

THE LAW FIRM OF THE FUTURE

**Pricing Strategies to Improve
Your Firm's Profitability in 2024**

November 21, 2023

by

Emmett "Bo" Yancey

Founder and Principal, B-Y Global

Uri Gutfreund

SVP and Managing Principal, Ames & Gough

John Remsen, Jr.

President, TheRemsenGroup

MPF WEBINAR

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TheRemsenGroup
Smart Strategies for the Forward Thinking Law Firm

TheRemsenGroup.com

MPF Webinar Series: The Law Firm of the Future



The MPF Webinar Series: Building the Law Firm of the Future

Pricing Strategies to Improve Your Firm's Profitability in 2024

An MPF Webinar with Bo Yancey

November 21, 2023 – 2:00-3:00pm ET



Welcome



Uri Gutfreund

Senior Vice President and Managing Principal, Ames & Gough



John Remsen, Jr.

President and CEO, Managing Partner Forum
President, TheRemsenGroup



MPF Webinar Series: The Law Firm of the Future



Upcoming Programs in 2023-24

- MPF Webinar Series – Third Wednesdays @ 2pm ET
- The MPF 2024 Law Firm Leadership Conference – May 1-2, 2024, in Atlanta
- The MPF 2024 Fall Symposium – October 2-3, 2024, in Chicago
- *The MPF Weekly* – Friday mornings
- MPF Website – www.ManagingPartnerForum.org





The MPF 2023 Fall Symposium Empowering Women in Law Firm Leadership

October 4-5, 2023



 Rachel Clar, JD Founder and CEO Interconnected Us	 Linda Perez Clark, Esq. Managing Partner Kean Miller	 Kelly R. Culhane, Esq. Founder and Managing Partner Culhane Meadows	 Debbie Foster Chief Executive Officer Affinity Consulting	 Deborah Glatter Training and Management Consultant
 Erin Higgins, Esq. Managing Partner Conn Kavanaugh	 Elise Holtzman, JD, PCC Chief Executive Officer The Lawyer's Edge	 Katherine Larkin-Wong, Esq. Associate General Counsel Meta	 Eileen M. Letts, Esq. Managing Partner Zuber Lawler	 Kara W. Ong, Esq. EVP & Deputy General Counsel Trust



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Today's Webinar

Pricing Strategies to Improve Your Firm's Profitability in 2024

- 105 Managing Partners and Law Firm Leaders
- Registrant Survey Results and Audience Polling Questions
- On-Demand Recording, Handout Materials and Recap
- Your Feedback on Today's Session



