



**rocket matter**

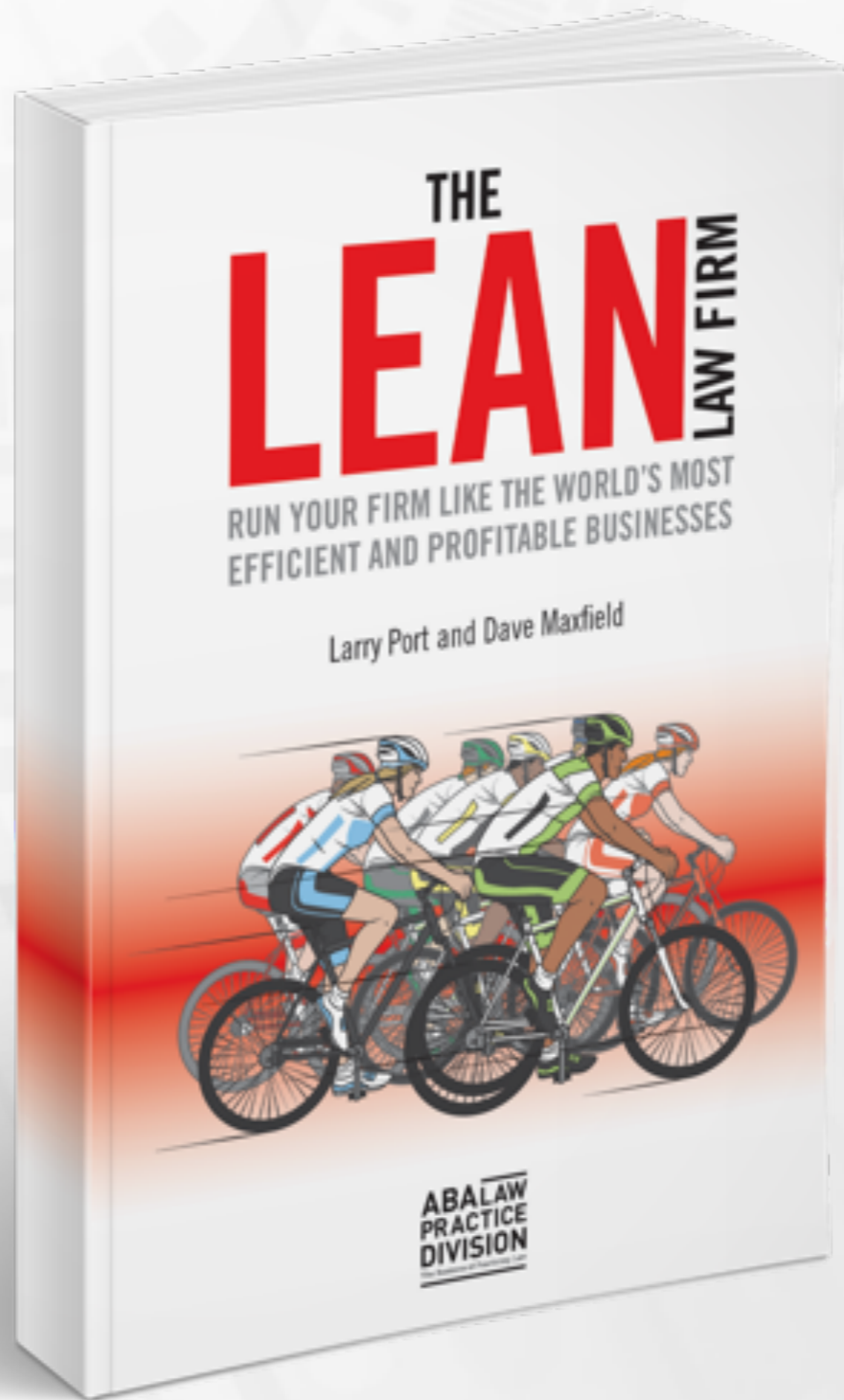
**How to Run a Lean Law  
Firm: Business Tips  
from the World's Most  
Profitable Businesses**

# Larry Port

Husband. Father.  
Animal-lover.  
Coder. Software Exec.  
Author. Little league  
coach. Fighter of hate.  
Seeker of wellness.



