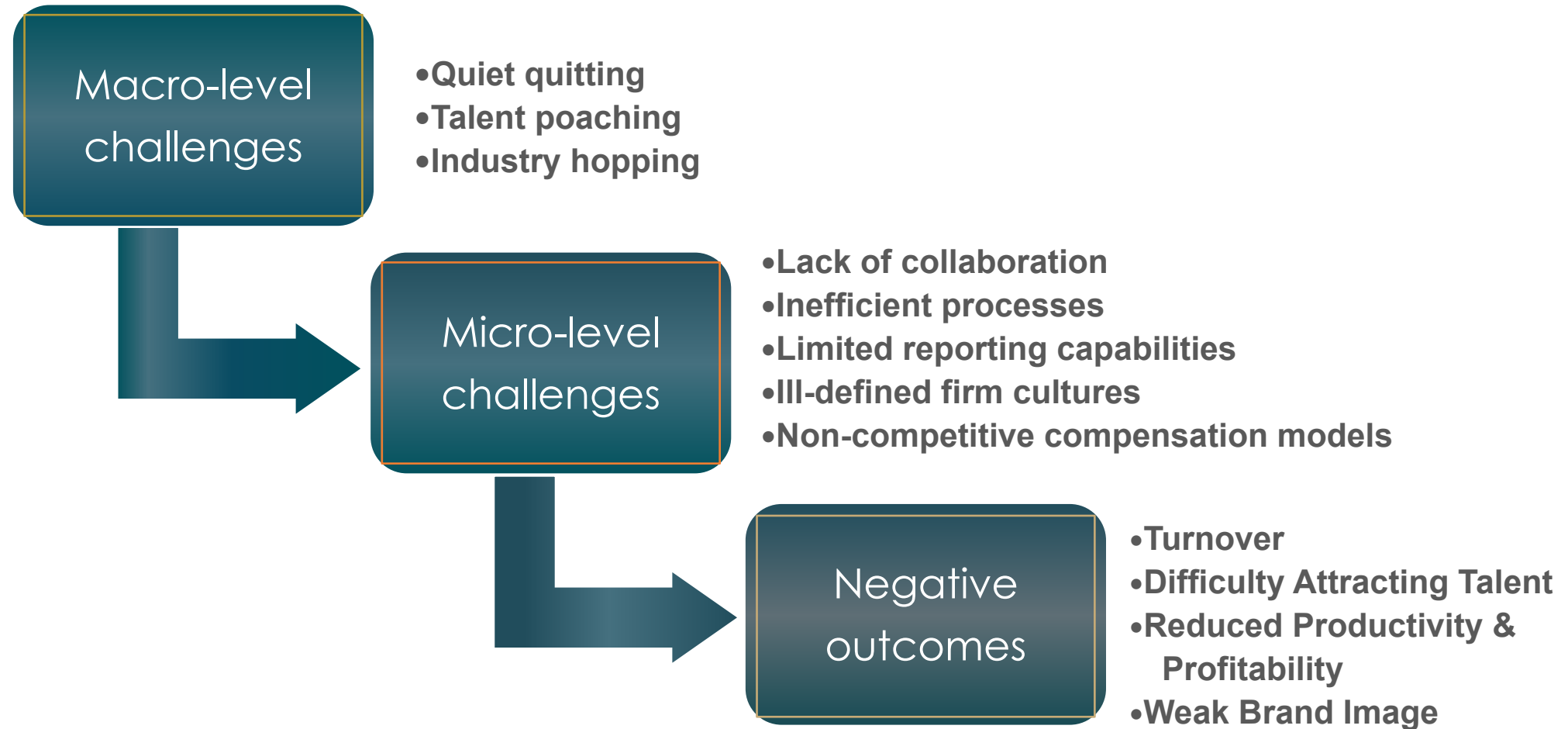
Interpersonal Relations

- Employees are less inclined to stay with an organization if they experience a trend of negative encounters with others in the workplace
- Emotional intelligence, effective communication, and respect are critical organizational traits

Challenges and Outcomes to Avoid



Challenges and Outcomes to Avoid



Recognizing Opportunities to Optimize Operations



Recognizing Opportunities to Optimize Operations

01

Build a Strong
Firm Culture



02

Bring Structure
to the Workflow



03

Take advantage
of data analytics
and advanced
**Key Performance
Indicators**



Opportunity 1: Build a Strong Firm Culture

- Realize the benefits of a stronger and more enduring culture
- Taking advantage of this opportunity will require firm leaders to show up for their people.



