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# RECOVERY

## Law firm introduces client-driven budget tool

BY JANE MEINHARDT  
STAFF WRITER

**TAMPA** — Foley & Lardner LLP has begun rolling out proprietary client service technology designed to provide its lawyers and clients with real-time legal costs management. The firm's goal is for widespread use of its new Budget Management Tool by lawyers by the first quarter of next fiscal year, a strategic move designed to meet client service demands.

Foley & Lardner, which has nearly 1,000 attorneys and 21 offices, has invested nearly \$1 million in software development. Roughly half of it was used to tweak the budget tool for day-to-day use by lawyers and their clients to track legal costs related to the budget for a particular matter or litigation.

"Clients do not like surprises," said Fred S. Ridley, a partner in Foley & Lardner's Tampa office. "This is like an early warning system that allows us to present options to clients, and it can be used for any matter."

The Web-based tool evolved from the firm's focus on what it has determined clients value and need.

Foley & Lardner's strategy is to deliver



Ridley

that value and service with innovation such as the budget management tool, said James R. Kalyvas, a firm partner who is chief strategy officer and chair of its information technology and outsourcing practice.

"We've engaged in extensive client interviews, and they've told us they want predictable costs and a focus on budgeting related to where matters are," Kalyvas said. "This is a change in the way we do business."



Kalyvas

### COST WATCHING

The tool allows clients, through secure Web access, to see a current report of what is being billed on a matter. Clients can see the legal cost status daily or at reporting intervals they select.

The system creates graphs showing the cumulative budget and the status of a project related to the percentage of a budget used. It also breaks down the mix of professionals used on a matter such as the number of senior lawyers or associates handling issues, which gives the firm information about the staffing of a project and the ability to make changes.

When looking at a new or upcoming matter, the tool can give lawyers and clients an

idea about the potential cost and possible alternative financing options.

"As a firm, we get better at understanding the spend of a matter and the resources used," Ridley said. "It is also a problem avoidance tool."

As lawyers keep current with posting information the real-time picture of activity allows for timely reaction.

### DEVELOPED IN HOUSE

Foley & Lardner developed the software internally as part of its long-standing investment in technology. Kalyvas said he is unaware of similar technology being used by another law firm.

Marcie Shunk, a principal at BTI Consulting Group based near Boston, agreed that the Foley & Lardner budget management tool could be market-leading technology. "That is the only one that jumps to mind," Shunk said.

BTI, a market research and consulting company for law firms, determined through surveys that clients look for innovation in technology and service. In its surveys, clients give recognition to Foley & Lardner for its innovation.

"This is exactly the kind of innovation they want," Shunk said.

[jmeinhardt@bizjournals.com](mailto:jmeinhardt@bizjournals.com) | 727.224.2299