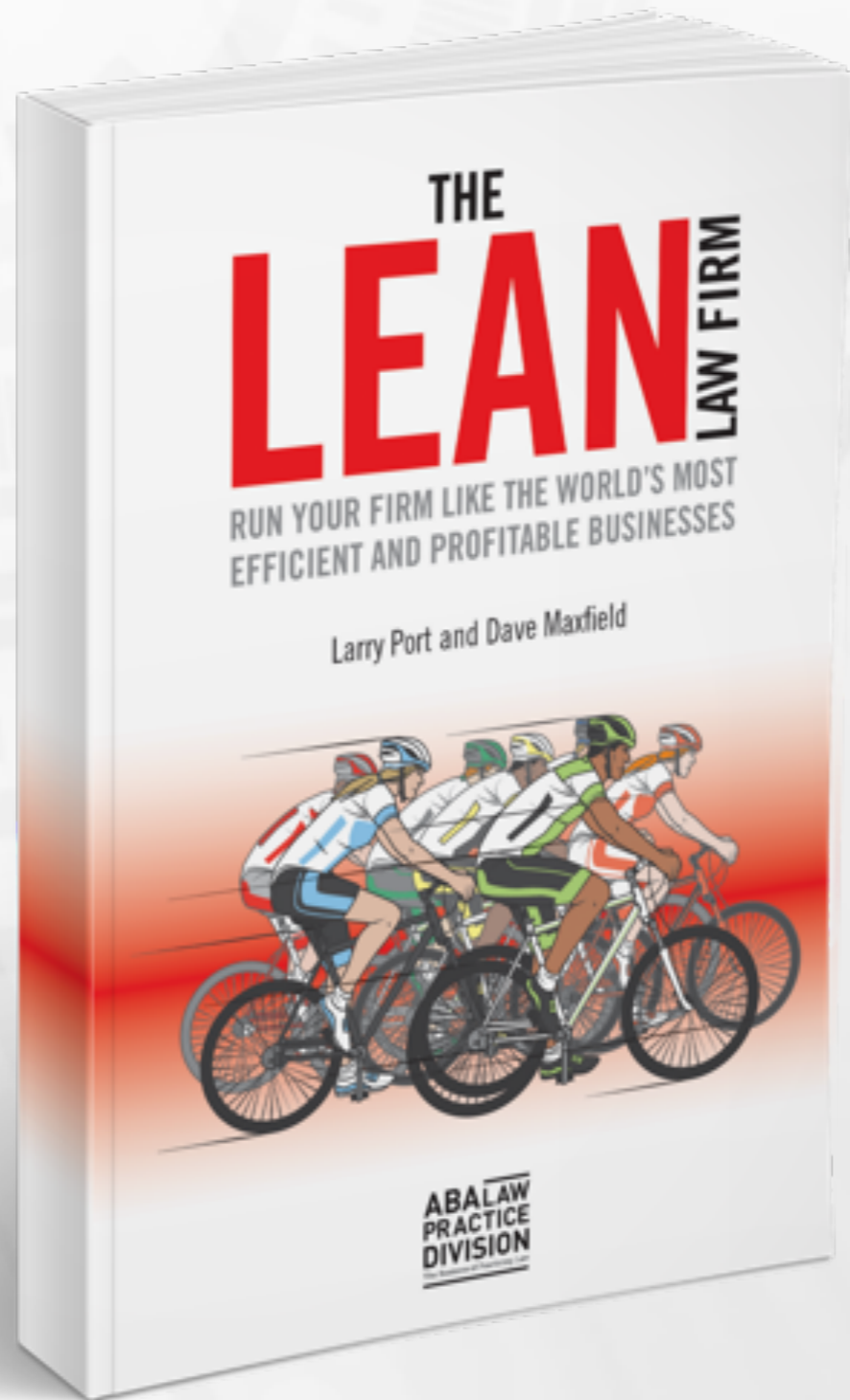
# I co-wrote a book for the ABA



The screenshot shows the Audible product page for the audiobook 'The Lean Law Firm'. At the top left is the Audible logo with the tagline 'an amazon company' and a 'Browse' dropdown menu. The central image is a smaller version of the book cover. To the right of the image, the title 'The Lean Law Firm' is followed by the subtitle 'Run Your Firm Like the World's Most Efficient and Profitable Businesses'. Below this, the authors 'By: Larry Port, Dave Maxfield' and the narrator 'Narrated by: Eric Deuser' are listed. The length is '7 hrs and 38 mins' and it is an 'Unabridged Audiobook'. The categories are 'Business & Careers, Management & Leadership'. A star rating of 5.0 is shown. At the bottom of the image area is a 'Sample' button with a play icon.

