

Wait ... Who Gets to Define Value? Understanding the Need for Efficiency

By [Carla Landry](#) on August 27, 2013

My colleague, Jessa Baker, and I have discussed promoting a culture of efficiency in our last few [blogs](#). In Jessa's most recent [blog](#), Keith Maziarek, Senior Project Manager of Pricing and Strategic Initiatives at DLA Piper, was quoted as saying that there's "great value in supplementing our lawyers' practices with professionals and technology that truly maximize the value of our services for all parties." This leads to my key point in these blogs – a legal process improvement initiative will help everyone identify those pieces of a legal matter that could be completed by the lowest cost staff possible or through the use of technology.

Keith mentioned pricing, metrics, and project management as areas they support in an effort to allow their attorneys to focus on "providing substantive legal advice." Law firm clients have universal outside counsel guidelines that include:

1. an expectation of the highest possible quality,
2. a requirement that all services be delivered on schedule,
3. an expectation of a low (not necessarily the lowest) cost, and
4. the expectation that their lawyers must add measurable value.

This fourth point is critical because it is the client who defines value. This differs from expertise. Expertise can be defined by the firm and/or the client, but value is only defined by the person paying the bill. As such, one needs to keep in mind that the process of delivering a legal service should be defined through the "voice of the client" – i.e., what are the client's requirements and objectives.

What does this all mean? It means that it's the client who determines what they consider "substantive" legal advice or, in process improvement terms, "value-add" to the client. Clients don't expect to see those pieces that do not add value on a bill. Most clients see new aspects to any matter to be value-adding, but repetitive steps to not be of great value-add. There are some activities that don't add value but still require time and resources. Unfortunately, some of these things need to be done anyway because they're required by regulation, etc., and some clients may still pay for them as long as they perceive them to be delivered as efficiently and at as low a cost as possible. These are considered, in process improvement terms, to be necessary "non-value-add" activities. But then there are other non-value-adding activities, like internal meetings, that the client really does not expect to see on the bill. These are areas that are ripe for new approaches and embracing efficiency. Although there's benefit in looking at an entire process (value-add areas and non-value-add areas), it is usually best to start with those activities the client considers to be non-value-adding, including the necessary non-value adding activities, and focus on how to eliminate or minimize them, i.e., deliver them at the lowest cost and in the most efficient manner practical.

All this brings me back to my previous blog – if LPI is employed, then one is able to identify the repeatable and more routine aspects of legal services, also known as the non-value-add pieces. Those services are streamlined, outsourced, replaced with supporting technology, sourced back to the client, or eliminated completely. It's likely that professionals like Keith and his peers are able to determine how better to source that work so that they are able to "truly maximize the value of services for all parties."

