

*The Future of Price:  
Defining Value in Value Billing*

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Breadth. Depth. **Results.**

# Seyfarth*Lean* Background

- Work began more than six years ago in response to growing concerns from clients about time-based fee models
- Goals were to:
  - ▶ Institutionalize a value conversation with our clients and then work collaboratively to deliver that value efficiently
  - ▶ Improve predictability of fees, lower client costs, increase transparency and allow law departments, if they wished to collaborate, to have real-time access to fees and management of matter
  - ▶ Facilitate continuous, sustained improvement in quality of service

# The Seyfarth*Lean* Six Sigma Model

- Process started with serious consideration of various efficiency models including traditional Lean Models and pure Six Sigma
- We settled on an adaptation of Lean Six Sigma tailored for legal services, building in strategy, project management and change management
- The result is a disciplined way to think through and deliver high value legal services – a fundamental change in the way we work

# Representative Projects

- M&A Transactions
- Commercial Litigation
- Claims Processing
- Transactional Tranches
- Contracts Management
- Data Program Support
- Small Acquisition Flow
- Wage & Hour Class/Collective Actions
- Non-Compete Litigation
- Real Estate Financing
- Products Liability Litigation
- e-Discovery
- Trademark Prosecution
- Employee Benefit Plan Restatement
- Summary Judgment
- ERISA Litigation
- Employment Litigation
- Real Estate Leasing

# Seyfarth*Lean* Process

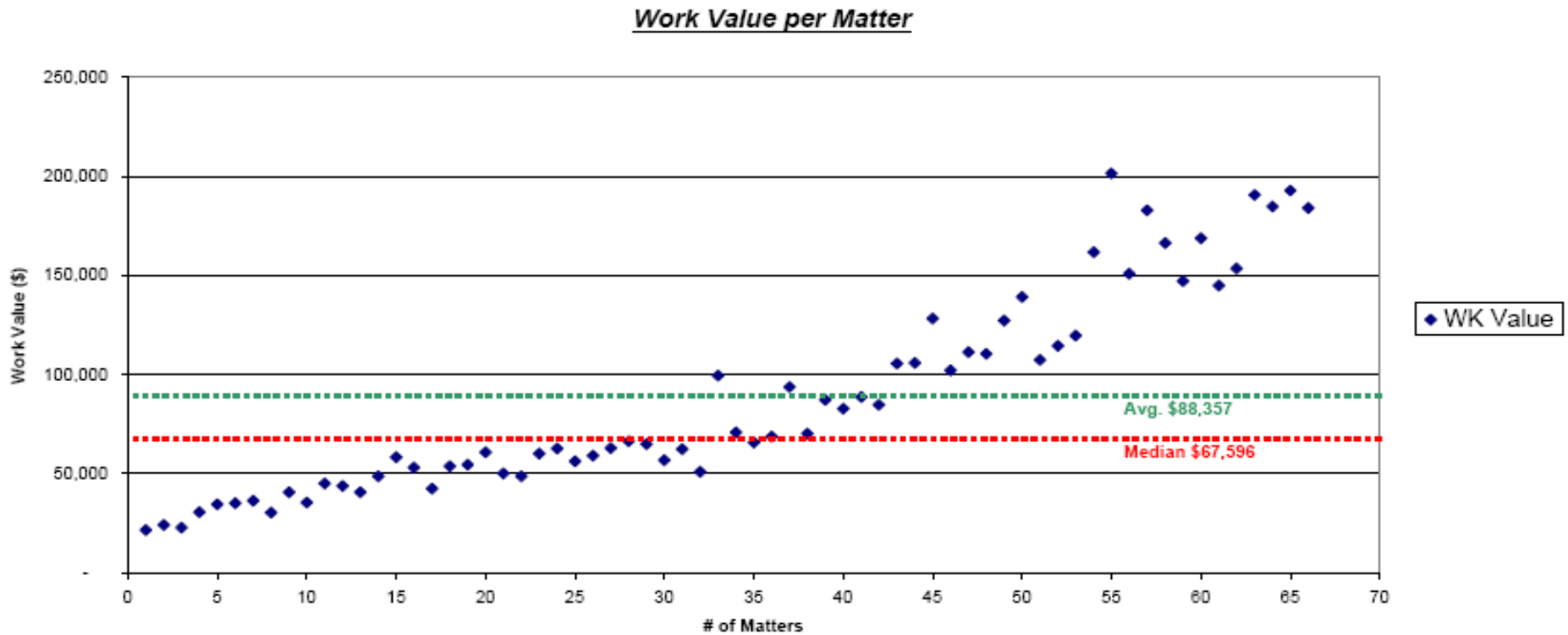
- **Define**
  - ▶ Clients want high quality, lower cost legal services, delivered with predictable results
- **Measure**
  - ▶ Collect data on Seyfarth/client experience: total cost, cost by task code, “voice of client”
- **Analyze**
  - ▶ Gather experts in “Kaizen”; review current state and process map future
- **Improve**
  - ▶ Make changes in process; train attorneys/staff; support with technology and best practices
- **Control**
  - ▶ Supervise and measure to prevent return to the prior process