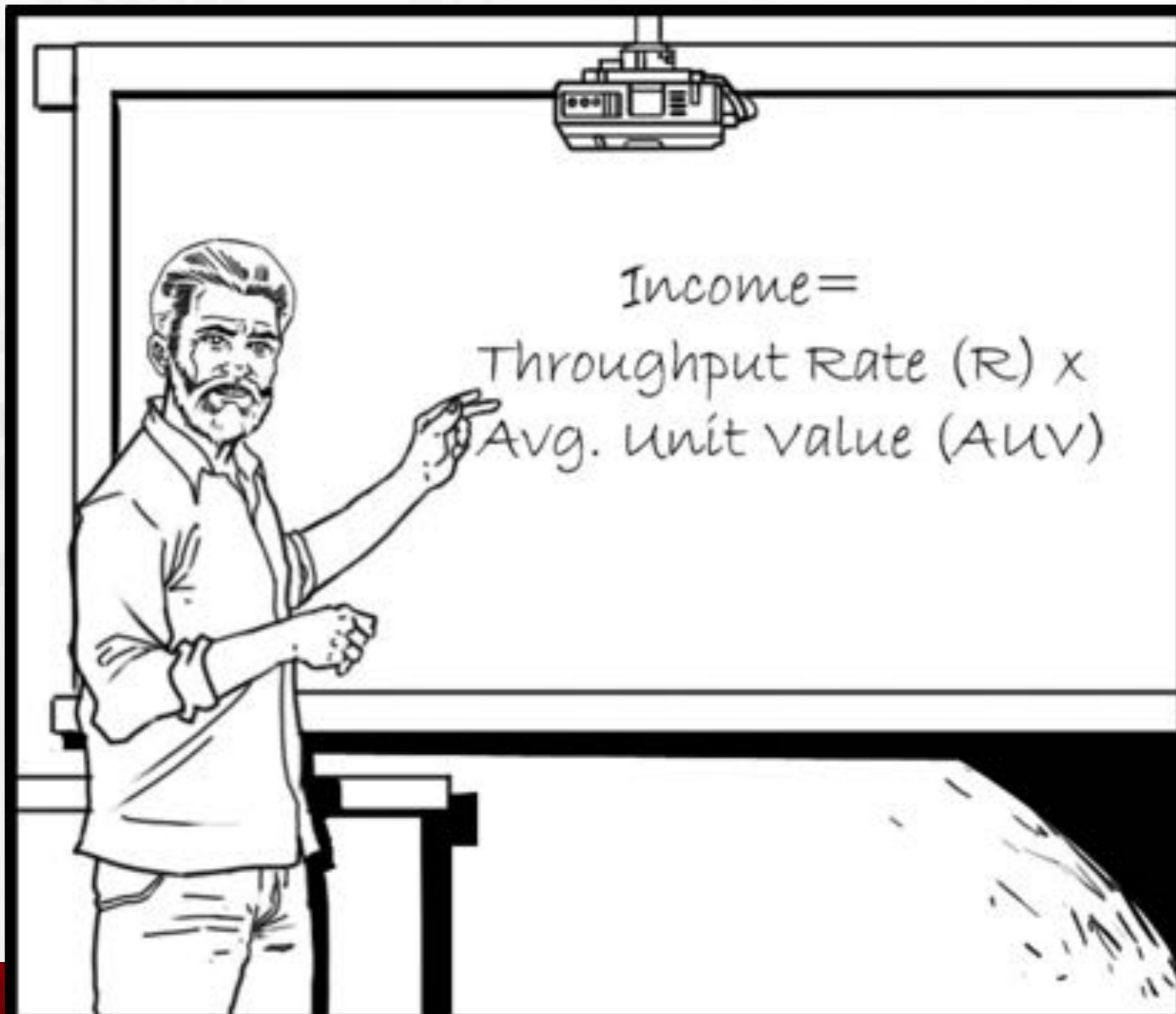


# Overall Lean Concepts



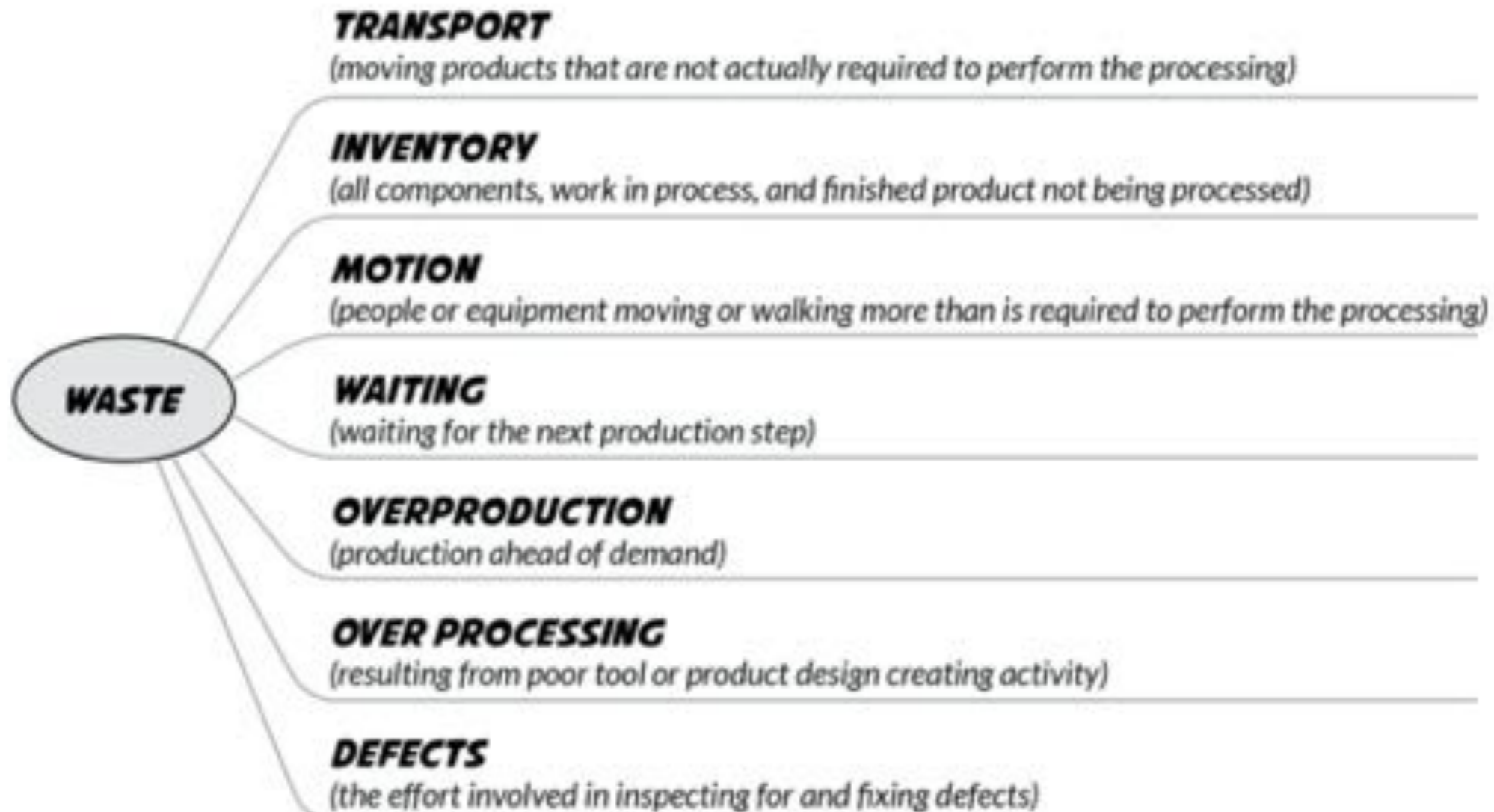
The mindset where you understand what brings value to your client and what is waste. Then, continue to you eliminate waste and focus on value.

