

CHECKLIST: Improve Law Firm Performance

Leverage e-billing and matter management data to strategically manage law firm performance

Use this checklist to help ensure that your legal services providers are delivering value and bringing innovation to service delivery. No matter which ELM or e-billing platform you use, you can leverage the data you are already collecting and put it to work in support of improved outcomes, greater savings, and better overall business performance.

- ☑ **Identify your goals as an organization:** Decide on your goals and communicate them to outside counsel. Let them know which metrics you will put in place. Knowing how you plan to score them – and compare them to your other firms – will help them focus on the right areas.
- ☑ **Develop basic KPIs to compare firms:** Think about which key performance indicators (KPIs) best indicate your progress toward your goals. E.g. :
 - Amount of work/matters with each firm
 - Amount of spend with each firm
 - Firm results (which firms generate the best outcomes?)
- ☑ **Establish targeted KPIs to measure progress on specific goals:** Collect data based on your specific goals and priorities.
 - **CONTROL COST:** KPIs around budgeting and comparing how well firms are adhering to them. Measure how consistently firms are providing early case assessments and communicating potential red flags, as well as complying with your billing guidelines.
 - **IMPROVE OUTCOMES:** Measure staffing ratios to ensure the right level of involvement of partners and more experienced attorneys.
- ☑ **Create fields to capture the necessary data:** Work with your vendor to ensure your ELM solution captures the right data. This may be a combination of fields the tool already tracks and custom fields to meet your specific needs
- ☑ **Design reports and scorecards that convey the information:** Communicate! Present your data so your audience can quickly find it and easily understand it. If you have multiple audiences, design multiple dashboards so that everyone gets the information they need with no extraneous data. (For examples, senior managers typically want high-level information, while claims managers or in-house counsel who directly manage individual legal matters need more granular data to support their daily decisions.)
- ☑ **Work with your internal team to understand the drivers:** Make sure everyone is working with the same expectations and priorities so the team can be consistent on decisions about case assignments as well as the feedback they provide on firms. Survey your people for qualitative data, which is an important part of a complex analysis. Feedback forms, normally filled out by internal team members when cases are closed, can help identify law firm strengths and opportunities for improvement.
- ☑ **Know your go-to law firm partners:** Keep a list of firms (by practice area and geography) that consistently deliver the service and outcomes you expect, especially on complex or high-risk matters.
- ☑ **Regularly share your data with your firms:** Share your feedback at least once a year, including the firm's scorecard. Rather than being adversarial, this process can greatly improve your relationship with your firms. Think of it like going over your blood work at the doctor's office. It is an opportunity to see what is going well and to identify areas for improvement.
- ☑ **Set clear expectations about the metrics you want firms to provide:** Ask your firms to provide a spreadsheet of all the files they received from your organization in a given year. For each case, the spreadsheet must show the date of their first call with your organization and whether it was resolved or not, along with other information that helps keep the focus on strategy and ensuring that there is a game plan for each file.