# Seyfarth*Lean* Tools

- Voice of the Client
- Project management
- Root cause analysis
- $Y = (f)X$
- Process mapping
- Pareto Chart
- Kaizen
- Knowledge Management
- WIN's
- Lessons Learned
- Control Plan
- SeyfarthConnect
- Matter Management
- Service Standards
- InSeyt

# Seyfarth*Lean*: A Litigation Case Study

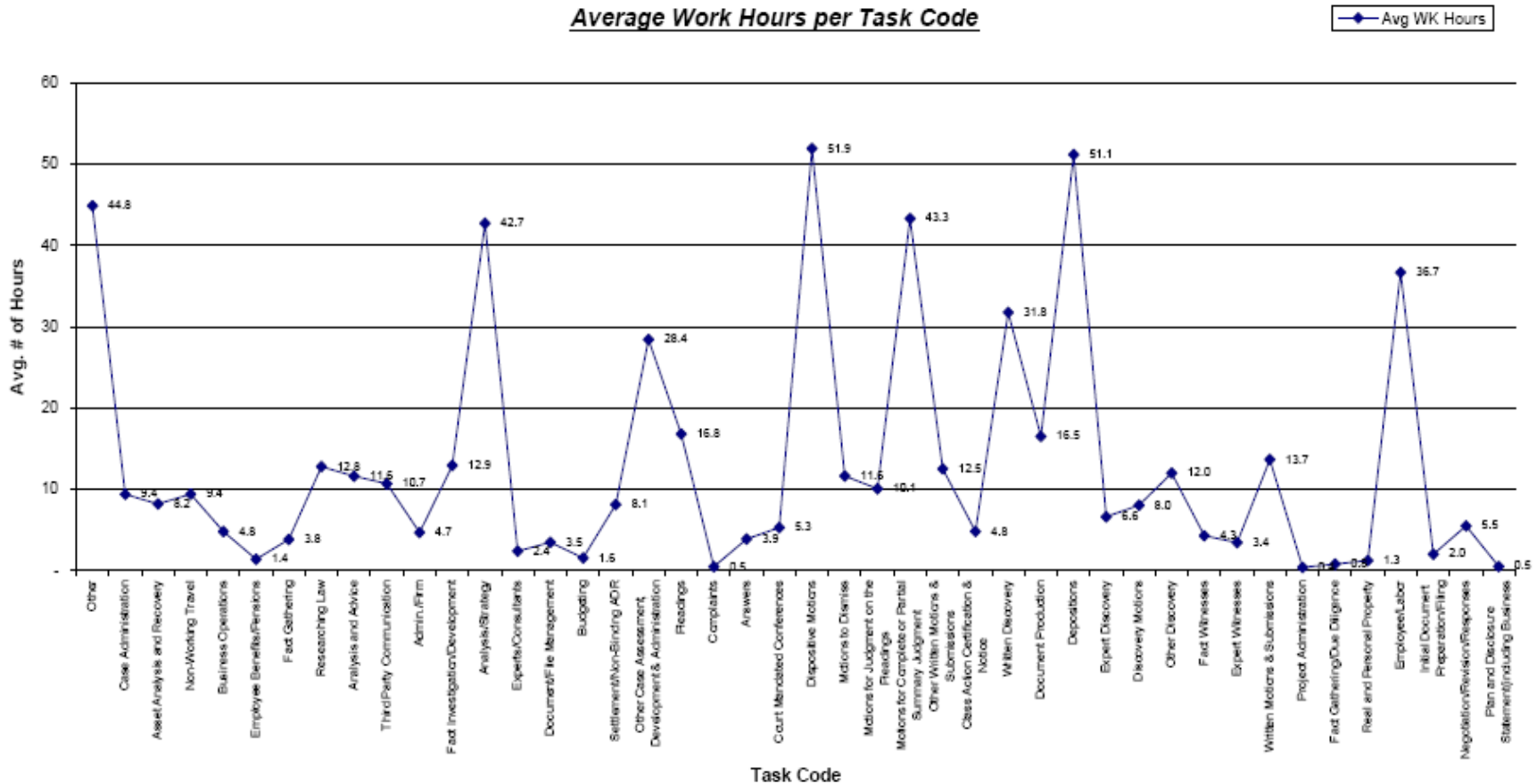
# Commercial Litigation





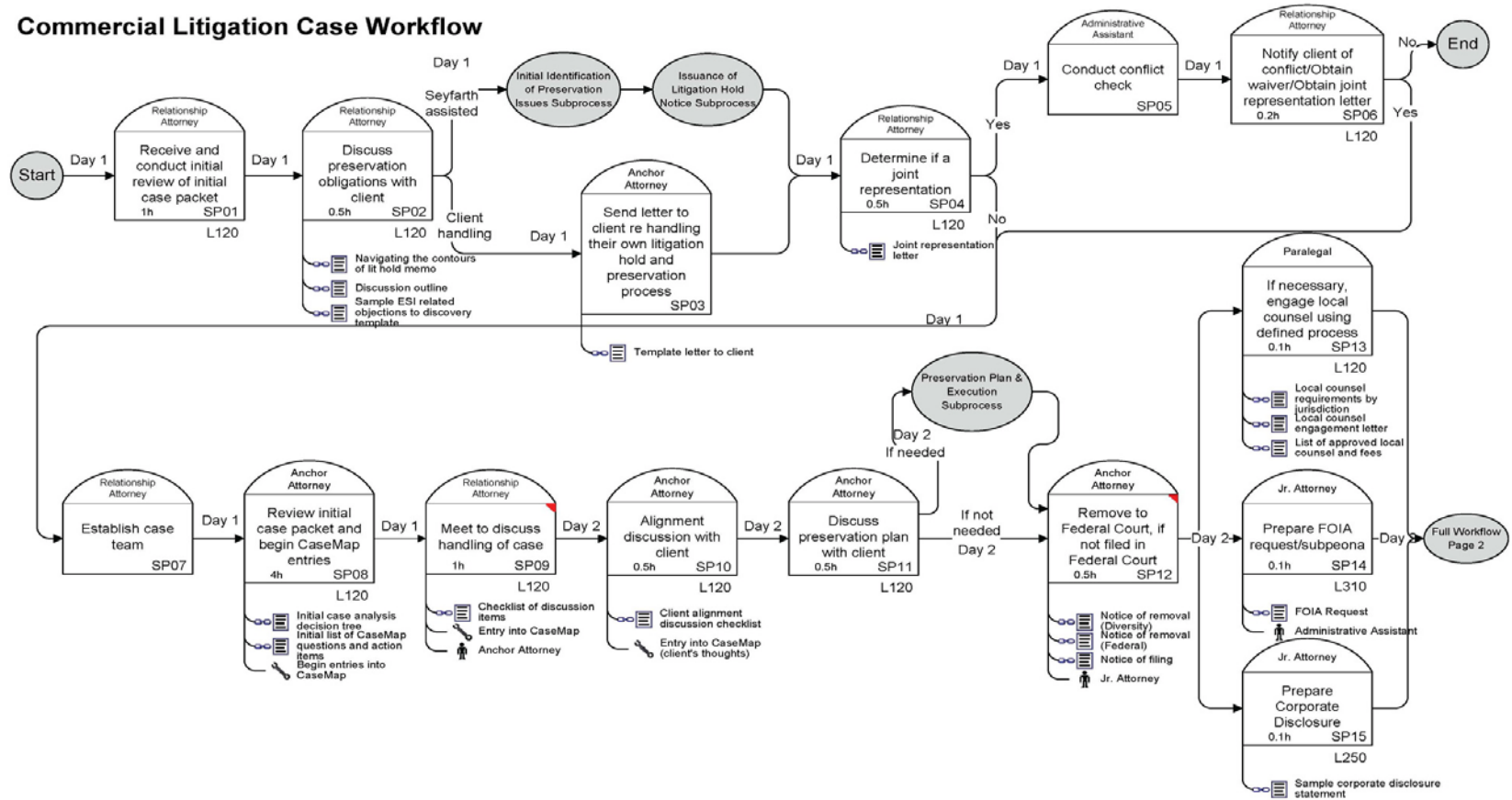
# Task Codes Are Key To Analysis

Average Work Hours per Task Code



# Sample Process Map: Commercial Litigation

## Commercial Litigation Case Workflow



# Our Approach and Tools: Sample Matter Management Report

**Client - ABC Company**  
 Matter - 12345-000000 J. Doe v. ABC Company  
 Report Run Date - 03/02/09 Information Reported As Of 03/01/2009 11:59 PM