Opportunity 1: Build a Strong Firm Culture

FUNDAMENTAL NEEDS

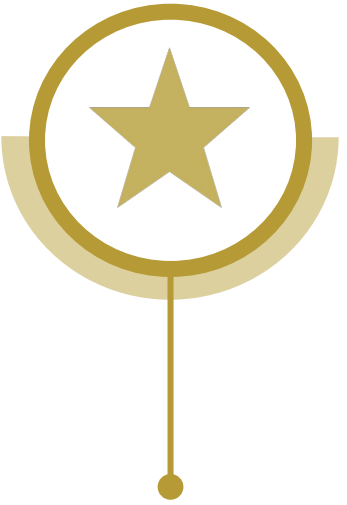


Opportunity 1: Build a Strong Firm Culture

INTRINSIC NEEDS



**Meaningfulness
and Connection**



**Acceptance &
Achievement**



**Personal
Growth**



Recognition



Belonging



**Human
Decency**

Opportunity 1: Build a Strong Firm Culture



STEP 1

Show up financially.

The firm's compensation model is essential to attracting and retaining the right talent and relies on a thorough budget and evolved KPIs.



STEP 2

Show up respectfully.

Treat people with respect and encourage everyone in the organization to do the same.



STEP 3

Show up as a leader.

Motivate by connecting everyone to the firm's values, mission, and vision, and communicating clear goals and expectations.



STEP 4

Show up flexibly.

Show up flexibly. Law firms can establish flexibility by implementing policies that allow workers more autonomy over how, when, or where they work.



STEP 5

Show up as a team.

Show up as a team. Encourage and facilitate collaboration by bringing your people together to fill in knowledge gaps and solve problems more efficiently.

Opportunity 1: Build a Strong Firm Culture

Leadership Self-Assessment



Organizational Building Blocks

- Mission, Vision and Values
- Accountable Governance and Leadership
- Clear Expectations
- Trust
- Intentionality



Employee Experience

- Hiring & onboarding process
- Professional development
- Performance management
- Connecting purpose
- Recognition
- Communication and transparency
- Work environment



Organizational Performance Drivers

- Collegiality
- Strategic focus
- People management
- Work systems and processes
- Team Focused Incentives

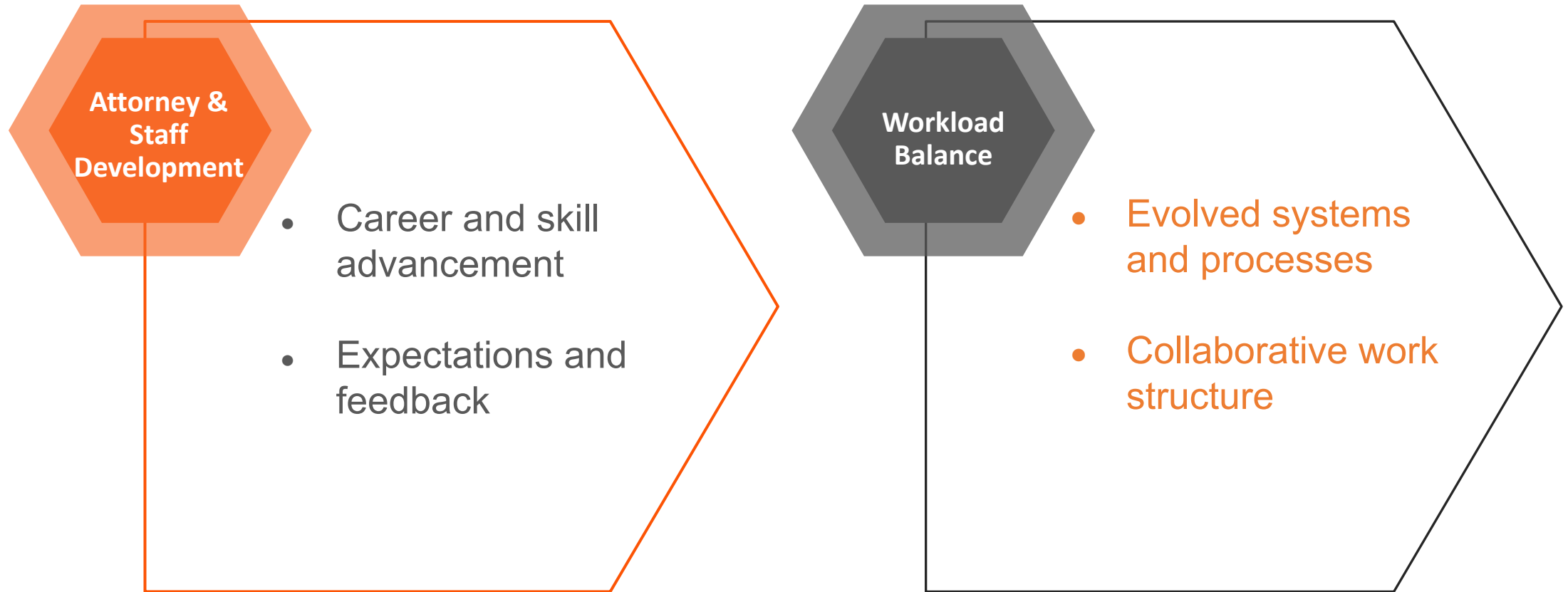
Opportunity 2: Bring Structure to the Workflow