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Webinar Recaps - * NEW *

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Today's Guest Speaker

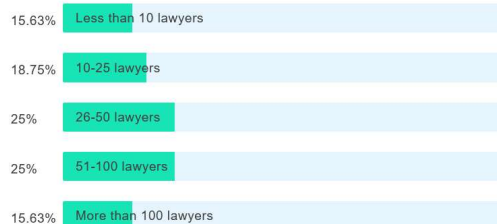


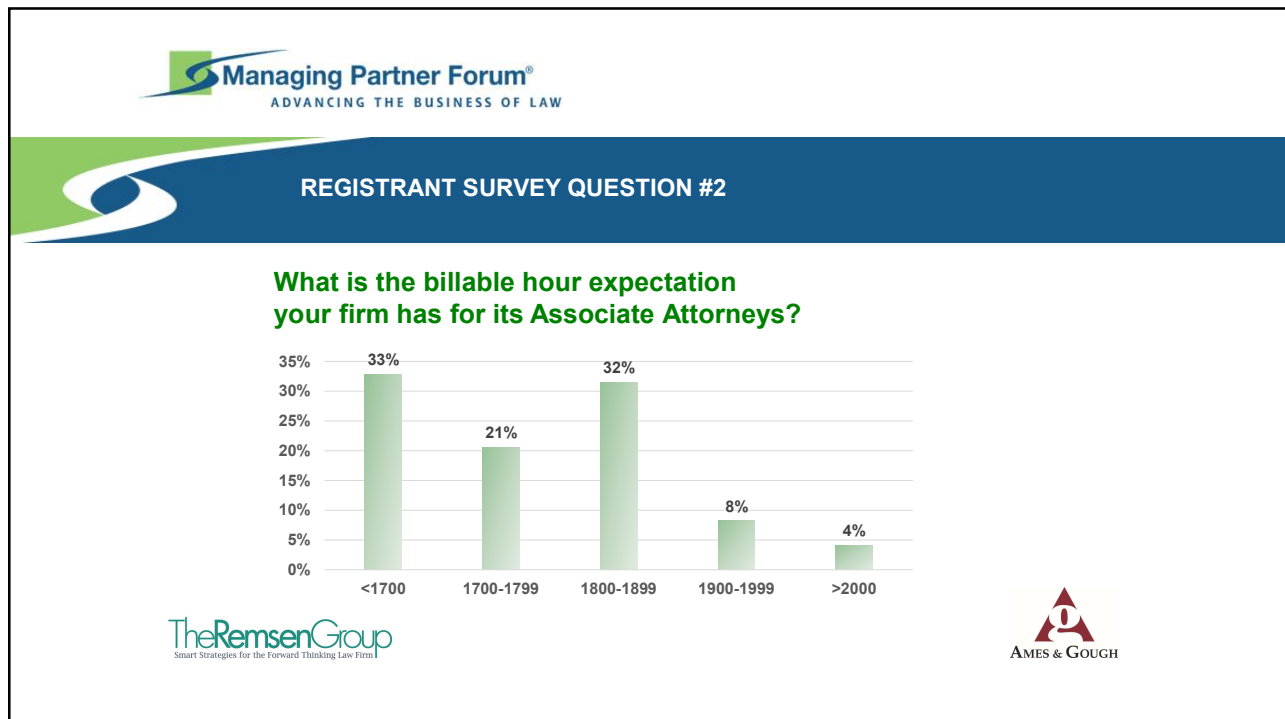
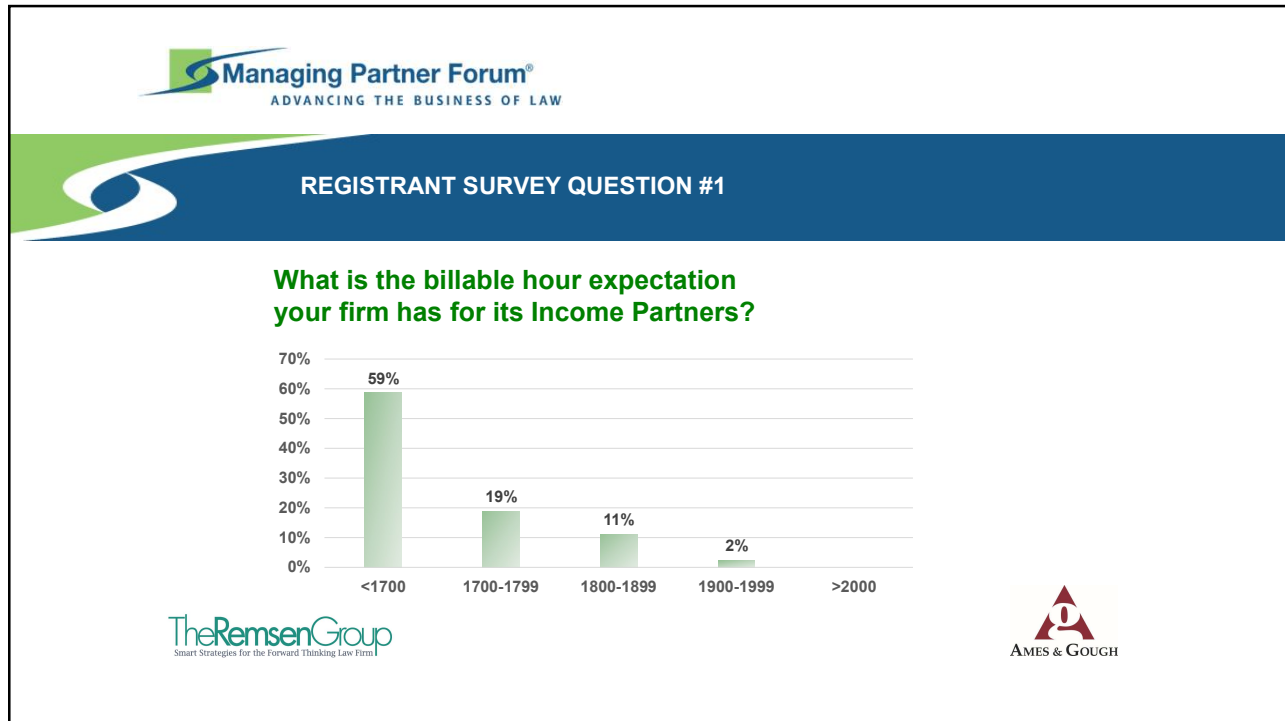
Emmett "Bo" Yancey
Founder and Principal Consultant
B-Y Global

