

Let's Talk About...Economics

VQ, Stockholm

Richard Tromans, Founder & Consultant

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Overview

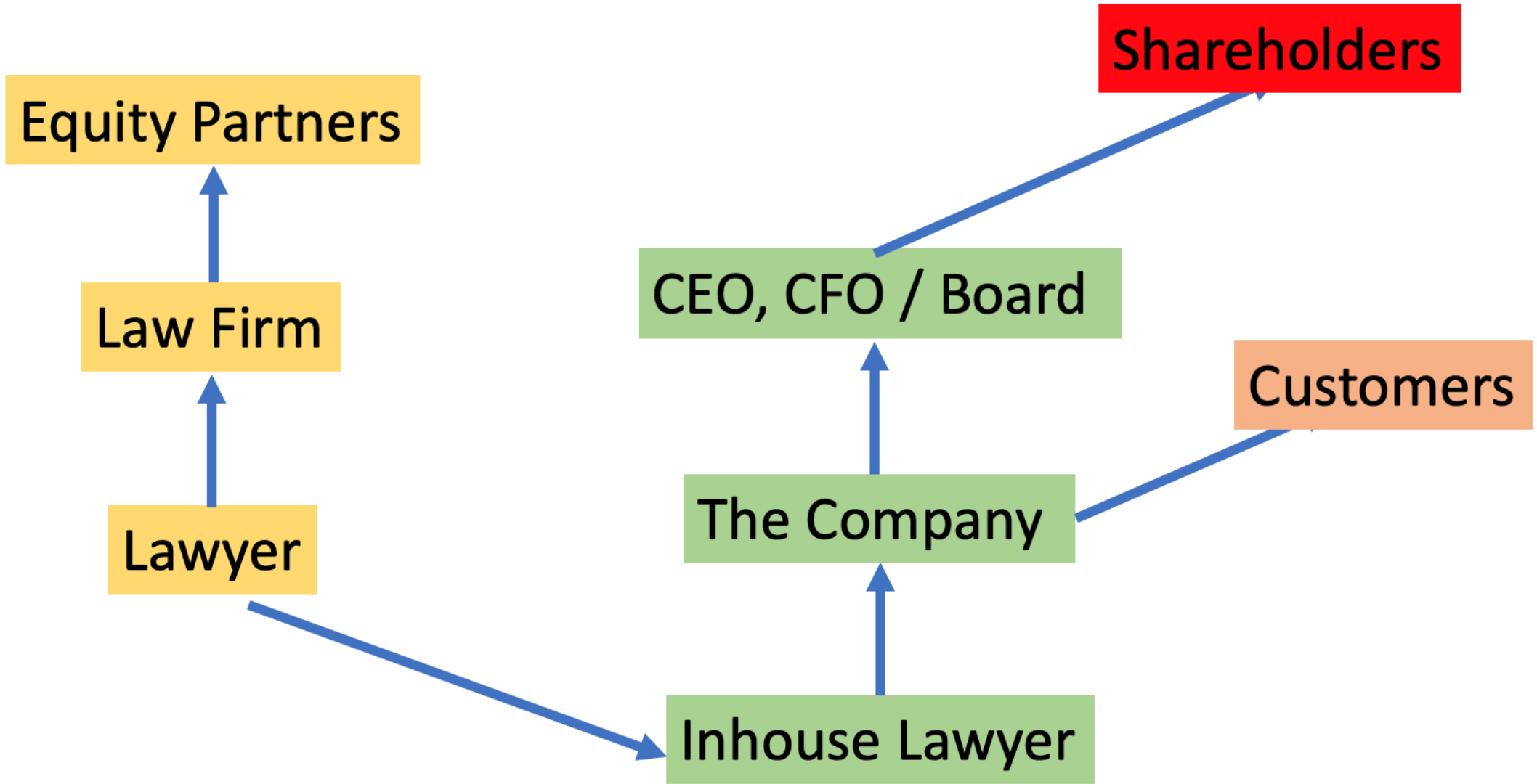
- Legal services.....It's all about relationships....
- And, economics.
- Making things change.