Structure how work gets done to improve efficiency and avoid burnout.

Optimized workflows enhance work efficiency, reduce stress levels, and empower employees to recognize their value as part of the organization.



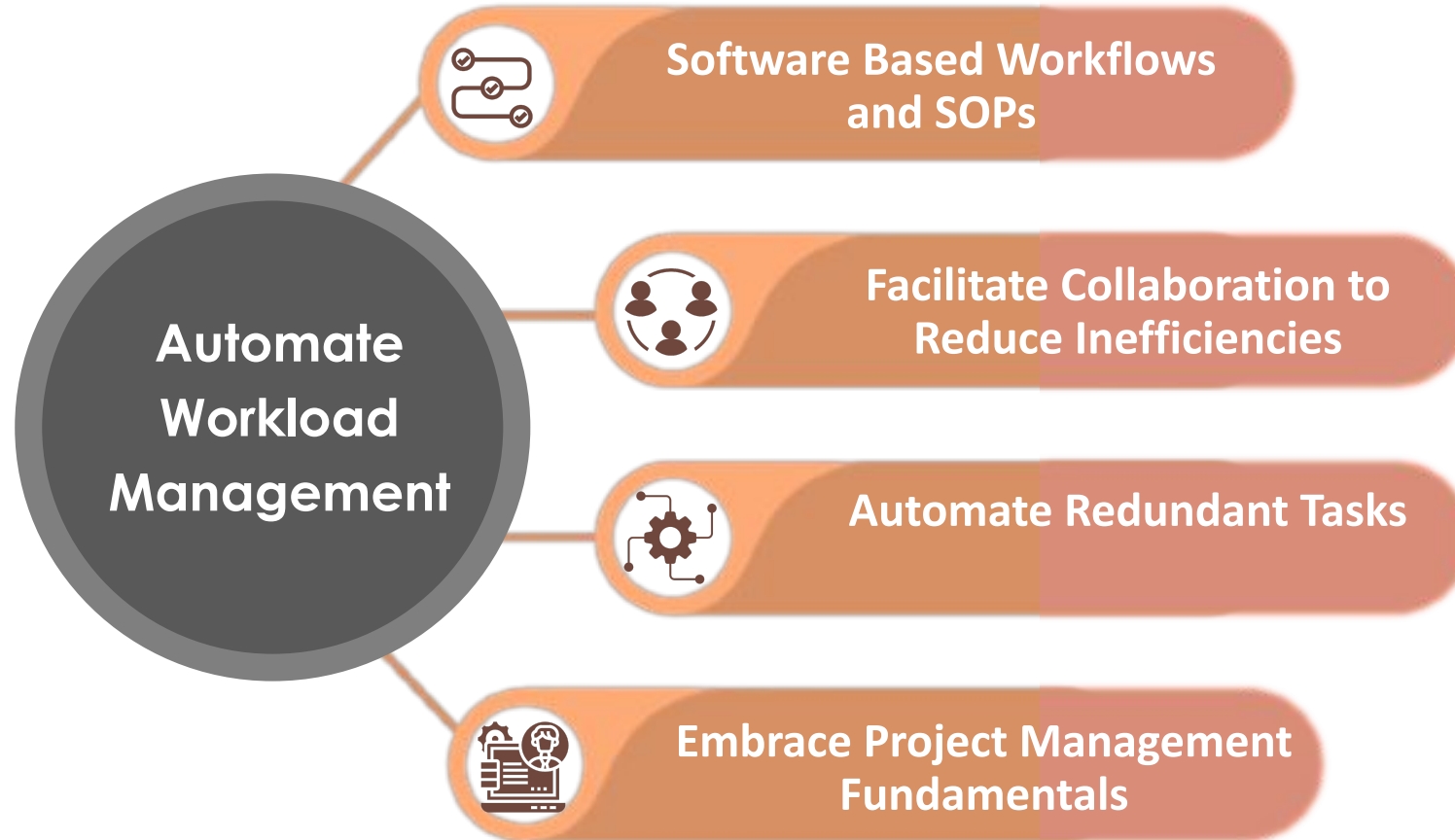