# We're Going to Talk Revenue



# We're Going to Talk Waste

## **MUDA OR WASTE TYPES**

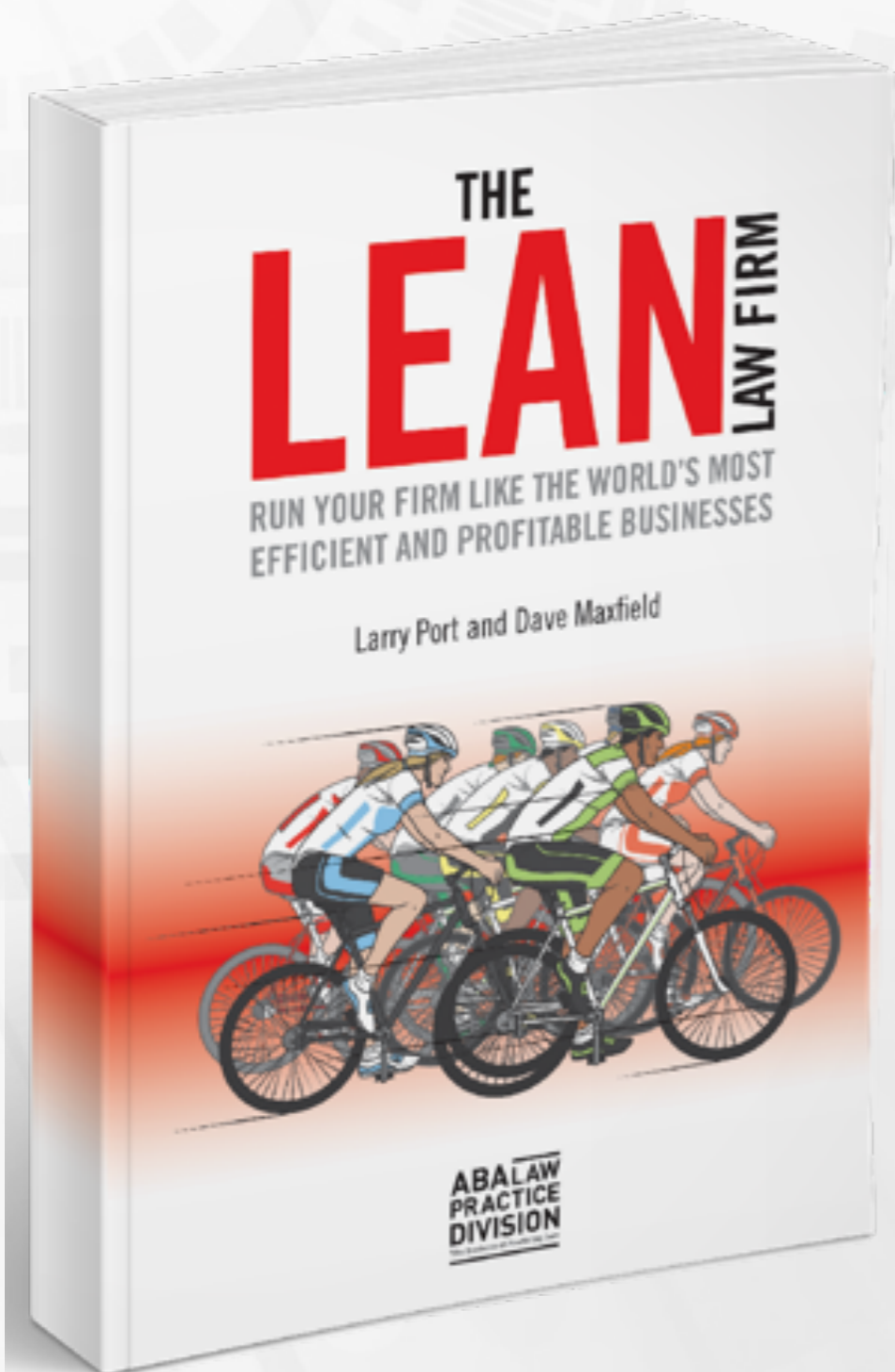


# We're Going to Talk Constraints





# We're Going to Talk Technology



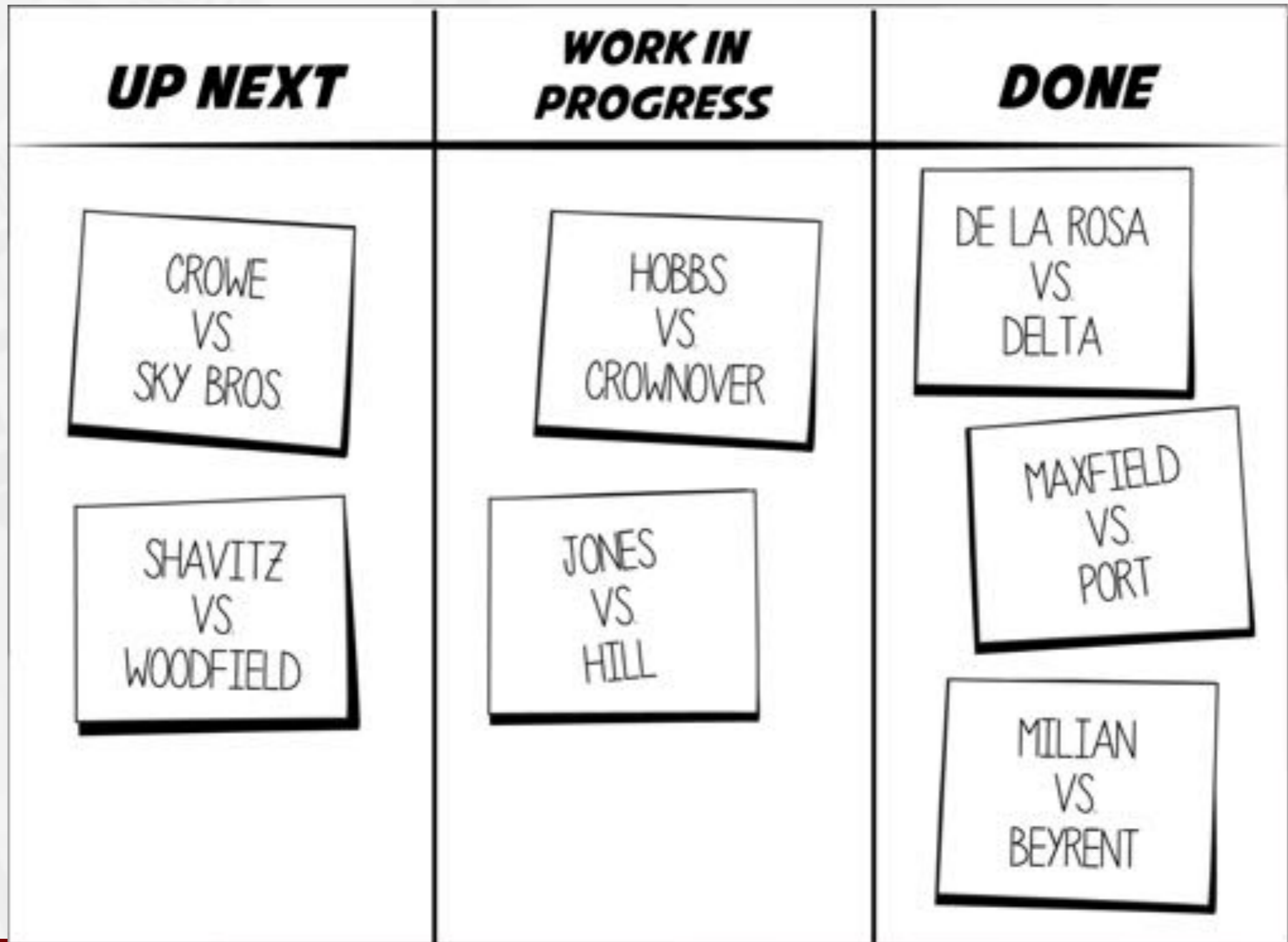
In Lean, waste is bad and must be eliminated whenever possible, which is where technology can really shine.