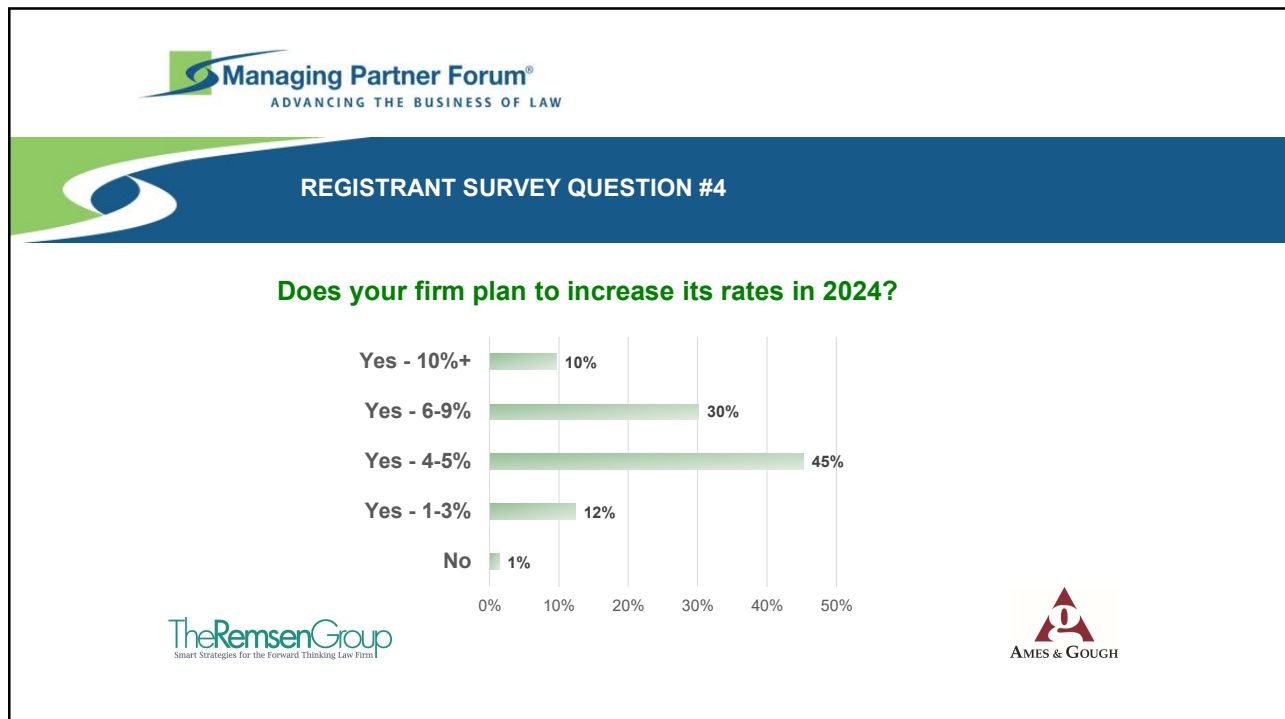
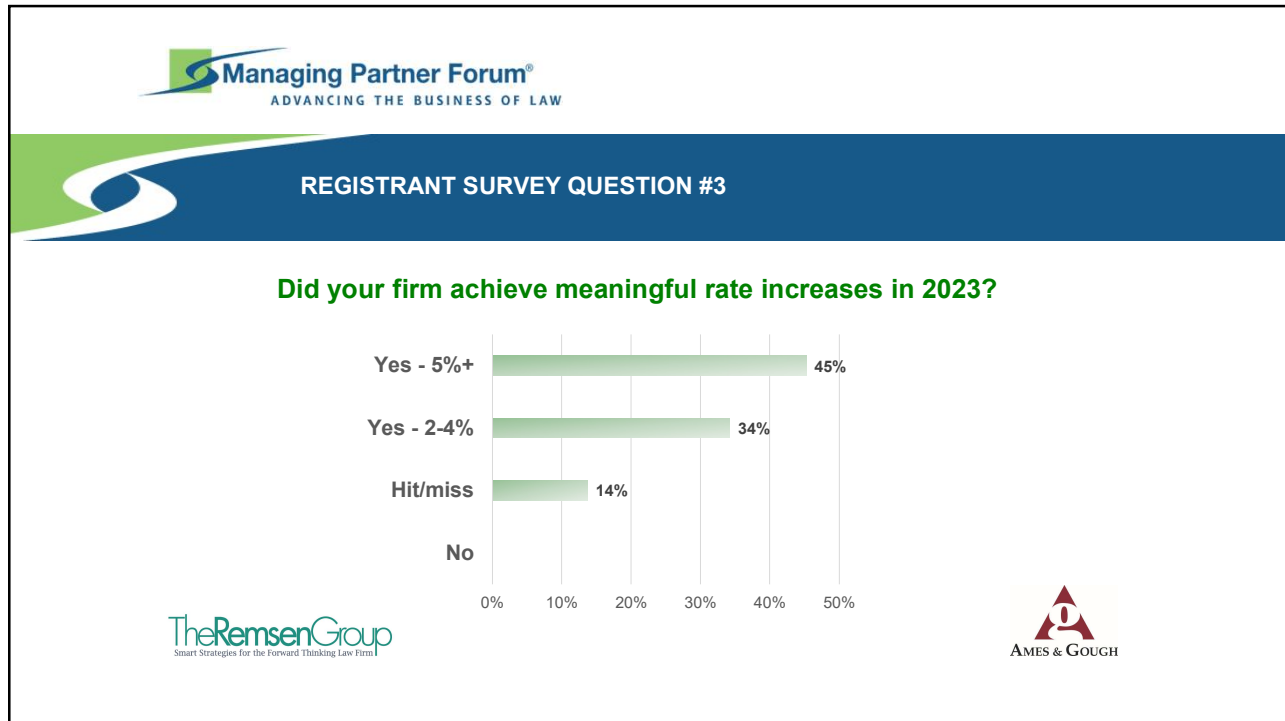


AUDIENCE POLLING QUESTION #1

How many lawyers are with your firm?







