



Agenda



- The data landscape
- How a data-driven culture is changing the landscape of decision making for law firms
- Where technology, user demands and analytics is changing the world we live in
- Where are you today?
- Using data to improve profitability
 - Client and Matter profitability
 - Managing lock up
 - Recording time
- Summary and Q&A

THE COMING FLOOD OF DATA

Data Everywhere

Data Everything

**THE RISE OF
CONNECTED THINGS AND MACHINES
BY 2020:**

212B SENSORS
50B DEVICES
47% CONNECTIONS
WILL BE MACHINE TO MACHINE

**GENERATING
TREMENDOUS AMOUNTS OF DATA
EVERY DAY IN 2020:**

INTERNET USERS **1.5 GB** PER DAY
SELF-DRIVING CARS **4,000 GB** PER DAY
CONNECTED PLANES **40,000 GB** PER DAY
CONNECTED FACTORY **1 MILLION GB** PER DAY



Data Challenge 2017



Data Pollution
Data Fatigue
Data Ignorance
Data Bias

Post Fact Era?





Effective **Decision**-Making

Top 4 reasons decisions get delayed:

- **55%** Lack of confidence in data
- **51%** Too little data
- **39%** Disagreements with peers
- **36%** Lack of clear outcome from choices



65%

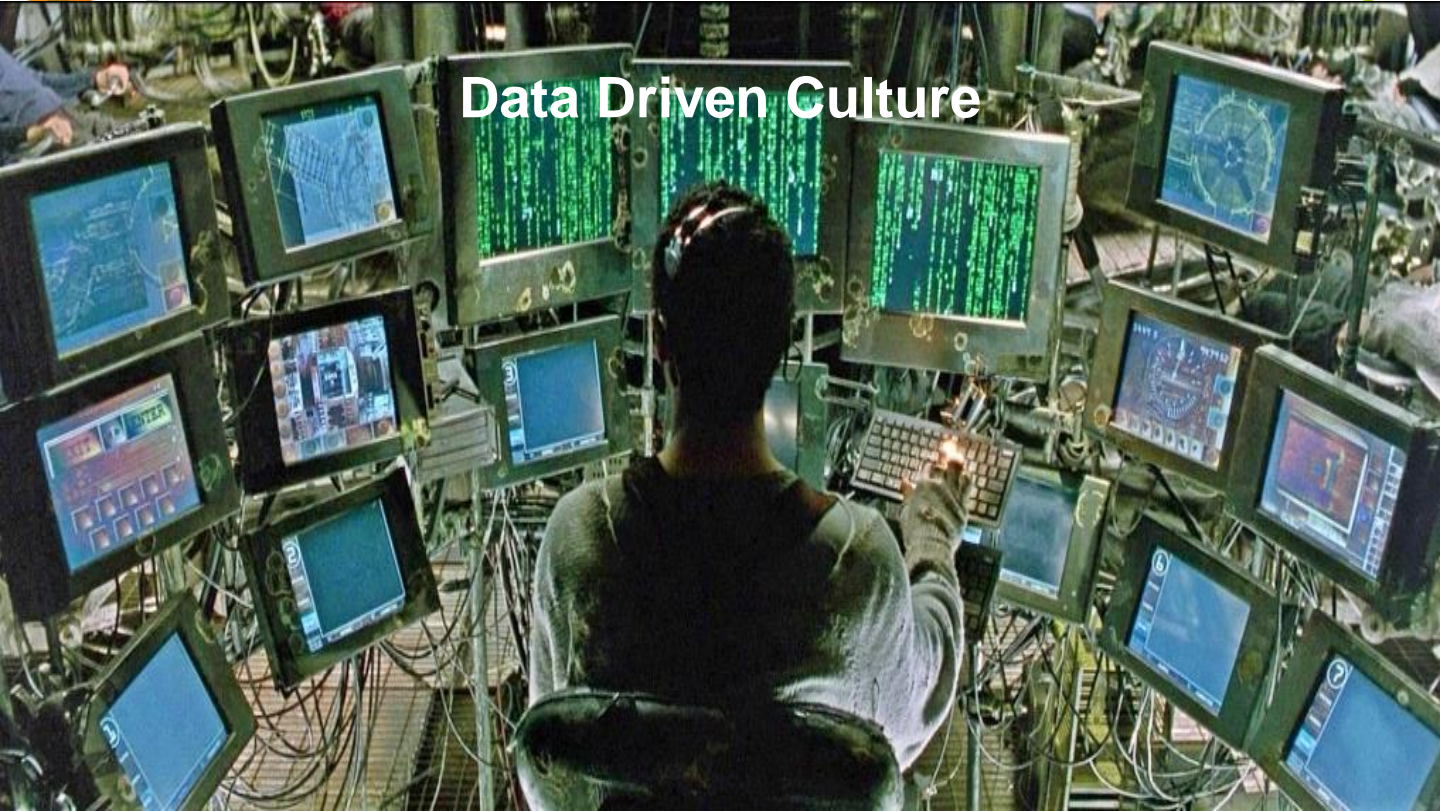
Organisations
where managers
would follow their
gut feel over data
if the data
contradicted it.