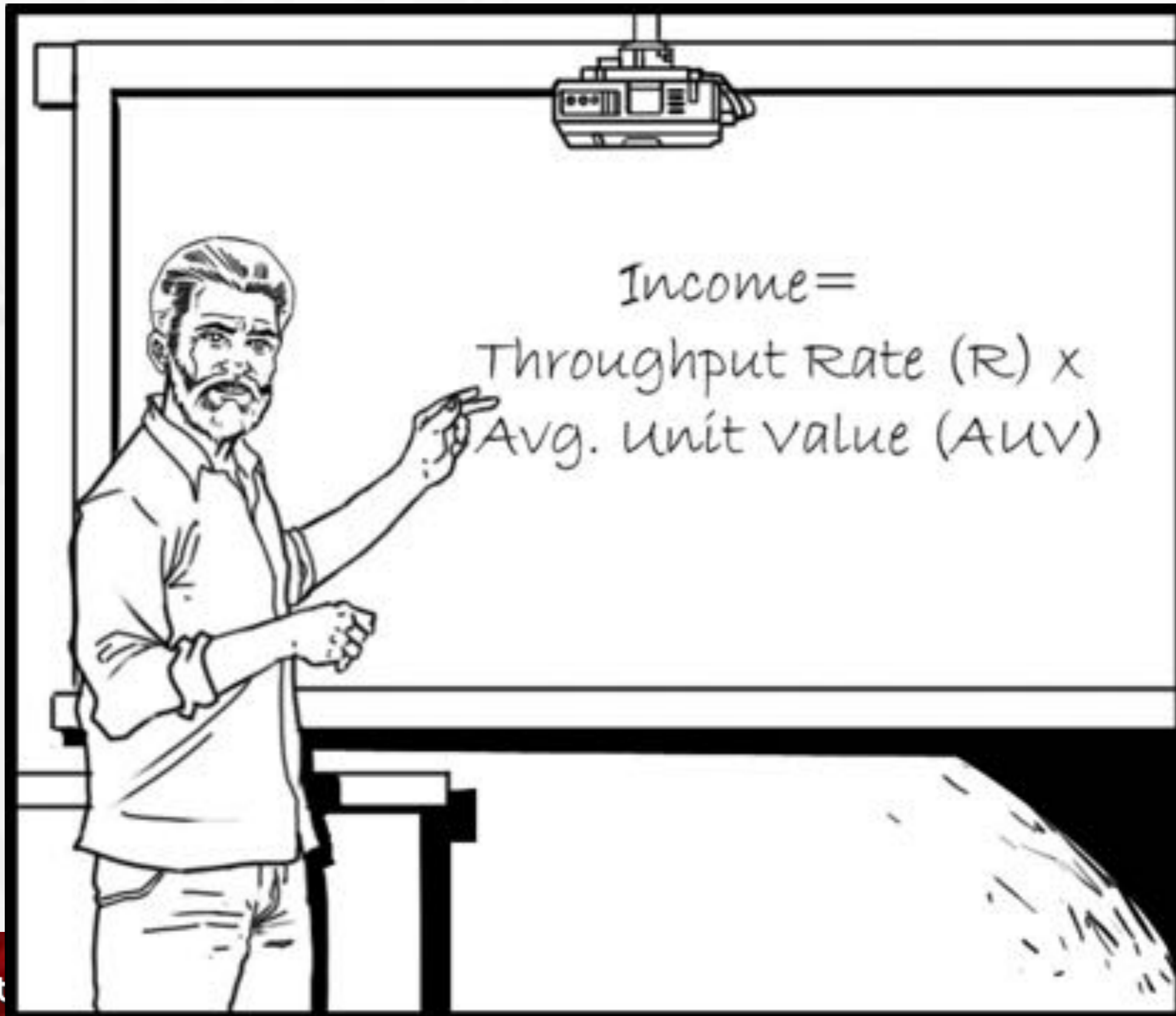
# Is a Law Firm So Different From a Factory?



# Law Firms Can Model their Process with Kanban Boards



# The Income Formula





# Throughput Rate

The number of “case units” your law firm *finishes* during a given time.



<b>UP NEXT</b>	<b>WORK IN PROGRESS</b>	<b>DONE</b>
<p>CROWE VS SKY BROS</p> <p>SHAVITZ VS WOODFIELD</p>	<p>HOBBS VS CROWNOVER</p> <p>JONES VS HILL</p>	<p>DE LA ROSA VS DELTA</p> <p>MAXFIELD VS PORT</p> <p>MILIAN VS BEYRENT</p>

If these are finished in the same year, you have a throughput rate of three.

# Average Case Unit Value (AUV):

Average value in \$ to your firm, of each case "unit."  
In a law firm we talk about ACUV - Average Case Unit Value.





<b>UP NEXT</b>	<b>WORK IN PROGRESS</b>	<b>DONE</b>
<div data-bbox="578 496 943 805">CROWE VS SKY BROS </div> <div data-bbox="587 854 943 1146">SHAVITZ VS WOODFIELD </div>	<div data-bbox="1163 496 1528 805">HOBBS VS CROWNE </div> <div data-bbox="1108 846 1446 1138">JONES VS HTM </div>	<div data-bbox="1646 445 1994 731">DE LA ROSA VS DELTA </div> <div data-bbox="1712 744 2068 1050">MAXFIELD VS PORT </div> <div data-bbox="1668 1079 2025 1365">MILIAN VS BEYRENT </div>

All cases have a value - what is the average?

# Income = Throughput Rate x ACUV

If we can increase the number of cases we finish in a year



...and/or increase our ACUV



...we increase our income.

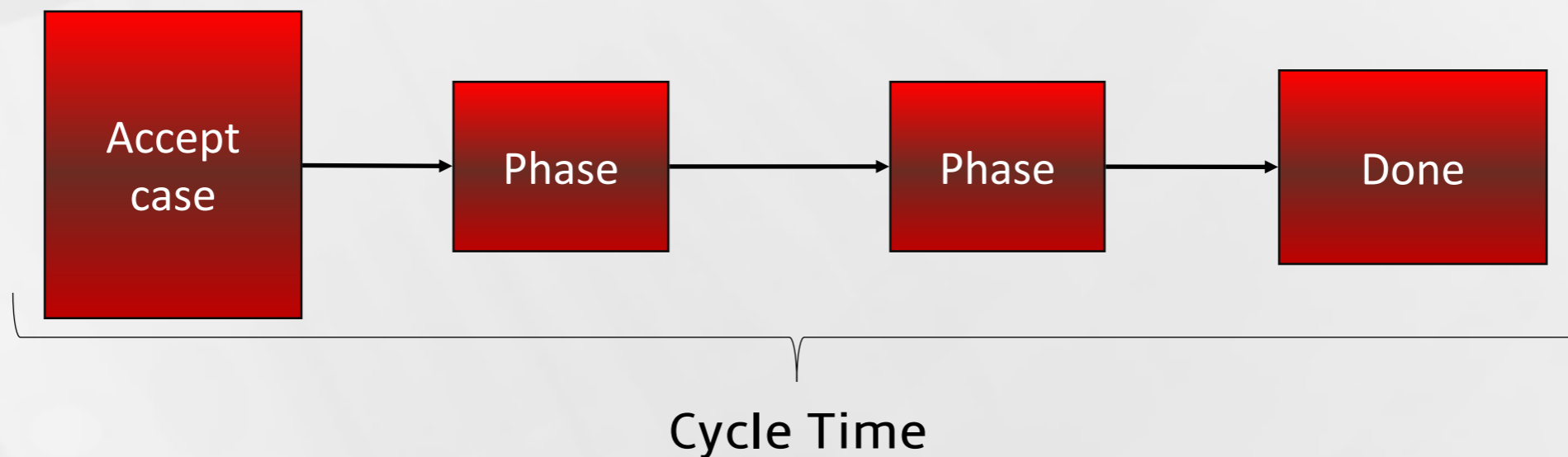


# Increasing Throughput Rate

HOW do we increase the number of cases we finish in a year?



