

Ark Group's 7th Annual

# The Mechanics of Law Firm Profitability People, Process & Technology...

*Changing the Scope of Matter Management in Support of Client Value, Practice Efficiency  
and Law Firm Profitability*

**March 22, 2018**

University of Chicago, Gleacher Center  
Chicago, IL

The “**Business of Law**” has become a **primary focus**—as market forces, technology and economics continue to push law firms toward a clearer view of the bottom-line (giving rise to new platforms, functions and firm-wide initiatives, aiming to shine a light on the relevant economics of the business itself).

That said, many firms have yet to actually define the bottom-line. Profit margin is a relatively new concept. And when it comes to profitability modeling, there is significant variation in approach and methodology—impacted by firm culture, allocation techniques and reporting requirements.

Of course profitability still relies on value-creation and increasing a client's willingness to pay for a particular service. The question should be, “what can our firm do better, or more efficiently, and more profitably than anyone else?”

Practice and business management professionals must be ready to lead the conversation. That means knowing what the firm (and its infrastructure, practices, and lawyers) can and can't do—and what (if any of it) makes the firm money.

Ark Group's 7<sup>th</sup> annual **Mechanics of Law Firm Profitability** conference will once again be illustrative of the changing scope of matter management in support of client value, practice efficiency and ultimately law firm profitability. This year's conference will once again provide an ideal platform for discussion and debate, as we collectively examine what law firm profitability truly entails, as well as address the continued evolution of matter management (tools and methodologies) — shedding light on how firms are marshaling their resources to provide the necessary framework, metrics and leadership to manage (not just the practice, but also) the business of law more strategically, and profitably.

The past decade has been one of upheaval in terms of what clients expect and how law firms have responded. A great deal of attention has been paid to reducing cost and increasing the predictability of matters, but perhaps the missing piece for both sides is a focus on *experience* and *outcomes*. Rather, what did the firm accomplish, and what's the value of that in the eyes of the client?

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#### With Key Contributions & Real-World Illustrations from:

John Alber, Practical Futurist

Howard P. Janis, Director of Strategic Pricing & Analytics, **Dentons**

Carla Swansburg, Director, Practice Innovation, Pricing & Knowledge, **Blake, Cassels & Graydon LLP**

Josh Kubicki, Chief Strategy Officer, **Seyfarth Shaw LLP**

Jeff Carr, SVP, General Counsel, **Univar Inc**

Sean W. Gallagher, Partner, **Bartlit Beck Herman Palenchar & Scott LLP**

Michael Roster, Co-Chair **ACC Value Challenge**; former GC of **Stanford University**; and former managing partner of Morrison & Foerster's L.A. office

Paige Keith, Chief Financial Officer, **Hawkins Parnell Thackston & Young LLP**

Aileen Leventon, Principal, **Edge International**

Mike White, Principal, **Edge International**

Tom Jones, CEO & Founder, **Iridium Technology LLC**

Keith Lipman, CEO, **Prosperoware**

# The Mechanics of Law Firm Profitability

## People, Process & Technology

### Conference Agenda-Thursday, March 22, 2018

**8:30AM**      **Registration & Networking Breakfast**

**9:00AM**      **Opening Remarks - Conference Chairperson**  
Tom Jones, CEO & Founder, **Iridium Technology LLC**

**9:15AM**      **KEYNOTE ADDRESS**

#### **The Death of the Sears, Roebuck Era in Law**

BigLaw keeps getting bigger—more locations, more lawyers, more practice areas. And mid-sized firms are being told they need to emulate BigLaw or perish. “Merge or Die” is the dictum thrown at them over and over. But in an age when the ostensible templates for BigLaw—Sears, Roebuck and its department store brethren—are on the ropes and maybe even down for the count, isn’t it time to ask whether the department store model for law firms was *ever* right? In this keynote, we’ll look at the financial and market factors that once made department stores thrive and see just how many of those ever really applied to law. In the process, we’ll explore how law firms capitalize themselves and make money, and how markedly that differs from the financial underpinnings of publicly held companies like Sears. And then we’ll let you decide whether the department store model for law was the product of shocking business naiveté...or genius.