The New York Law Firm Leaders Conference Planning for Your Firm's Future: Growth & Succession

November 14, 2023



Uri Gutfreund, RPLU
SVP and Managing Principal
Ames & Gough

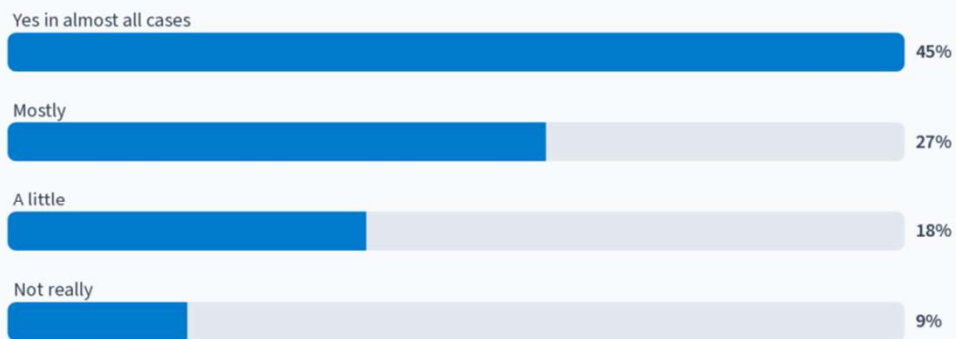


John Remsen, Jr.
President and CEO
The Remsen Group

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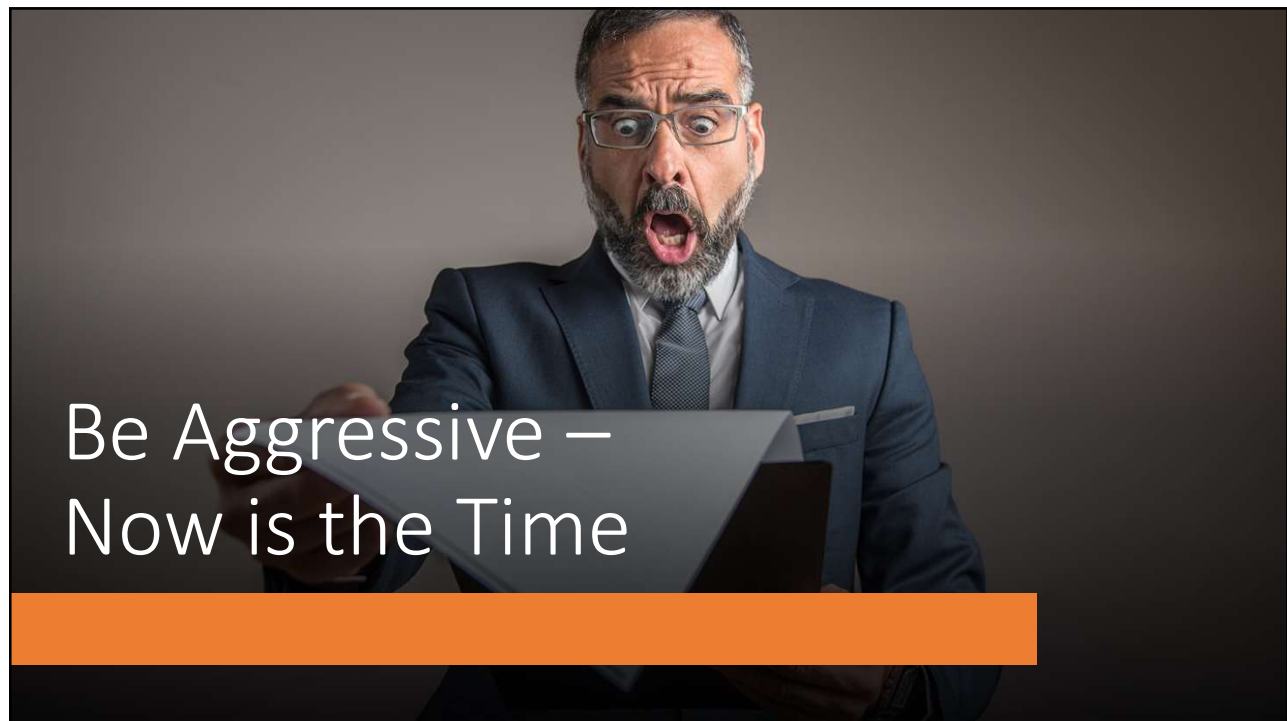
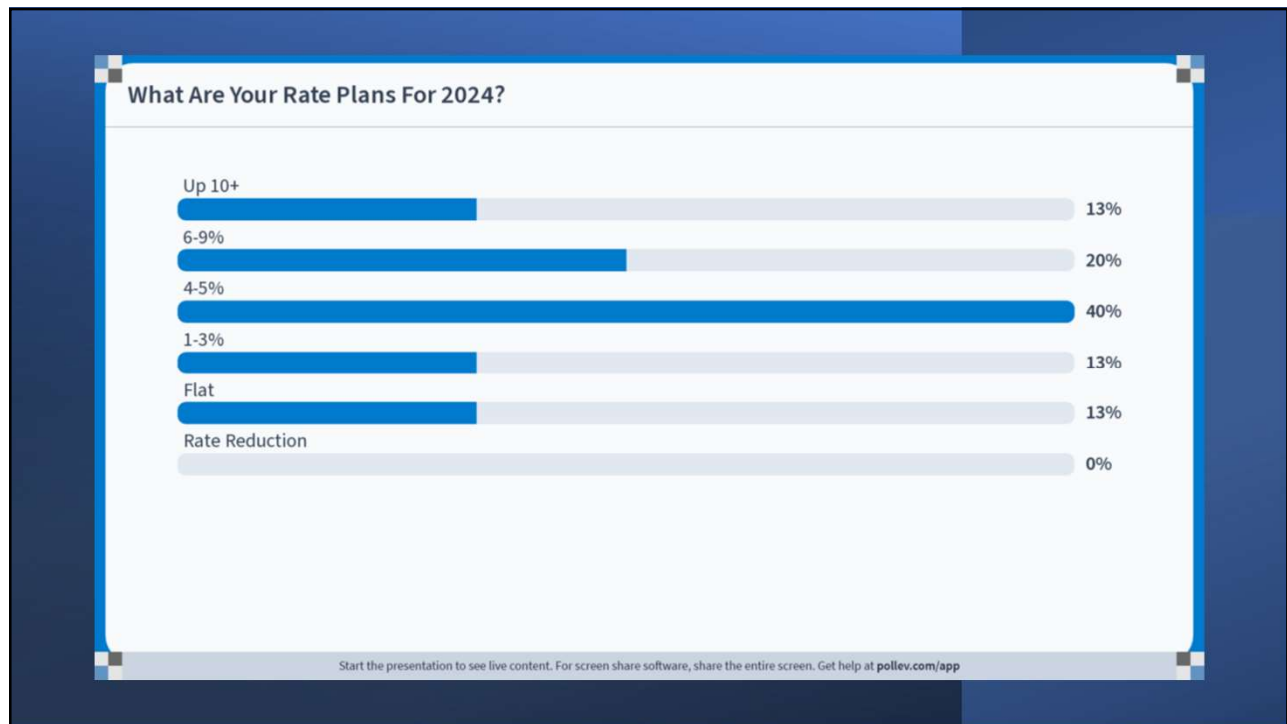