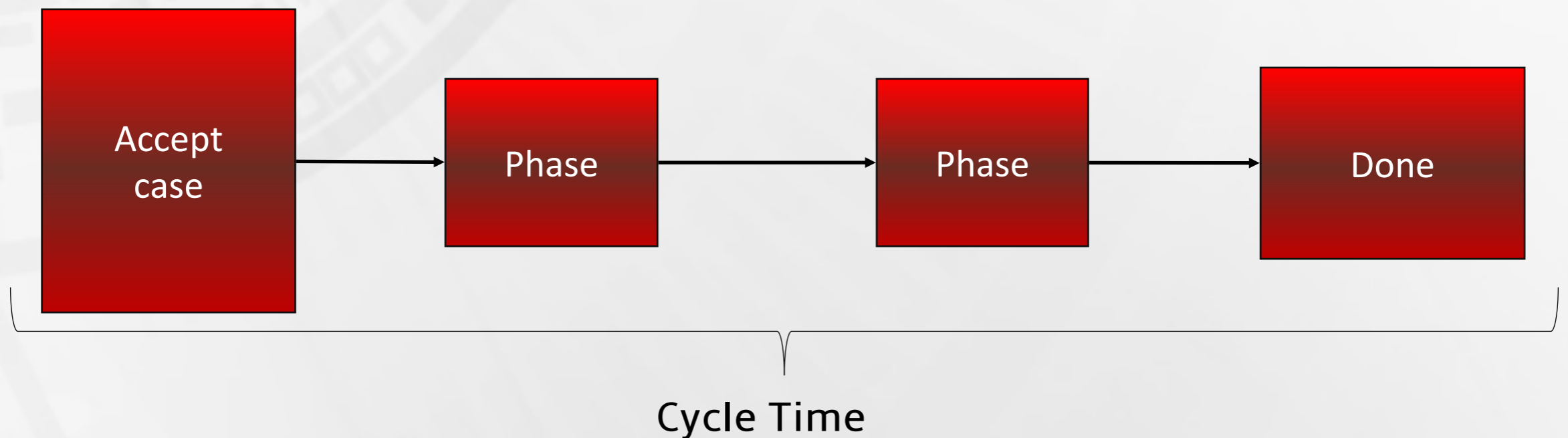
We shorten cycle time.