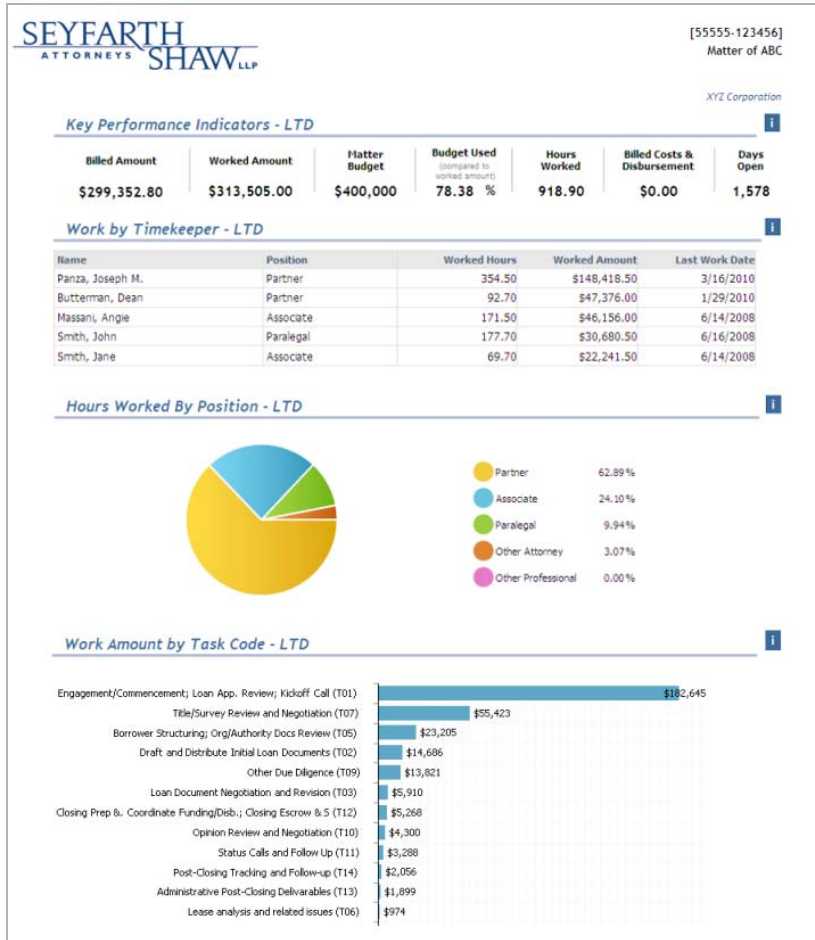
Task #	Task Code Description	Total		Attorney Timekeepers		Other Timekeepers	
		Hrs	WK Value	Hrs	WK Value	Hrs	WK Value
L110	Fact Investigation/Development	0.1	\$27.50	0.1	\$27.50		
L120	Analysis/Strategy	23.9	\$6,543.50	23.9	\$6,543.50		
L140	Document/File Management						
L160	Settlement/Non-Binding ADR						
L190	Other Case Assessment, Development & Administration	5.4	\$1,771.00	5.4	\$1,771.00		
L210	Pleadings	4.1	\$1,127.50	4.1	\$1,127.50		
L211	Complaints	0.7	\$192.50	0.7	\$192.50		
L212	Answers						
L230	Court Mandated Conferences	0.4	\$110.00	0.4	\$110.00		
L241	Motions to Dismiss	16.6	\$4,741.00	16.6	\$4,741.00		
L243	Motions for Complete or Partial Summary Judgment						
L250	Other Written Motions & Submissions	2.7	\$742.50	2.7	\$742.50		
L310	Written Discovery	2.9	\$573.50	0.7	\$188.50	2.2	\$385.00
L320	Document Production						
L330	Depositions						
L350	Discovery Motions						
<b>Total:</b>		<b>56.8</b>	<b>\$15,829.00</b>	<b>54.6</b>	<b>\$15,444.00</b>	<b>2.2</b>	<b>\$385.00</b>

Budgeted Amount: \$61,264.00  
 Total Work Value: \$15,829.00  
 Variance: \$45,435.00  
 Percent of Budget: **25.84%**

Percent of Total Work Value to Budget:

- Less than 50% of the Budget
- Between 50% and 75% of the Budget
- Between 75% and 100% of the Budget
- 100% or greater than the Budget

# Client & Matter Dashboards



# Our Approach and Tools: National Relationship Team Site

- Action Items with Gantt Chart
- Dynamic Document Repository
- Custom Document Folder Tree
- Discussion Board
- Databases
- Dashboards
- Calendar
- Contacts
- Links

# Our Approach and Tools: Sample Team Site

The screenshot displays the inSeyt Team Site interface for a specific matter. At the top, the user is identified as Panza, Joseph M., with navigation options for Team Site Digest (4), a notification icon (3), Feedback, and TOC. A search bar is available with a dropdown menu set to 'DOCUMENTS'. The main navigation bar includes links for My inSeyt, Practice Management, Research, Practices, Prof. Development, Support Services, Offices, and People. The current view is 'Matter Sites' with sub-tabs for Workbench, Financials, Dashboard, and MatterTracker.