Were You Able To Achieve Meaningful Rate Increases in 2023?

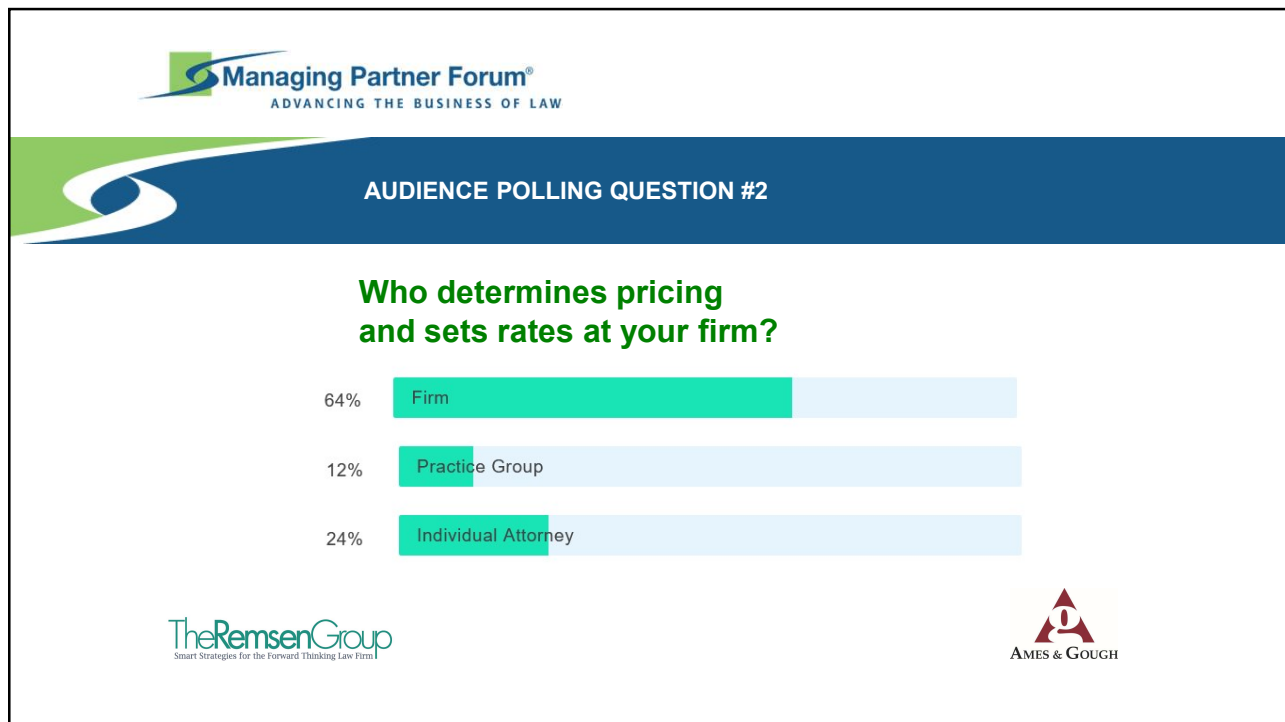


Start the presentation to see live content. For screen share software, share the entire screen. Get help at pollev.com/app

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PRICING IN 2024

What is meant by pricing?

-  Standard rates
-  Agreed client rates
-  Billed and collected rates
-  Alternative Fee arrangements



PRICING IN 2024

What goes into pricing?