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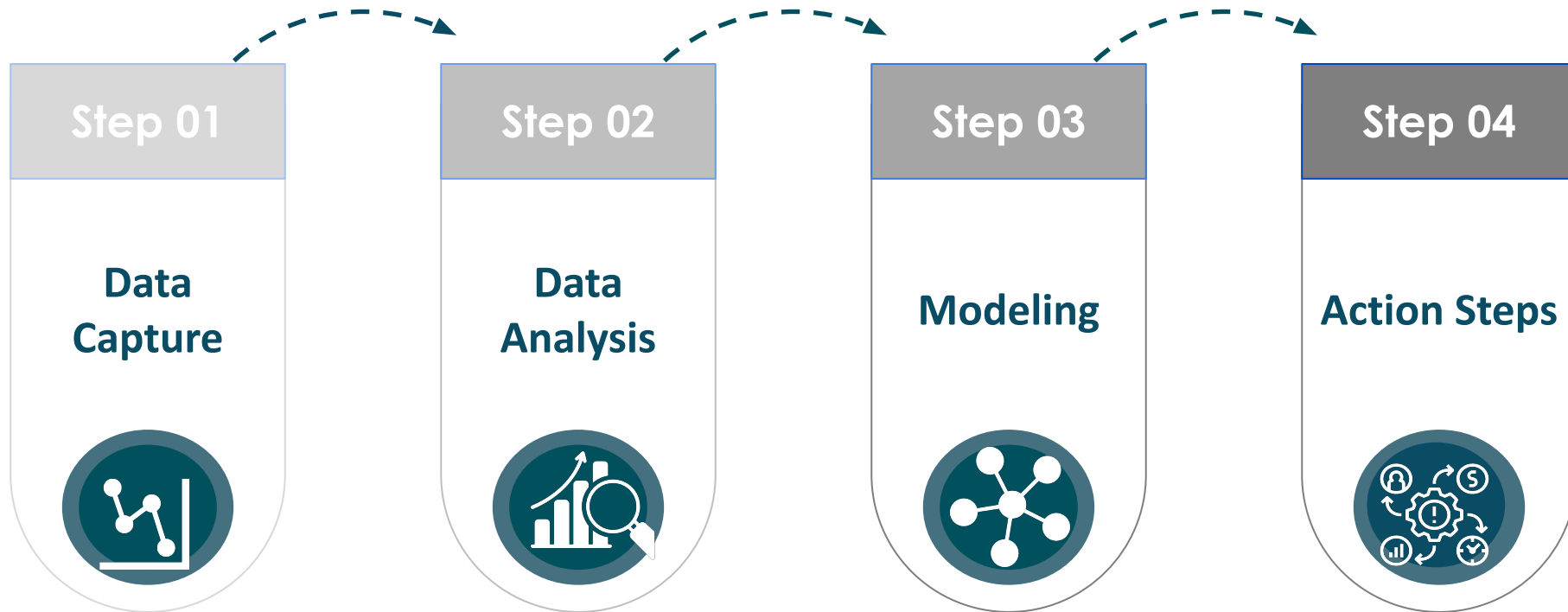
Opportunity 3: Take Advantage of Data Analytics and Advanced KPIs

Law firms should take the necessary steps to gain a more nuanced assessment of essential metrics related to productivity, return on investment, profitability, and qualitative results.



