

## Revisiting the Idea that Numbers Do Matter

By [Carla Landry](#) on November 5, 2013

Last fall, I wrote that it “[turned out numbers do matter.](#)” It was in response to an overwhelming turnout for a one-hour webinar where I presented the basics of law firm accounting. Recently, I was reminded of how lawyers really do want to understand what is considered the “business of law.”

We hosted a law firm Future Leaders Boot Camp a few weeks ago. Although the agenda was relatively set, at the very beginning of the program, we asked everyone to state their objectives for joining us. More than half of the attendees indicated that they wanted a better understanding of the “business of law” (aka what drives the numbers in a law firm). Those in attendance had been identified as rising stars in their firms. They were senior associates and new partners. They had managed to get that far into their careers and they still didn’t feel they had a strong sense of the “business side” of their business.

In my opinion, somewhere in the course of their legal education and their legal experience to date, they have been failed. How often can a person spend three years learning a skill and 8-10+ years honing their expertise and not understand what drives their business or what defines success? I would venture to say ... not often.

As I wrote last fall, the industry is changing, clients continue to put pressure on firms to reduce fees and firms are struggling to identify how to continue to increase profits. Many firms are implementing legal project management techniques to better manage the delivery of their legal services and, ultimately, overall profitability. Oddly enough, although law firm leaders are asking lawyers to manage their matters more profitably, they’re not often explaining what that means. Frequently, lawyers don’t even know their matter isn’t profitable. Something isn’t working right here.

Fortunately, lawyers are now developing a healthy interest in what drives profitability. They want to understand the costs associated with client services. As I mentioned last fall, perhaps because lawyers are predominantly left brain thinkers and math is a left brain activity, it’s just natural for them to want to understand the math. Whatever the reason, lawyers want to understand the numbers – early in their careers as evidenced by the turnout for the webinar and later in their careers as evidenced by the objectives stated at the beginning of the Boot Camp. Perhaps law schools and law firm leaders should not fail them...give them access to that knowledge. Why? Because numbers do matter.