John Alber, Practical Futurist

**10:00AM**      **CASE STUDY**

#### **Bringing a Profitability Mindset into Law Firm Culture**

##### *Addressing the Tension Between a Client-Centric View of Financials and a Firm-Centric Viewpoint...*

Lawyers complain that they do not like numbers (which is why they went to law school). Now that client-value is defined as “deliver quality at the expected price” and firms continue to feel pricing pressure, lawyers now need to learn about the numbers. How do you provide intelligence that allows lawyers to monitor the delivery of matters (client-centric)? At the same time, partners have traditionally been provided BI that tells them how the firm and they are doing personally (firm-centric). This creates a certain tension—

- How do you explain the difference in the same numbers?
- What numbers do you focus on for client service v. firm performance?
- What are the right KPIs to use (Realization, leverage, margin, PPP)

Keith Lipman, CEO, **Prosperoware**

**10:30AM**      **Morning Networking & Coffee Break**

**11:00AM**      **CASE STUDY**

#### **Defining Profitability: Methods, Indicators and Calculations**

Is cash in hand better than hours worked to determine profitability? Is a timekeeper, practice, office or client profitable based on the work being done or is it profitable based on the cash received? In this segment, attendees will learn and discuss these various methods of calculating profitability to determine which is a better indicator of profitability, and why.

Howard P. Janis, Director of Strategic Pricing & Analytics, **Dentons**

**11:30AM**      **CASE STUDY**

#### **Defending Your Profitability Model Against the Rigorous Cross-Examination of the Firm Partnership**

Designing a profitability model that you like is only half the battle; you then are put on trial by your partners to defend the results. Your partners rely on your profitability reports to make major decisions. They may be fine with the theory of the proposed model, but then vigorously object when the numbers are not what they expect. In this session you will learn proven tactics to design a profitability model that will stand up to cross-examination. We will review factors for a successful profitability rollout, including: early design decisions, validation and reliability, supporting documentation, and picking the right lawyers to work with you to defend and promote the results.

Paige D. Keith, Chief Financial Officer, **Hawkins Parnell Thackston & Young LLP**

**12:00PM**      **Networking Luncheon**

**1:00PM**      **PANEL DISCUSSION**

#### **Profitability and Outcomes (and why hours are killing you)**

Hours might be useful for monitoring how resources are being used but not for determining the *value of the work* — nor as the sole basis for a firm’s profitability modeling. So how can firms use an outcomes-based approach to enhance relationships while improving profitability and realization rates? And how should clients measure value and reward outcomes? This lively panel discussion will provide specific examples of why clients are happy with

realization rates that exceed 100% and how law firms in turn can leverage an outcomes-based approach for improved and more sustainable profitability.

Jeff Carr, SVP, General Counsel, **Univar Inc.**,  
Sean W. Gallagher, Partner, **Bartlit Beck Herman Palenchar & Scott LLP**,  
Michael Roster, Co-Chair **ACC Value Challenge**; former GC of **Stanford University**; and former managing partner of Morrison & Foerster’s L.A. office

**1:45PM**      **CASE STUDY**

#### **Training Lawyers in Legal Pricing: Why and How**

As the imperative to work on alternative fee arrangements increases and hourly rates become less pervasive, all lawyers and law firms must engage in the exercise of pricing their legal work. Law schools do not train lawyers in the business side of law and even senior members of your firm may not be aware of the levers of profitability and the mechanics of pricing and profitability. Firm leadership, mentors and others rarely consider pricing strategies to be a subject matter for discussion with junior lawyers. While firms can centralize this work in a pricing team, it is important that lawyers understand pricing arrangements and their implications. How do you do this? How do you deal with lawyers who think it doesn’t apply to them, or if it does, that someone else can deal with it? What are some ways to engage lawyers in learning about pricing and train them to do some of the work themselves, without sacrificing profitability? This session will highlight some strategies for training your lawyers to price and to understand various pricing models and their effect on the bottom line.

Carla Swansburg, Director, Practice Innovation, Pricing & Knowledge,  
**Blake, Cassels & Graydon LLP**

**2:15PM**      **Afternoon Networking & Coffee Break**

**2:45PM**      **CASE STUDIES**

#### **Creating an Innovative Client Experience— Backed by Matter Management**

*Case studies, best practices, and interactive approaches for delivering value to clients with a signature experience*

How do you integrate your firm’s existing and nascent programs in business development, pricing, process improvement and project management to create a signature experience for the firm’s clients? In this discussion attendees will learn how to develop an inventory of both differentiating attributes for which the firm stands today—and approaches for which the firm could stand but doesn’t presently support (including the use of machine learning methodologies to develop predictive models to support pricing, profitability and measuring value).

Aileen Leventon and Mike White, Principals, **Edge International**

**3:30PM**      **CASE STUDY**

#### **Holistic Client Growth Planning:**

##### **A Move from Selling Services to Designing Experiences**

Designing (client) experiences (rather than just selling services) can begin to redefine how clients measure value – not as a function of cost, but of benefit.