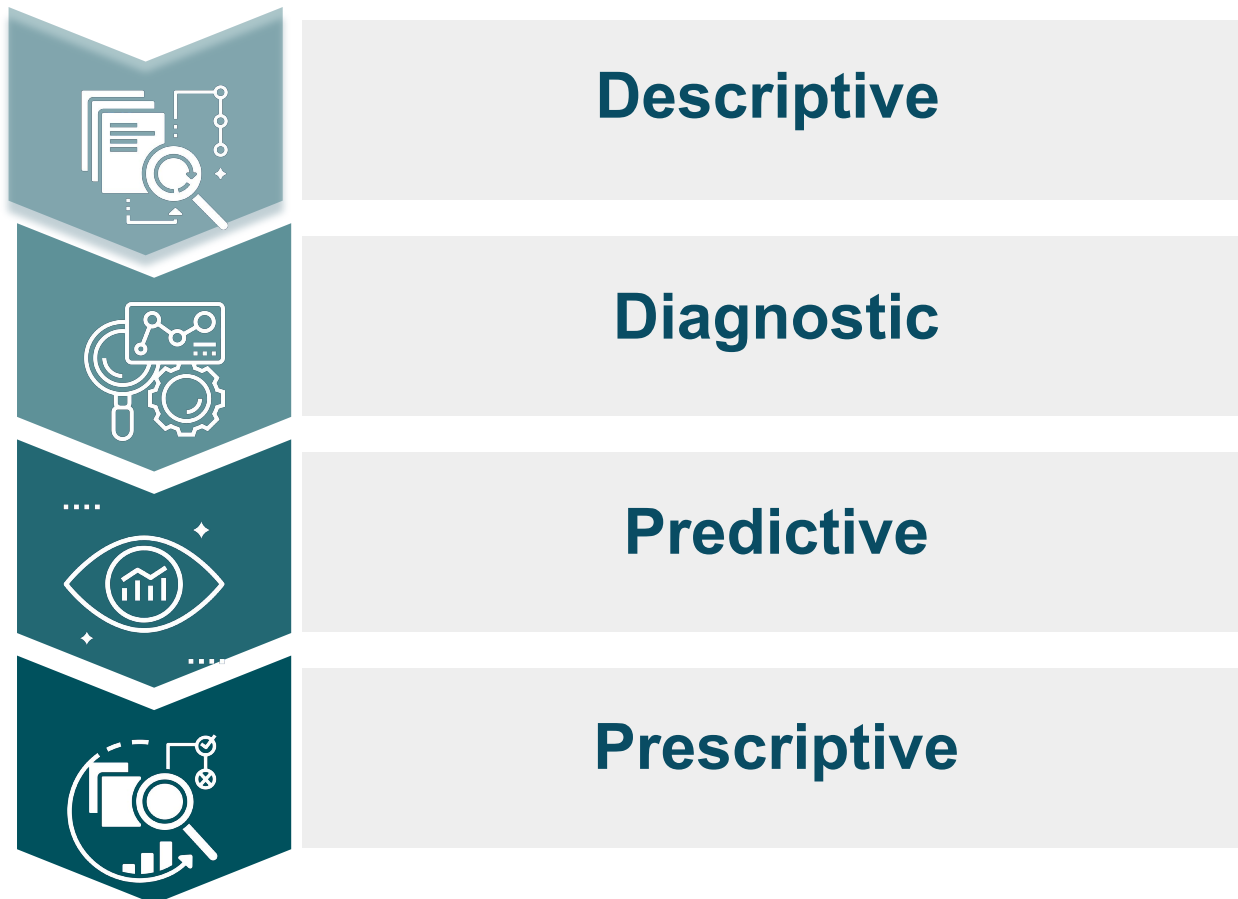
Opportunity 3: Take Advantage of Data Analytics and Advanced KPIs

ANALYTICS PROCESS



Opportunity 3: Take Advantage of Data Analytics and Advanced KPIs

ANALYTICS TYPES



Opportunity 3: Take Advantage of Data Analytics and Advanced KPIs

Financial Metric Examples

Limited by Data Capture

Basic

- Fees, expenses, net income
- Balance Sheet
- Cash Flows
- AR & WIP
- Billable hours, billings and collections

Intermediate

- Realized bill rates, hours and collections per TKPR, position, office, etc.
- Profitability and profit margin per TKPR, group, etc
- Compensation and overhead

Advanced

- Profit by client and matter
- Payroll and overhead per hour
- Cost per completed task
- Return on invested capital

Operational Metric Examples

There are dozens

Basic

- Revenue/case count
- Completed tasks by timekeepers
- On time billing submissions/ total invoices submitted
- On time report submissions/ total report submissions

Intermediate

- Average days files are open
- Associate and paralegal utilization per client/case
- Assigned tasks by timekeepers and estimated hours to complete
- Outstanding tasks by client and matter with due dates