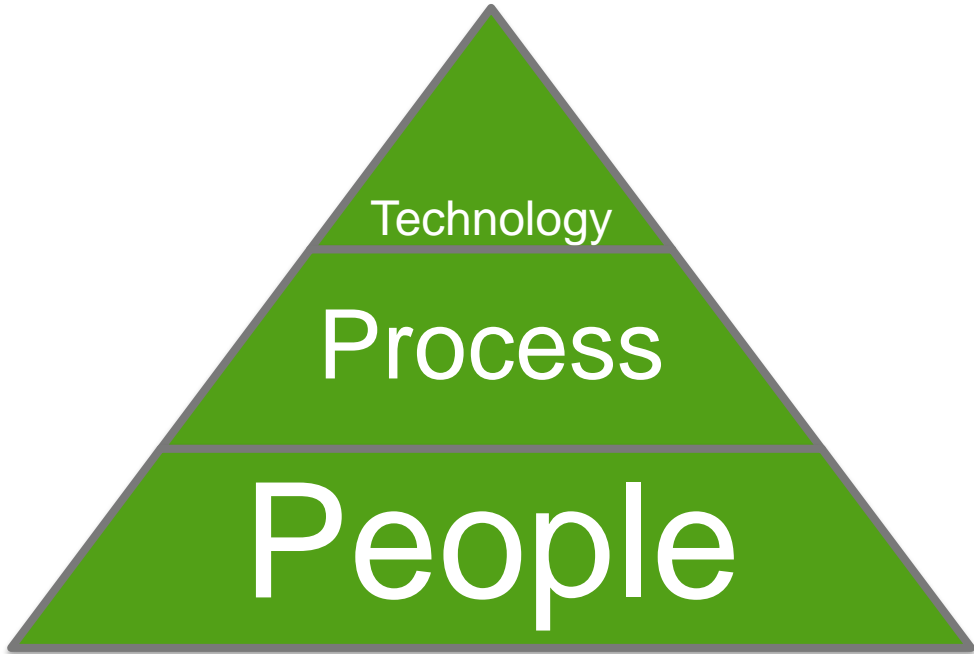


23%

Organisations
that routinely
**check the
outcome** of
business
decisions.

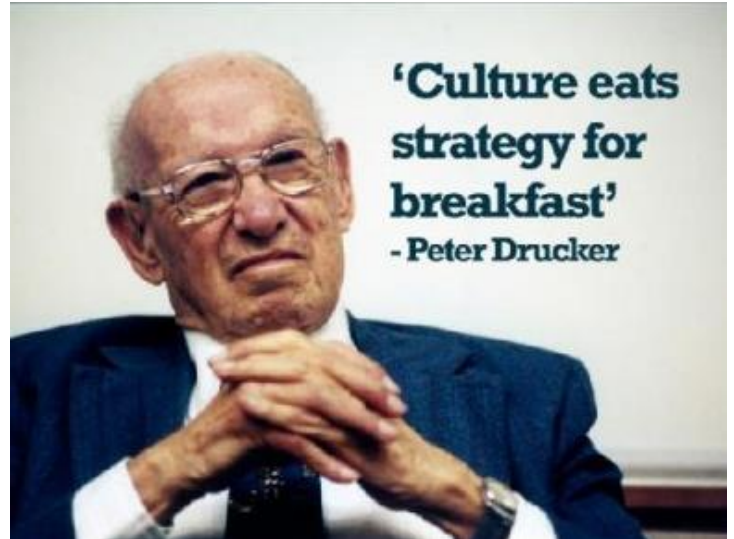
Data Driven Culture





Data Driven Culture

Data-driven cultures tend to exhibit 5 key attributes...



#1

**Data first,
rule-of-thumb second.**



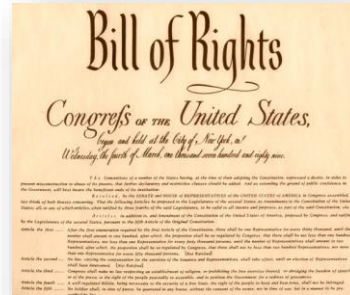
#2

Doubt and questions
are **encouraged.**



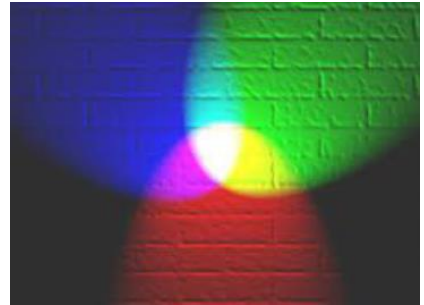
#3

Governance, not dictatorship.