- Part 1: Understand the client and opportunity using design methods and tools.
- Part 2: Table stakes: design a workflow process that produces the desired work product based on client need (speed, cost, thoroughness, etc)
- Part 3: Differentiation: design a service experience for the workflow and your relationship that exceeds client need and addresses unmet needs.

Josh Kubicki, Chief Strategy Officer, **Seyfarth Shaw LLP**

**4:00PM**      **CASE STUDY**

#### **Benchmarking Revolution:**

##### **Liberate your Valuable Benchmarking Data from PDF Isolation**

Most firms are subscribing to one or more benchmarking surveys, but they are not maximizing the value of their benchmarking data. Benchmarking data provides your strongest indicator of the firm performance. This data is too powerful to be relegated to quarterly review and limited discussion. The hard-hitting session will make the case that your benchmarking data should be integrated into your monthly reporting and your firm dashboards.

Tom Jones, CEO & Founder, **Iridium Technology LLC**

**4:15PM**      **Wrap-Up/Closing Remarks**

Tom Jones, CEO & Founder, **Iridium Technology LLC**

## REGISTRATION OPTIONS

Call us at:  
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Email:  
**DanielSmallwood**  
[@ark-group.com](mailto:DanielSmallwood@ark-group.com)

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Suite 240  
Charlotte, NC 28277

# The Mechanics of Law Firm Profitability

(March 22, 2018 - Chicago)

	Attendee 1	Attendee 2	Attendee 3
Name			
Job Title			
Organization			
Address			
Zip Code			
Phone			
Fax			
Email			

### Signature

I have read the terms and conditions below

- ☐ Conference Registration (law firms) \$995  
☐ Conference Registration (corp/in-house)) \$495  
☐ Registration for vendors/solution providers \$1,295
- ☐ **EARLY-BIRD DISCOUNT:** I am registering before **February 9th** and would like to claim my 15% early bird discount! (\$845.75)

**\*\*\*Team Discounts: Call Daniel Smallwood at 312 212 1301\*\*\***

Please note: payment must be received in full prior to the event to guarantee your place



Card number

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- ☐ Payment in the mail (checks made payable to Ark Group USA)
- ☐ **Multiple bookings: please invoice separately**

#### Registration Conditions:

- Substitute registrants from the same organization will be honored.
- All cancellation and refund requests must be submitted in writing via fax (704-341-2641) or e-mail (confirm@frallc.com)
- If we receive your request to cancel 30 days or more prior to the conference start date, your registration fees will be refunded minus a \$350 administrative fee.
- If we receive your request to cancel between 29 days and the first day of the conference you will receive a credit for the amount of the original registration fee, less a \$350 administrative fee.
- Credit vouchers are valid for 12 months from the date of issue and can be used either by the person named on the voucher or a colleague from the same company. Vouchers issued can only be redeemed once and have no residual value.
- No refunds or credits will be granted for cancellations received after a conference begins or for no-shows.

### Venue and Accommodations

This conference will be held at the University of Chicago's **Gleacher Center** - located at 450 North Cityfront Plaza Drive, Chicago, IL 60611— in the heart of Chicago's business community, just blocks away from the Loop. For more information please contact **Daniel Smallwood** at 312 212 1301—or by email at [dsmallwood@ark-group.com](mailto:dsmallwood@ark-group.com)

### Who Will Attend This Conference

Ark Group's **Mechanics of Law Firm Profitability** is designed for thought leaders interested in the structural dynamics of law firm profitability—ideal for those involved in the pricing of legal services, the design, diligence and execution of fee arrangements, or the development and execution of client service strategy, (ideal for, though not limited to): Executive Directors, Managing Partners, Practice Group Leaders, Pricing Directors, Business Analysts, COOs, CFOs, CKOs, CMOs and anyone else involved in financial analysis, project/matter management or strategic planning and analysis for law firms.

### Sponsorship Opportunities

If you are interested in learning about sponsorship opportunities for this event, please contact Kevin Klein for more details at [kklein@ark-group.com](mailto:kklein@ark-group.com) or by phone at 312 212 1302

# The Mechanics of Law Firm Profitability

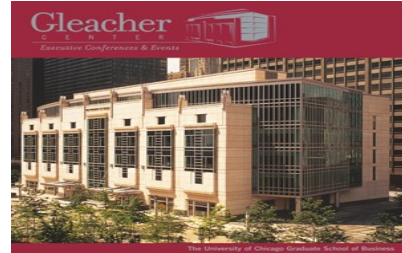
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MARCH 22, 2018 — CHICAGO, IL

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