

A woman in a business suit is smiling and looking at a laptop in a library setting. The background shows bookshelves filled with books. The image has a blue tint and a diagonal light blue stripe at the bottom.

How law firm
leaders can
boost profits and
enhance people
productivity



BigHand

Introduction

The legal landscape is evolving, harnessing the power of real-time data visibility is not just a strategy, but a lifeline for law firms facing declining demand and rising costs. BigHand's latest market insights confirm 3 out of 4 firms globally have seen a decrease in demand in the past year and expect it to continue into the next.

Between support staff structures evolving, firms feeling pressure to prioritize equitable work allocation among associates, and clients becoming more cost-conscious and requesting more price transparency, there is a lot to tackle at once.

In an increasingly competitive and cost-driven market, data plays an important role to not only withstand but to overcome the current challenges facing law firms.

With data, law firm leaders can gather more insight into how matters are sourced and make sure the right people are tasked with the right work in the most cost-effective scenario.

The use of technology to capture this kind of data has helped ease client pressures as it proactively shows them the steps firms are willing to take to provide more transparency into how matters are resourced and priced.

Along with creating more efficient workflows and resourcing matters more equitably, if firms are to meet profitability objectives, they need to improve staff understanding on pricing practices and address the causes of profit leakage as well as focusing on increasing billable hours.



The outlook for long-term profitability is dependent on the strategies law firm leaders take today. Two priorities include:

- Solving operational inefficiencies made worse by hybrid working, such as lack of visibility into employee workloads and skillsets.
- Improving working capital and reducing profit leakage with in-depth reporting of key financial data.

Insights from Our Market Research: People Productivity

BigHand surveyed 825 law firm leaders to understand how firms are responding to changing market dynamics. A few trends emerged from the research that spotlight the declining demand for legal services, a looming support staff attrition crisis, the prevalence of manual processes and reporting, evolving support structures, and embracing technology and workflow managers.



A look into some of the key insights from BigHand's market research include:

- Increasing prices is not the answer as 87% of firms have found their clients are more cost-conscious when buying legal services. The impact of this change in buying behavior is clients demanding even more visibility into the cost of work throughout the lifecycle of an engagement.
- 83% of lawyers are still delegating tasks manually, creating slower workflows and underutilization of support staff.
- 53% of firms say support staff attrition is increasing. With the retirement time-bomb ticking, 93% of firms have made changes to support staff structures in the last two years.

With legal-specific technology, firms gain end-to-end visibility on matters and can automate task delegation and reporting processes. Work is automatically routed to the right person at the right cost, freeing up lawyers from having to waste time on manual delegation.

The technology provides visibility of key metrics like work type, volume, capacity and utilization for informed resourcing and productivity decision making. Firms improve turnaround times and can share and receive work seamlessly with desktop and mobile capabilities.

A law firm's success is dependent on the efficiency of its staff. Workflow Management technology is the backbone of an efficient support team.

Insights from Our Market Research: **Business Intelligence**

Financial transparency into the matter lifecycle is vital to maintaining profitability and sustaining client relationships but is only one aspect of how firms are working towards safeguarding profitability.

Working capital is no longer only for the legal finance team to understand, but for the entire firm. To achieve profitable engagement and meet client demands for financial transparency, lawyers need awareness and education surrounding key financial metrics.

BigHand's research revealed over half (54%) of firms in North America confirm they have seen an increase in demand for real-time financial matter updates from clients. There is an increased demand for matter budgets and client reporting as well.

Improving client communication throughout the matter to limit surprise bills and reduce possible disputes that can delay payment and better meet client expectations is a high priority for 40% of NA firms.

Lawyers need to be empowered with the information needed to engage in commercial conversations.

Firms with better commercial insights can be far more specific in the way they incentivize lawyers to improve key performance indicators and profitability outside of increasing billable hour targets.



BigHand Business Intelligence gives firms the ability to have up to date, accessible, and easily understood financial insights to help implement a commercial oriented culture among lawyers. By making this data more accessible, lawyers are better equipped to work more cost-effectively.

BigHand not only provides up to date information but the ability to filter the data into personalized dashboards for each level of employee and gain true insight to support both internal decision making and external client conversations around pricing.

BigHand Clients are Better Equipped for Today's Economic Climate

Allison O'Reilly, Business Operations Manager at Herrick, Feinstein LLP, saw firsthand how BigHand Workflow has increased operational efficiency for their support staff and PAs.

“We can now see on a daily basis that the right work is going to the right support team, which has been really beneficial. For support staff and the PA team in particular, it means they are getting the higher value tasks that make optimal use of their skillsets, which is vital for staff morale and retention.

Likewise, our attorneys are benefiting from having access to a full pool of highly competent PAs. They can now trust that the work will get done, to a high standard, within the timeframe it needs to get done. In turn that means they can spend more time focusing on their billable hours rather than worrying about admin.” Workflow Management has given Herrick the ability to improve their day-to-day workflows and establish a more cost-effective way of conducting business.”

With the insight from BigHand BI, the finance team at Stoel Rives has moved from fulfilling a primarily reporting/ reactive role, to one which is proactive. Cecy Graf, Chief Financial Officer, comments:

“Without BigHand we wouldn't have as much effective engagement in the pricing function as we do, because timekeepers can really see the overall impact of their decisions.

I genuinely believe that BigHand added significantly to our success last year. We were able to demonstrate a better leverage model than the industry average. We exceeded our revenue target and profitability was strong.”

BigHand's technology is specifically tailored to empower law firms with data and visibility to tackle today's challenges. Whether it's sourcing matters more cost-effectively or gaining more financial insight, BigHand is here to support law firms through economic ups and downs.



[Connect with us](#)