Advanced

- # of uninterrupted focus sessions per week
- # of lawyers working unscheduled weekends
- Average video calls and meetings per day
- Average Start time/ end time by timekeeper compared to tasks completed

Opportunity 3: Take Advantage of Data Analytics and Advanced KPIs

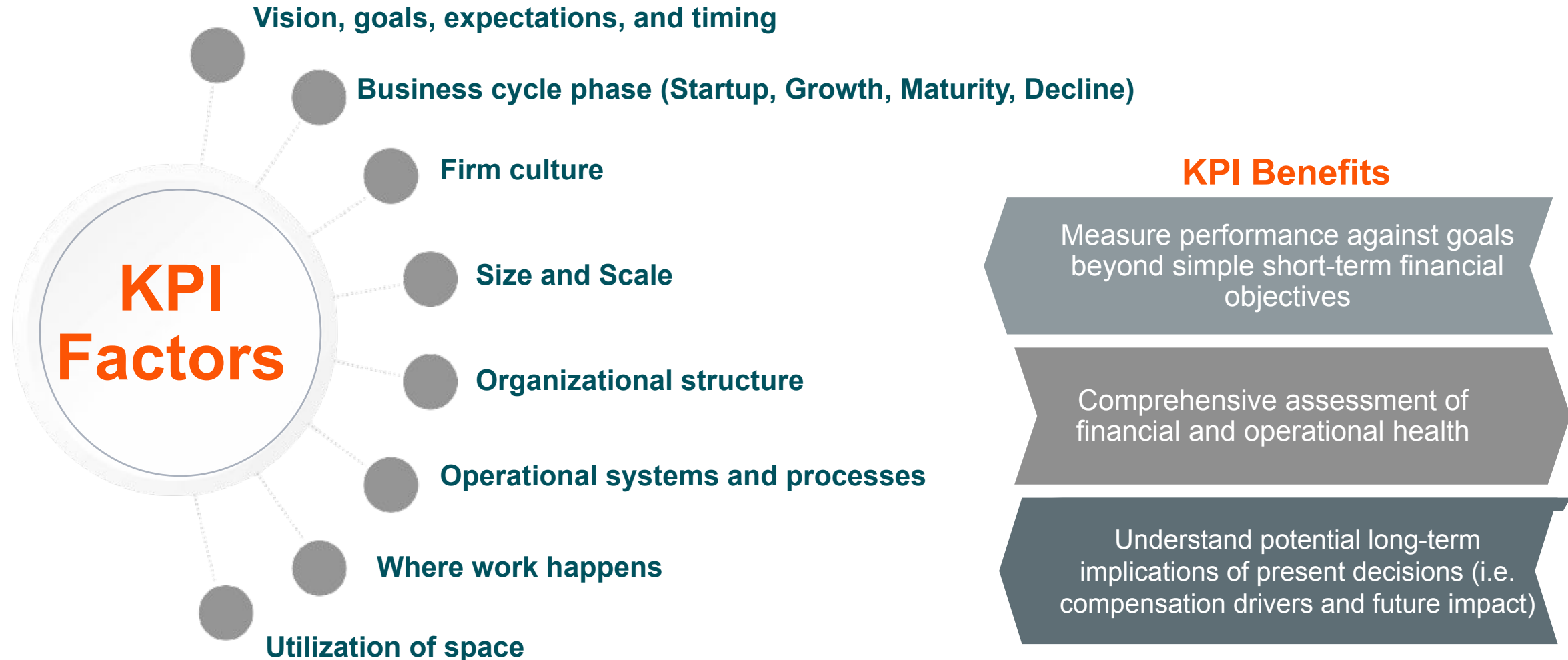
Metrics

- Incorporate basic, intermediate, and advanced metrics into reporting habits

KPIs

- Formulate vision, goals, and objectives to determine which performance metrics matter

Opportunity 3: Take Advantage of Data Analytics and Advanced KPIs



TAKEAWAYS



TAKEAWAYS

- 1.** ● **Recognize and acknowledge developments in the external and internal environment of the legal industry.**
- 2.** ● **Learn how to motivate your people best, and use available systems and tools to understand, manage, and support their performance.**
- 3.** ● **Willingness to change and understand new ways of operating a law firm to acquire and retain talent, offer excellent service levels, and remain in the future competitive**
- 4.** ● **Update your KPIs to include operational metrics**

THANK
YOU



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Do Law Firm Management Right!

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