Prior pricing decisions/rates
Market dynamics
Profitability considerations

Client considerations

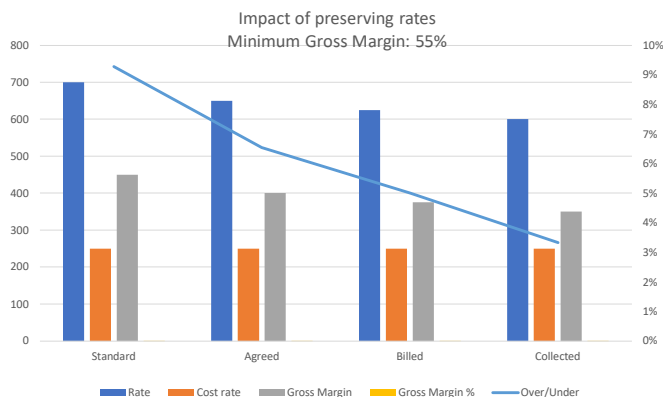
- Cost
- Cost certainty



Preferred arrangement



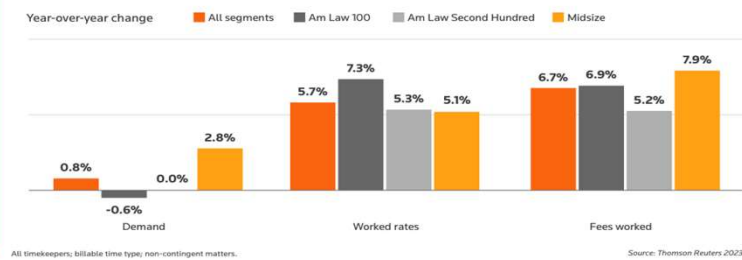
Example—pricing is based on more than standard rates!



IMPACT OF RATE LOSSES PROFIT MARGIN

MID-LAW CONTEXT

Figure 3: **Key performance measures**



MID-LAW PRICING TAKEAWAYS

- HYGIENE IS THE LOW HANGING FRUIT—PRICING CAN BE IMPROVED WITH NO ACTUAL RATE INCREASES
- THIS SEGMENT IS AT AN ADVANTAGE RELATIVE TO LARGE LAW. LARGE LAW PLANS TO RAISE AGGRESSIVELY
- ALL PRICING DECISIONS SHOULD BE BASED ON UNDERSTANDING CLIENTS, MARKET DYNAMICS, AND WHERE YOU CURRENTLY ARE.
- ADOPTING A PRICING MECHANISM WITH CONTROLS IS A BEST PRACTICE
- ALTERNATIVE FEES ONLY AS GOOD AS YOUR KNOWLEDGE OR YOUR ABILITY TO ESTIMATE BASED ON EXPERIENCE





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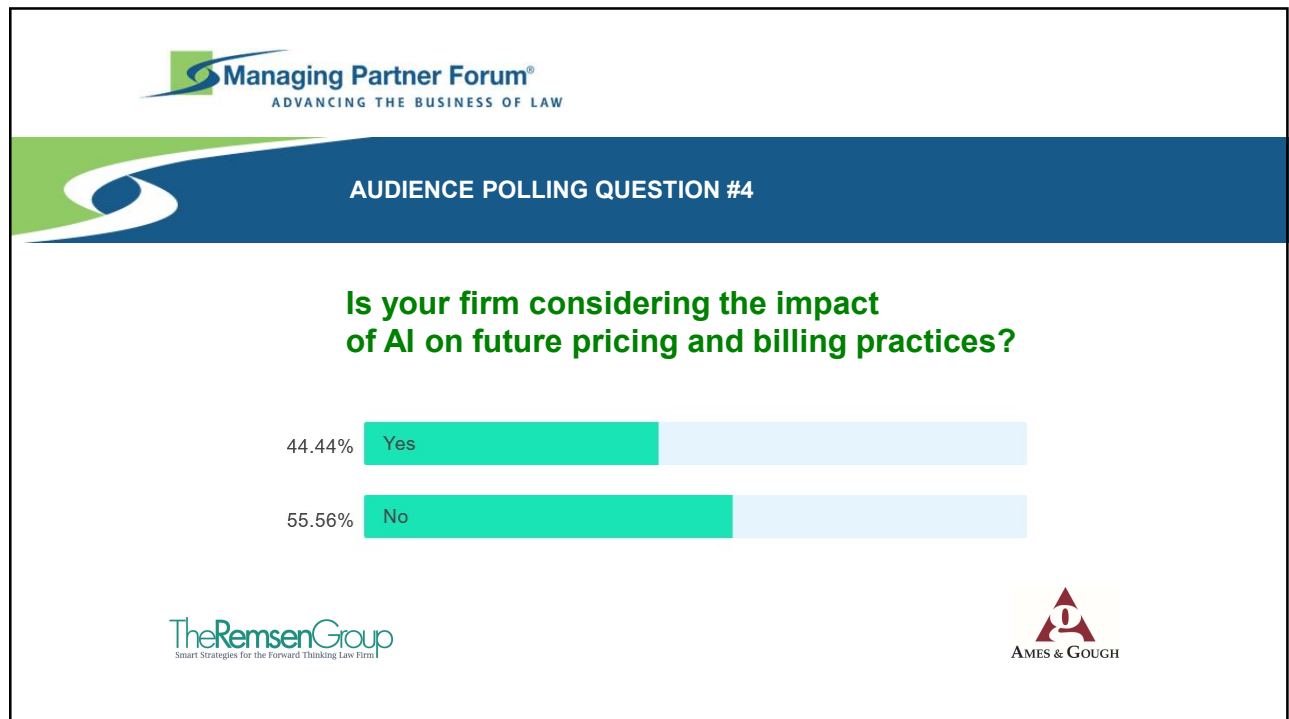
AUDIENCE POLLING QUESTION #3