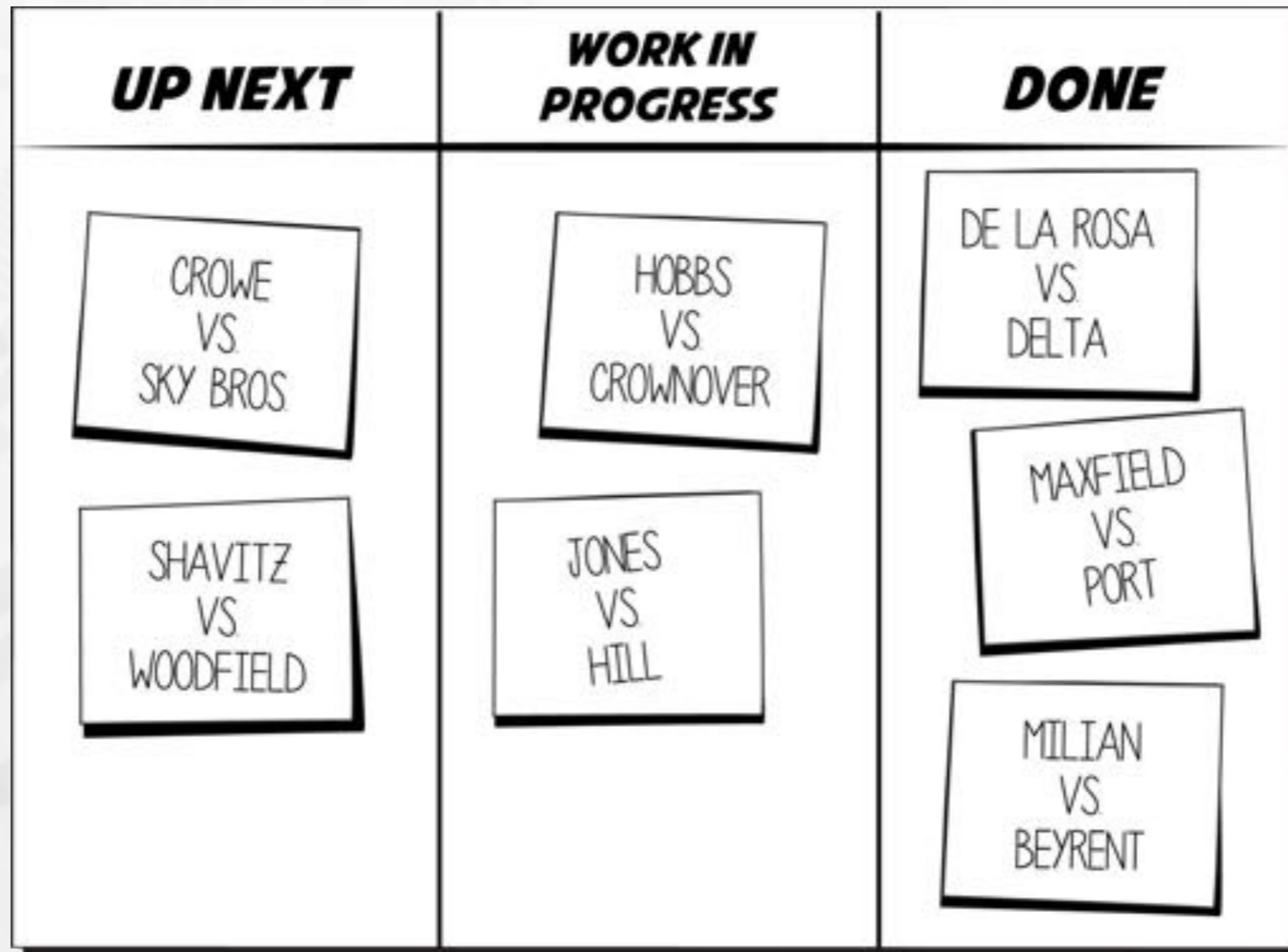




# Cycle Time

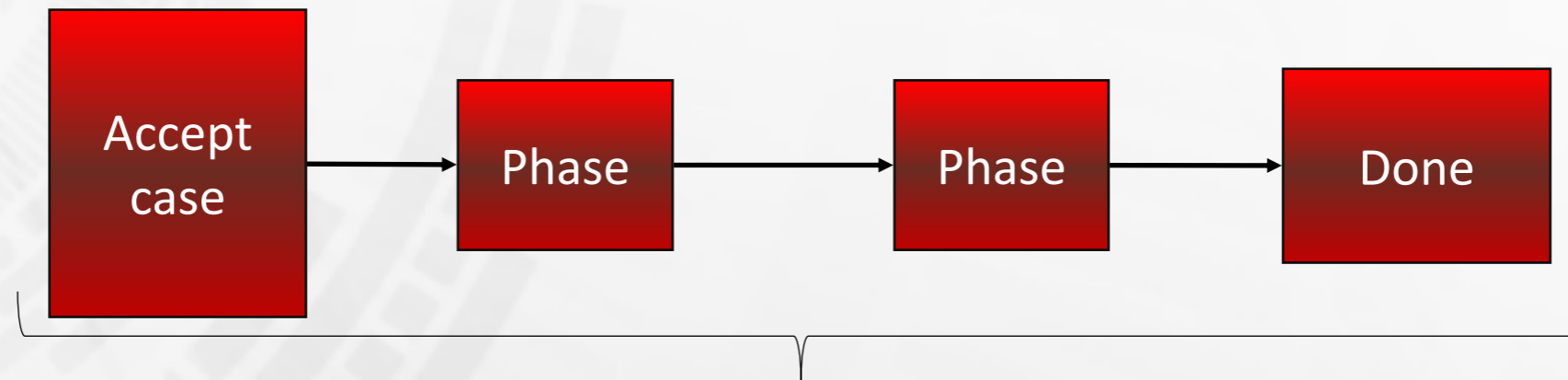
The amount of time a “case unit” spends between the day you accept it formally and the date that case is considered done.





Cycle Time

# Decreasing Cycle Time



How do we  
shorten cycle  
time?



# ***MUDA OR WASTE TYPES***

## ***TRANSPORT***

*(moving products that are not actually required to perform the processing)*

## ***INVENTORY***

*(all components, work in process, and finished product not being processed)*

## ***MOTION***

*(people or equipment moving or walking more than is required to perform the processing)*

## ***WAITING***

*(waiting for the next production step)*

## ***OVERPRODUCTION***

*(production ahead of demand)*

## ***OVER PROCESSING***

*(resulting from poor tool or product design creating activity)*

## ***DEFECTS***

*(the effort involved in inspecting for and fixing defects)*

***WASTE***



# Transportation / Motion Waste

How long does it take you to find contacts and documents?

Can you meet clients virtually?

Can you use tools like DocuSign?





# **Inventory & Waiting**

Are you closing out cases promptly?

Is anyone at the firm holding up the process?

Are you collecting payments as promptly as possible?

Can filing be faster?



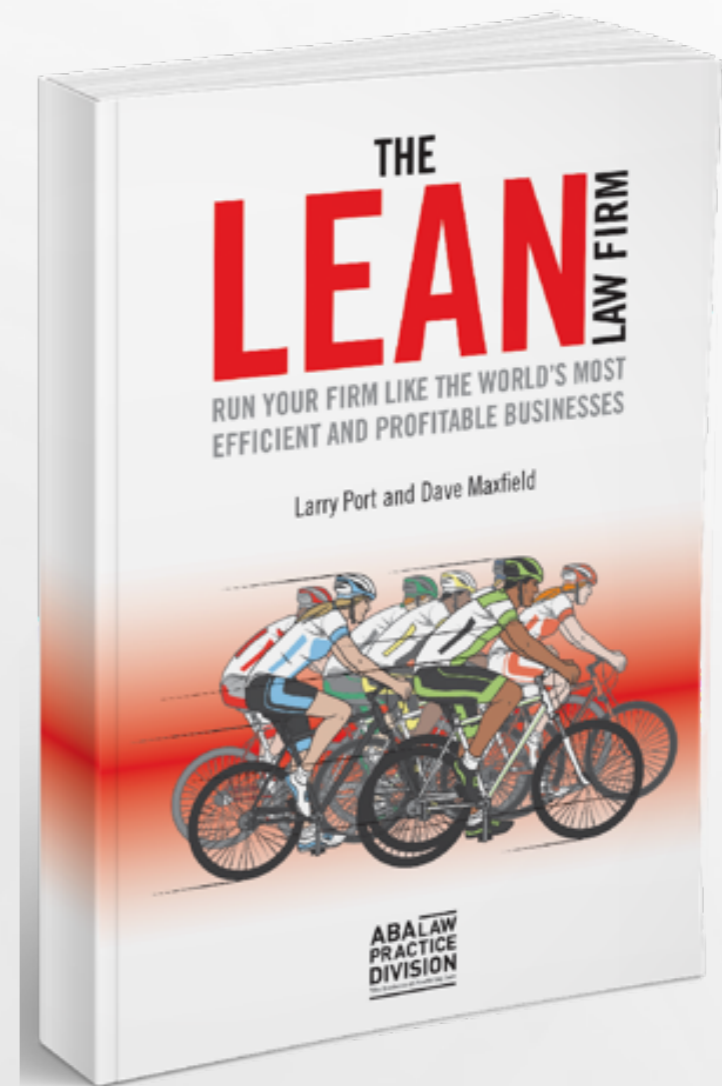
# Invoicing & Collections

**“There are many reasons for law firms leaving money on the table, ranging from poor billing practices to the unpalatable nature of asking clients for money to a lack of investment in good technology.”**

-Larry and Dave, *The Lean Law Firm*

# Going Paperless

If you're not running a paperless office, you're neck deep in muda (waste).