#4

It's not about **Big Data**,
but combinations.





#5

Empower Your People

Nearly two-thirds of respondents believe that self-service data analysis creates significant competitive advantage

Source: Forbes 2016

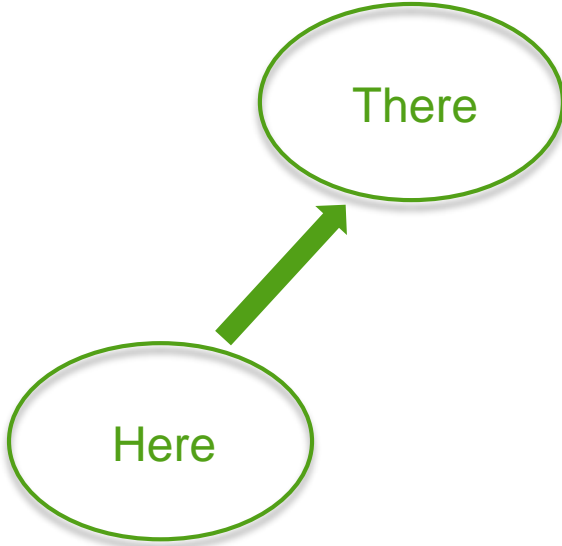


Data Literacy Could Determine Survival

Data Literacy

“Data literacy includes the ability to **read, work with, analyse** and **argue** with data.”

Getting There

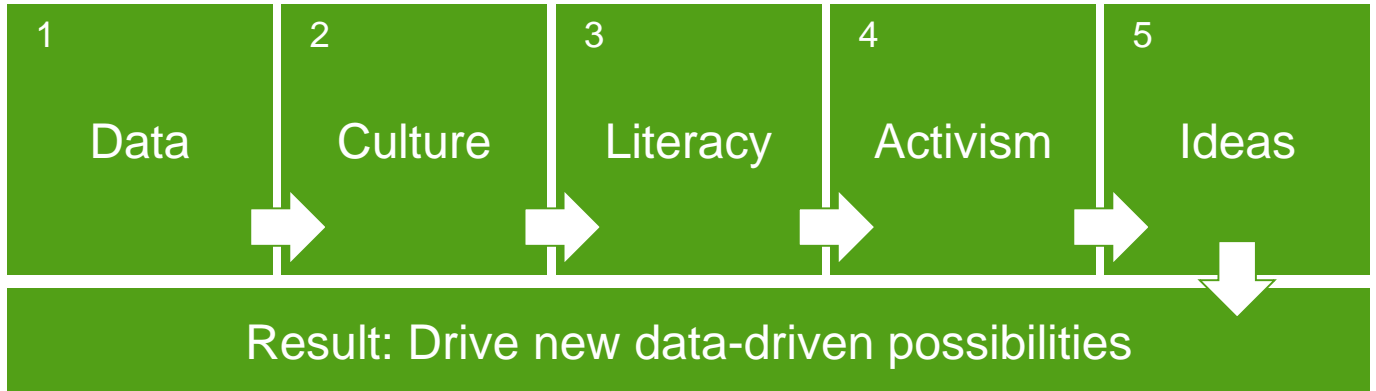


**Information
Activists**



Data

5 Steps To Living In, Working With And Loving Data



Digital Consumer

Generation Z



Generation X



Generation Y



What are other sectors doing?

- Food & Beverage manufacturing
 - Margins are small, so profitability at product and customer level is key
 - What some people may think is simple, is quite complex. How do you allocate freight costs down to product level?
 - Direct vs. Indirect fixed costs, including depreciation
 - Maintenance of plant and equipment that is not directly related to a manufacturing line (a boiler for steam generation for the site)