**As to firm profitability,
what is your firm projecting in 2024?**

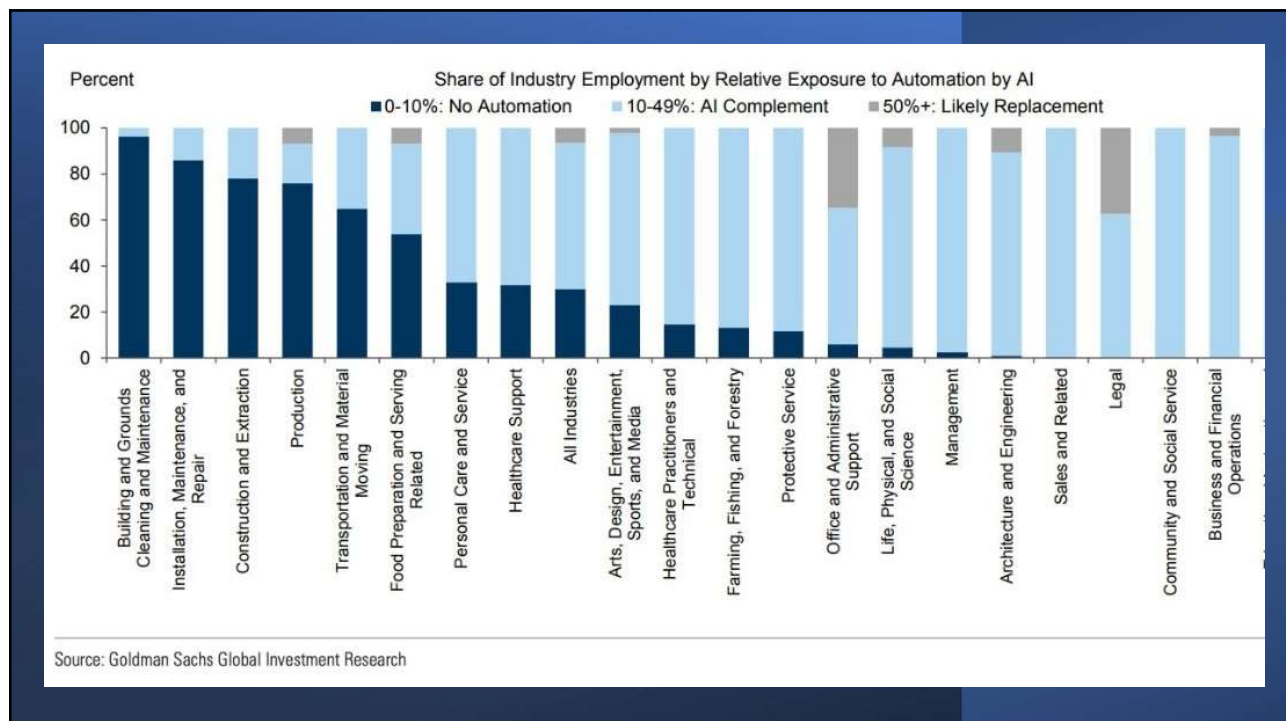
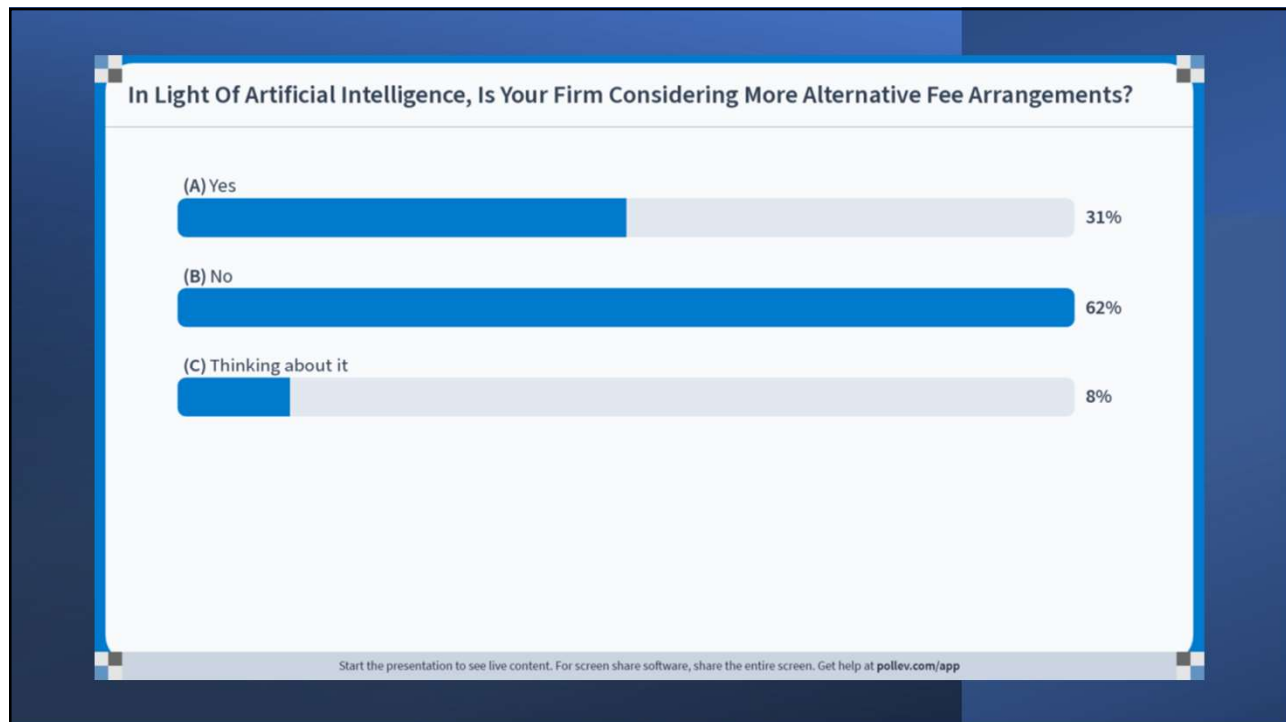
10%	Considerably higher
50%	Somewhat higher
40%	About the same