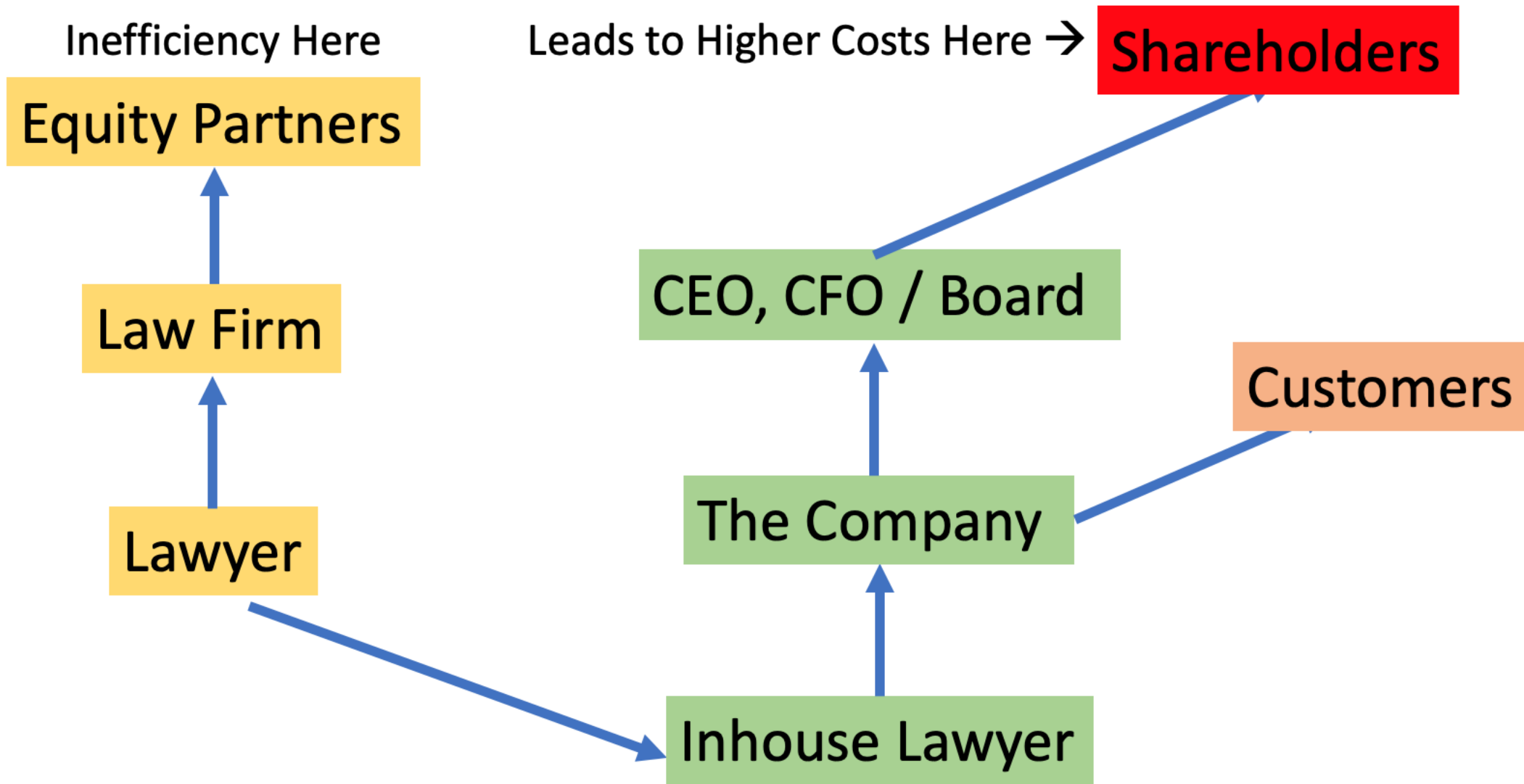
It's all about relationships

Lawyer

Client

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ECONOMICS

Law \neq Business of law

First Principles

1. If society is to be governed by rules, then we need:

- *legal services (e.g. advice, case management, doc review) and,*
- *legal products (e.g. contracts)*

2. Producing these is fundamentally economic activity.

3. How each service is delivered and each product is made has an economic cost.

4. We should continually seek to reduce that economic cost.

Arguments for not changing

1. 'No one ever got fired for picking IBM.'
2. 'Legal cost savings are irrelevant compared to the value we bring to the business.'
3. **'Nothing we do is ever the same twice.'**

If an event isn't a one-off,
then we can learn to improve things.

And, if it's not all unique, then:

1. **Data can be gathered.**
2. Inefficiencies can be found and reduced.
3. Better methods of production can be found.
4. Models (e.g. templates, **standard pricing**) can be developed.
5. Production times can be sped up.
6. Quality can increase/risk reduced as errors are ironed out.
7. **Insights** into legal & business practices can be found.
8. Overall, costs can be sensibly reduced.

We can make this change happen via:

- People,
- Process,
- Technology.

People, Process & Technology

- Reduce the cost of human labour involved in providing services and making legal products:
- LPOs, ALSPs and Managed Legal Services.
- Refer to cheaper regional law firms.
- Use Lawyers On Demand services.
- Increase paralegal and junior lawyer team/insource more work into legal teams.
- (Likely all of the above – But there is a limit...!)

‘If you *don't* want a robot to replace you, then stop *behaving* like one.’

‘Make lawyers more human, by absorbing the process work with technology.’

People, Process & Technology

- Process map and improve the steps involved in any BAU work.
 - Put in place benchmarking of costs to create standard pricing where possible.
 - Develop templates that you actually use, and clause banks.
 - Create more efficiently designed teams.
 - **Question how you do things.**
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- Demand the time and space to think about how work is done.

People, Process & Technology

- **Contract production/automation**
- **Contract pre-signing review**
- **Large scale contract/document/compliance review/analysis**
- **Litigation analysis/outcome prediction**
- **Knowledge retrieval (legal or pricing)**
- **Business and legal insights**

Conclusion

- Think about the process to make the product, or to deliver the service.
- Can it be done more efficiently? More economically?
- If so, what is the best combination of People, Process and Tech to achieve that goal?
- Give yourself time to think about this.

People, Process & Technology



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Thank you – Questions?

Richard Tromans – Founder & Consultant
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