Typical Static Report

WIP Detail Report

Matter Manager: John Ratzenberger

Report DateTime: 26/11/2015 | 21:37

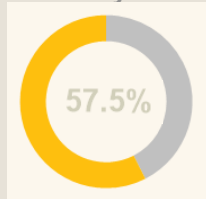
Total WIP: £12,419

Client	Matter Code	Fee Earner	Tran #	WIP Date	WIP
International Macaroni plc	B4870-086062	John Ratzenberger	TX86274422	19/04/2013	£67.98
Mrs. Molly Fisher	C82-000436	John Ratzenberger	TX94694611	19/04/2013	£448.80
Ms. Hannah Crawford	C21610-073370	John Ratzenberger	TX24316019	17/04/2013	£90.64
Mr. Luca White	C36733-123686	John Ratzenberger	TX46568023	17/04/2013	£167.86
Mr. Luca White	C36733-123686	John Ratzenberger	TX89082125	17/04/2013	£231.00
Ms. Scarlett Talbot	C20314-068767	John Ratzenberger	TX62059948	16/04/2013	£195.44
Ms. Scarlett Talbot	C20314-068767	John Ratzenberger	TX81751980	16/04/2013	£67.08
Mr. Patrick Smith	C13248-047364	John Ratzenberger	TX87868870	12/04/2013	£69.96
Mr. Kian Wilson	C14765-052107	John Ratzenberger	TX99132796	12/04/2013	£219.30
Ms. Imogen Austin	C20790-070695	John Ratzenberger	TX95578185	12/04/2013	£66.00
Mr. Kian Wilson	C14765-052107	John Ratzenberger	TX48287226	11/04/2013	£447.20
Mrs. Ruby Scott	C22633-076015	John Ratzenberger	TX20995932	11/04/2013	£65.14
Mr. Kian Wilson	C14765-052107	John Ratzenberger	TX51073297	10/04/2013	£180.60
Ms. Hannah Crawford	C21610-073370	John Ratzenberger	TX96487489	10/04/2013	£88.00
Ms. Hannah Crawford	C21610-073370	John Ratzenberger	TX55182761	10/04/2013	£66.00
Ms. Maya Wilson	C25489-083198	John Ratzenberger	TX86708171	10/04/2013	£423.72
Ms. Maya Wilson	C25489-083198	John Ratzenberger	TX68943018	10/04/2013	£90.64
Ms. Hannah Crawford	C21610-073370	John Ratzenberger	TX30675059	09/04/2013	£88.88

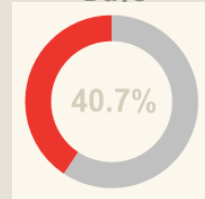
WIP Amount



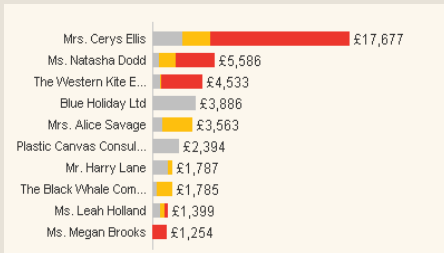
WIP Over 60 Days



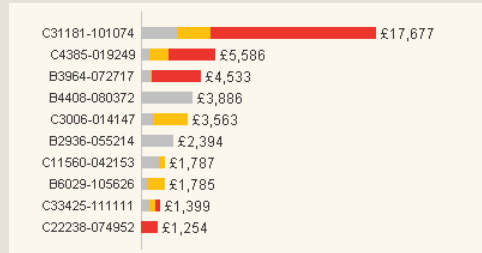
WIP Over 120 Days



Top 10 Clients

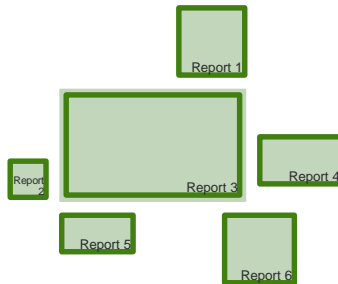


Top 10 Matter



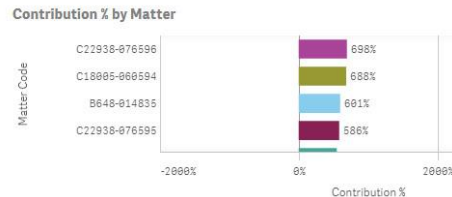
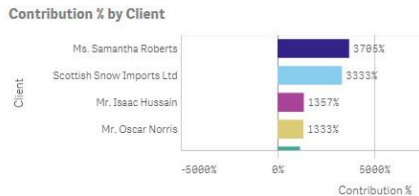
Managing data with static reports

- Understand the difference between a static report and a dynamic dashboard
- If there is a problem, it is already too late
- Changes to static reports take time to make
- Proliferation of “similar” reports that no one uses anymore



Profitability at Client and Matter level

- Create overhead allocation rules
 - Work on the basis that a committee made up of representatives from the firm as a whole are responsible for creating the rules
 - Be ruthless, accept no compromises, unless you're prepared to go very granular
 - Make clear distinction between direct and indirect overheads
- Test your assumptions before releasing the results



Thank
you