# Over Processing

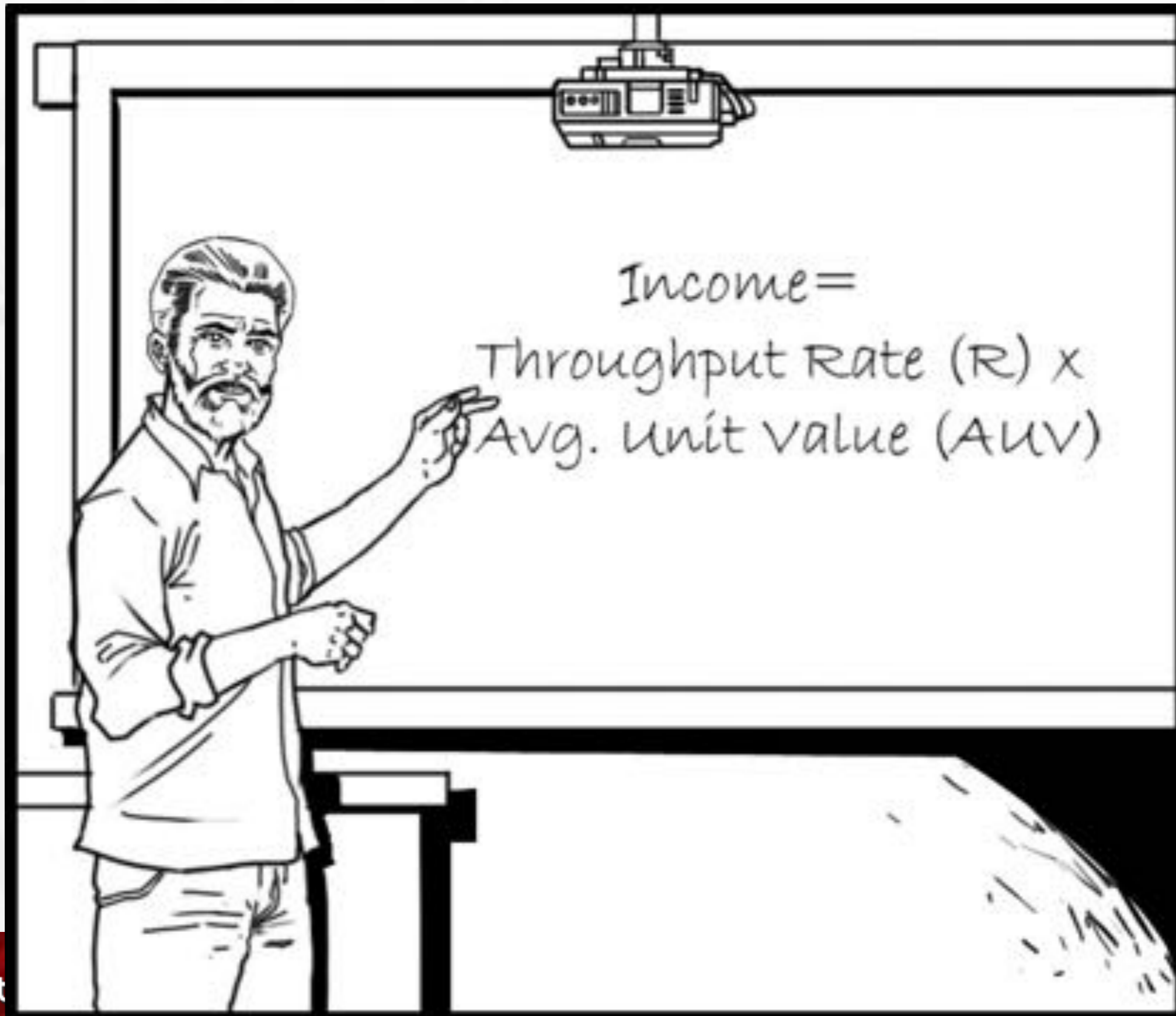
Can some of your processes be simplified?

How do you generate invoices?

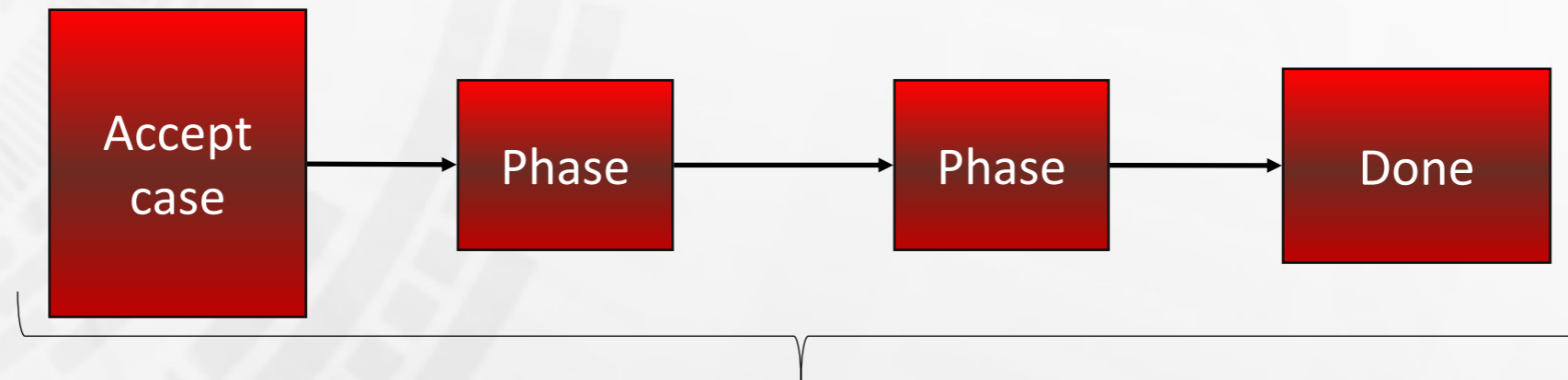
How do you create documents?



# Let's go big picture again...



# How Else?



How do we  
shorten cycle  
time?

# You Seek Out and Eliminate Constraints







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# Thank You!

FL Bar Course #: 5576

.5 Hours General

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