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## What is a Legal Operations Manager?

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You know that [your law firm is a business](#). But only recently have firms started focusing on how to improve their business. (After all, the leading legal industry organization dedicated to legal ops, the [Corporate Legal Operations Consortium \(CLOC\)](#), has only been around since 2016.) To date, few firms today have hired dedicated legal operations professionals, much less created a formal legal operations function.

An easy first step on the journey toward more effective [legal operations](#) is hiring an experienced legal operations manager. A driven and dedicated legal operations manager can make all the difference for a law firm that is looking to optimize business processes to increase revenue and productivity.

## What is legal operations?

Legal operations is the [business of running a law firm](#).

While lawyers may spend the bulk of their time engaged in the practice of law or strategic planning for matters, the legal operations department works behind the scenes to make sure all of that is done as efficiently and profitably as possible. Strong [legal operations departments](#) work to streamline processes within the law firm to maximize operational efficiencies, helping lawyers work smarter and faster so they can earn more revenue.

Day to day, this might look like monitoring lawyer productivity, identifying new legal analytical tools, budgeting for the firm, and managing third-party providers. Over time, it means implementing new processes and practices that will guide the law firm along the path to becoming a thriving business.

A [legal operations team](#) is no longer a luxury reserved for large firms. It's now a valuable resource for small and mid-sized law firms that live and die by the bottom line. Legal operations should be a priority for law firms of all sizes, especially those looking to grow.

## What does a legal operations manager do?

You can't have an effective legal ops department without a fearless leader. That's why near the head of the table in the legal operations department sits the legal operations manager.

A legal operations manager oversees various legal ops team members' day-to-day activities and

ongoing projects. Depending on the size of the law firm, the legal ops manager might report to a director of legal operations and be responsible for a larger team or just one or two legal operations specialists or analysts.

Either way, the legal operations manager must take stock of the current state of affairs of the law firm and come up with ways to make it better.

## **Handles the law firm budget and billing**

Legal operations managers take a deep dive into the firm's budget. They break down where money is going within the firm and where money is coming from. They also provide stable financial planning for the future.

Legal ops managers use past yearly spending to build forecasting models and proactively identify new, creative ways to optimize financial resources within the firm. Many legal ops managers will also analyze processes related to [e-billing](#) to streamline outdated, tedious, and repetitive workflows. They study peer law firms as part of benchmarking exercises, always looking for innovative ways to price work and trim expenses.

## **Evaluates lawyer productivity**

But legal operations managers do much more than just budgeting! They also look at individual lawyer productivity and identify ways to make everyone at the firm work smarter. Sure, legal ops managers can't step into the shoes of the managing partner, but they'll have valuable input on staffing questions that firm leaders will want to listen to. Among other metrics, they analyze data related to billable hours, assigned cases, and revenue generated as a result of each lawyer's work.

From that data, a strong legal ops manager comes up with ways to assign certain cases to lawyers who are more or less productive, depending on the needs of the firm and the ideal legal spend per case. They might also plan training for lawyers and staff and develop policies designed to increase firm productivity. Some legal ops managers even go as far as making recommendations on hiring and firing decisions.

## **Manages third-party vendors**

Legal operations managers oversee third-party vendors, such as alternative legal service providers, freelance lawyers, and other professionals, like experts and consultants, who provide services to the law firm. In the past, firms might have relied on word-of-mouth recommendations or professional connections to decide where to outsource work rather than choosing the best, most efficient vendor based on objective criteria.

Proactive legal ops managers challenge traditional sourcing models. They also look for opportunities to rethink pricing arrangements and work to negotiate favorable rates from third-party vendors to maximize the value for every dollar spent. They scour the job boards and vet candidates to ensure that their firm avoids wasting money in the recruitment and onboarding process.

## **Collects and analyzes data**

At the heart of it all, legal ops managers must collect, analyze, and translate the firm's data. That

means breaking data down for partners in the firm who might not be so business inclined.