The matter details are as follows:

- Matter:** [55555-123456] Matter Regarding ABC
- Client:** [55555] Corporation XYZ
- Status:** Open
- Date Opened:** 03/24/2010
- Date Closed:** (blank)
- Area of Law:** L&E - Litigation | Two or More Individual Plaintiff Litigation (discrimination, harassment, etc.)
- Department:** Labor & Employment Group
- Office:** Chicago

**Tasks Table:**

Title	Days Left	Assigned	% Complete
Discuss ABC with Angle	-1	Balakhan, Rishi	90%
Write ABC	5	Massani, Angela	80%
Prepare for XYZ	12	Panza, Joseph M.	30%
Review ABC	22	Balakhan, Rishi	0%

**Documents Table:**

Title (Document Number)	Author	Modified
Letter to John Doe (13334456) v.2	Panza, Joseph M.	8/10/2011
Letter to Jane Doe (98888889) v.1	Balakhan, Rishi	8/10/2011
FW: Email about XYZ (13654330) v.1	Panza, Joseph M.	8/10/2011
Privilege Log (98765559) v.1	Panza, Joseph M.	8/10/2011
Review of ABC (77777777) v.1	Balakhan, Rishi	8/10/2011
Answer to First Set of Interrogatories (55443322) v.5	Massani, Angela	8/10/2011
Response to First Request for Production of Documents (44332211)	Massani, Angela	8/10/2011
First Request for Production (77777777) v.7	Balakhan, Rishi	8/10/2011
Request for Production (99999999) v.6	Balakhan, Rishi	8/8/2011

**Timekeepers:**

- Panza, Joseph M. *Billing*
- Massani, Angela *Supervising*

**Active Timekeepers (16)**

Additional features include a calendar for Events, a Links section, and a Discussions section, each with an 'Add new item' button.

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# Seyfarth Scorecard

## SEYFARTH SCORECARD

**Your Information**

First Name:

Last Name:

Company:  Not using LinkedIn? Click here.

**Service Areas Covered**

Bankruptcy, Workouts and Business Reorganization     Immigration  
 Litigation     Intellectual Property  
 Construction     Labor & Employment Counseling and Litigation  
 Corporate, Securities and Tax     Real Estate, Real Estate Finance  
 Employee Benefits     Trade Secrets  
 Environmental, Safety and Health     Other  
 Government Contracts

**Score Seyfarth's Performance**

5=Excellent, 4=Very Good, 3=Good, 2=Fair, 1=Poor

Understands objectives/expectations - Select an option	Results delivered/execution - Select an option
Legal Expertise - Select an option	Good value; would you hire us again? - Select an option
Efficiency/process management - Select an option	Comments <input style="width: 100%; height: 40px;" type="text"/>
Responsiveness/communication - Select an option	
Predictable cost/budgeting skills - Select an option	

Submit Scorecard

Breadth. Depth. Results.

## CLIENT SCORECARD

Client Responses
Response Metrics

### Response Metrics

**Filters**  
 Wave:   
 Client:   
 Department:

**Export Data**  
 Format:   
Submit

Key Performance Indicators				
Scorescards Received	Average Response	Scorescards with Low Scores	Scorescards Not Received	Abandoned Scorescards
0	N/A	0	0	0

Response Averages						
Understands Objectives/Expectations	Legal Expertise	Efficiency/Process Management	Responsiveness/Communication	Predictable Cost/Budgeting Skills	Results Delivered/Execution	Good Value/ Would You Retire?
N/A	N/A	N/A	N/A	N/A	N/A	0%

# Our Approach and Tools: Managing the Relationship

- Dedicated, client-facing Project Managers
- Ongoing relationship meetings
  - ▶ Status, metrics (by matter, by portfolio)
  - ▶ Provide shadow billing, budget to actual and proactive review
- Standardized lessons learned for every matter and at periodic intervals
- Client service scorecard: Seyfarth Scorecard
- Suite of relationship services – value-added offerings designed to enhance the relationship, provide proactive advice to mitigate risks and increase our alignment with client's business



# Putting it all together

- Value definition
- Project management
- Knowledge management
- Technology tools
- Data and metrics
- Process improvement
- Alternative pricing models
- Listening and collaborating, deliver business outcomes



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