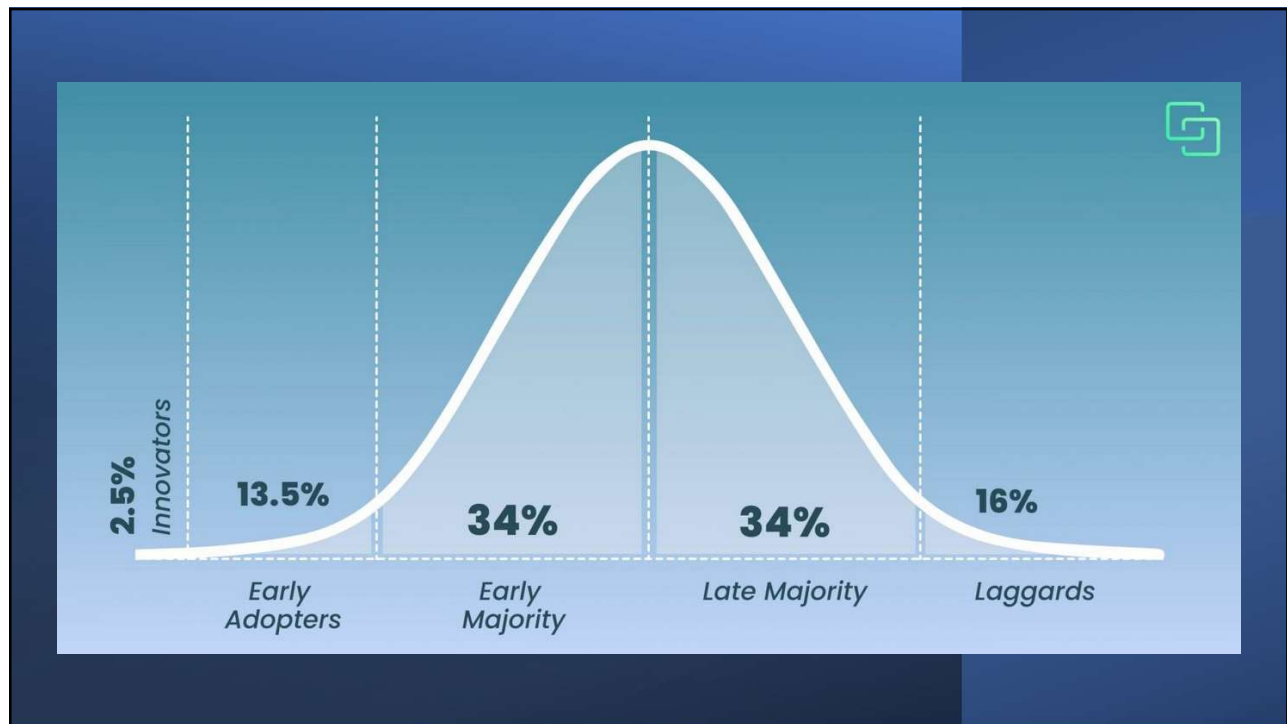
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Sources of Competitive Intelligence

- Thomson Reuters Peer Monitor
- ALM Survey of Law Firm Economics
- ALA Compensation and Benefits Survey
- CitiBank, Wells Fargo, Deloitte, PwC
- MPF Law Firm Leadership Surveys
- Consultants and Headhunters
- Local Networks – ALA Chapters, MP Groups
- Law Firm Networks and Affiliations
- Proposals to Public Entities



Important Reminders

- Your Feedback on Today's Session
- On-Demand Recording and Handout Materials
- Webinar Recap powered by 9Sail
- Next MPF Webinar – December 20, 2023



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Contact Us

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High Level Pricing KPI's

Rate -Based

- Standard Rate increase %
- Worked rate increase %
- Billing Realization, YOY change
- Collect realization, YOY change
- Profit margin, based on standard costing
- Rate spread, based on standard costing



Hygiene-Based

- Time entry – days to enter
- Time entry-compliance with OCG
- Total amount and number of bill rejections
- Total amount and number of bill reversals
- Bill speed-days to bill
- Collect speed-days to collect
- Days of WIP
- Days of AR

ABOUT OUR SERVICES

- Profitability
- Pricing & rate setting
- Practice analysis
- Strategy
- Individual and group coaching
- Technology assessments and system selection



Focused on profit enhancement and practice management for law firms

For more information, please contact me:



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