Legal ops managers are responsible for data that extends across many different areas of the law firm. Their most common focus is the budget, scrutinizing data from their e-billing system to understand their revenue by practice area or case. They also collect data about lawyer productivity and translate that into smart hiring practices and case-assignment strategies that save money.

To collect this data, a legal ops manager will spend time researching and trying out **innovative technology** to choose the best tech for the firm. They'll need to understand the latest trends and the opportunities to expand and incorporate new platforms into their work and the work of others in the office. This technology is important to optimizing processes and saving time (which means saving money) throughout the firm.

## **What background is ideal for legal operations manager jobs?**

Most legal operations managers have a bachelor's degree and at least some experience in legal project management or operations, whether in another law firm or in-house. Optimal candidates often have a blend of corporate legal department and law firm experience, which will ensure they have a deep knowledge of the inner workings of law firms along with the know-how and skills to position the firm as a leading outside counsel capable of addressing the needs of even the most demanding general counsel.

A job description for a legal operations manager will focus on competencies such as analytical skills, problem-solving skills, and communication skills that enable ops managers to speak to a variety of stakeholders at all levels of the firm. They should also have experience managing projects, developing policies, and collaborating with legal teams to deliver results.

Successful legal ops managers often have strong backgrounds in vendor management and change management initiatives. Extensive knowledge of technological solutions, including contract management, knowledge management, and matter management, will help the legal ops manager harness the inherent value in the firm's data and inform their recommendations for procurement and service delivery strategies.

## **How can a legal ops manager increase law firm efficiency?**

Hands down the best way for a legal operations manager to increase their firm's efficiency is to leverage technology.

Legal technology has dramatically improved over the years. Instead of toiling away in the law library, lawyers can find relevant cases and statutes with just a few keystrokes. There's no need to struggle to estimate the likelihood of winning a case because artificial intelligence and machine learning tools can do that for you. And - let's not forget technology that helps with client recruitment, management, and correspondence.

Not only does a legal operations manager need to understand how to use these types of technology to make lawyers' work more efficient, but they must also understand how to leverage technology to make the entire law firm more efficient as a business.

Luckily, there are platforms that can help legal operations managers monitor key performance indicators (KPIs) like legal spending as a percentage of the firm's revenue, the cost of a case per

matter, and the cost per lawyer. This technology can also crunch the numbers so that legal ops managers can see whether the firm is optimally productive. Platforms can track the percentage of cases resolved vs. litigated, staffing and paralegal spend by lawyer, legal hours vs. administrative hours, and deadline compliance. Legal ops tools can even track the amount of time that a case takes at each pivotal point and the overall satisfaction of each client.

By leveraging innovative technology and continually re-evaluating the firm's current processes, legal ops managers can get a clearer picture of the firm's financial status and use the data to come up with new ways to make things run smoother, make the lawyer's jobs easier, and make the law firm more profitable.

## What is the future of legal operations management?

The future of legal operations management is [constantly evolving](#).

Law firms' financial, strategic, and internal decision-making is increasingly based on quantitative data instead of guesswork. That data is valuable for legal ops managers who need to evaluate productivity and streamline efficiency within the law firm. Instead of merely reporting on the data to firm leaders, future legal ops managers will play a vital role in redefining how law firms can work smarter and build a better business model.

This is a tremendous opportunity for legal ops professionals to engage in the business management of a law firm and to take part in the legal technology revolution. It is also a chance for law firms to differentiate themselves from competitors by creating value and to leap headfirst into the modern era.

Of course, there will be challenges: changing the status quo in a law firm can be difficult at times. But once law firm leaders see the value created by a great legal operations team, headed by a strong legal ops manager, it won't take long for them to get on board.

By spending time now to build a strong legal operations team headed by an experienced, tech-savvy legal operations manager, you can modernize your firm and situate it to capitalize on future trends in legal operations.

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