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IDENTITY Theft

Data security and identify theft continues to be a hot topic as we move into 2009. According to The Identity Theft Resource Center's recently released 2008 Breach Report, there were over 650 reported security breaches potentially exposing over 35,000,000 records. These documented breaches were from many well-known U.S. companies as well as government entities and constitute an increase of 47% from 2007.

The Identity Theft Resource Center (ITRC) is a nonprofit, nationally respected organization dedicated exclusively to the understanding and prevention of identity theft.

While this report is just a sampling of breaches that were reported (it does not cover the thousands of un-reported security breaches that take place annually), the critically alarming fact is that the majority of the exposed data was neither encrypted nor protected by a password.

LBL Technology Partners is positioned to assist organizations in identifying weaknesses in their application and network infrastructures through a variety of services such as IT Department Assessments, Security Assessments, and IT Strategic Planning. Our consultants are experienced in identifying threats and vulnerabilities and assisting organizations in devising strategies to strengthen their IT environment and protect their data.



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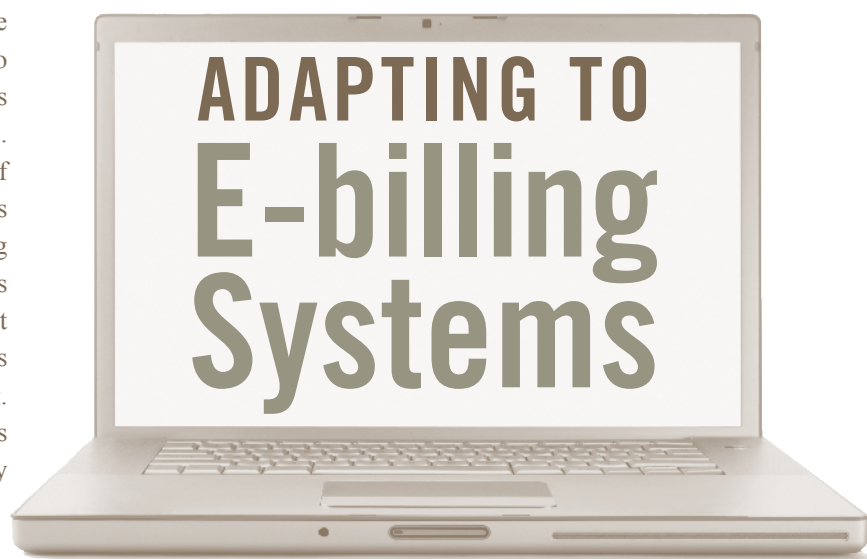
Growing numbers of corporate law departments are requiring the law firms they work with to submit their bills electronically. From the perspective of law firms, navigating the e-billing systems of clients may, at least initially, mean additional work. Firms can, however, adjust their invoicing systems to make e-billing as pain-free as possible, and even turn the need to adapt to their clients' e-billing requirements into an opportunity to demonstrate their commitment to providing a high level of service to clients.

For corporate law departments that deal with large volumes of invoices from outside counsel, moving to e-billing makes sense. E-billing allows departments to streamline and standardize the billing process. Companies using e-billing find it easier to keep track of bills related to individual cases and monitor the activities of the various law firms working on the cases. Receiving and storing all bills in electronic form allows companies to audit the fees levied by outside counsel, ensuring that the amounts charged are in compliance with agreements made with the firms and that no overbilling is occurring. Departments can determine quickly whether each firm is remaining within set budgets and can track spending by each lawyer and by each matter.

In addition, e-billing can help corporate law departments better monitor and analyze other aspects of outside counsel's performance and practices, studying and comparing each firm's processes for handling matters, staffing practices, and success rates. The system can also be used to enforce status report filing requirements and other rules imposed by the client, such as diversity goals.

While this level of monitoring can seem onerous, it can actually work to the advantage of law firms that are consistent in providing good service to clients and that deliver superior performance at competitive rates.

Most corporate clients that require e-billing use the Legal Electronic Data Exchange Standard (LEDES), a set of file format specifications designed to standardize invoice data transmitted electronically from law firms to clients. Companies that have moved to LEDES often require that law firms filing invoices use the Uniform Task-Based Management System (UTBMS), a set of codes that standardizes the categorization and analysis of legal tasks, activities, and expenses.



Most legal and accounting providers developed LEDES interfaces soon after the standard was first released and are able to format invoices so that they meet the specific guidelines and requirements of each client. Law firms that handle billing internally may, however, have to adjust their processes to adapt to the specific rules set out by individual clients. Ideally, when notified that a client is moving from paper invoicing to e-billing, the firm should meet with the client to discuss how to implement the system so that no major glitches occur. The client may, for example, be able to recommend an e-billing vendor already familiar with the client's requirements, or advise on staff training.

When the electronic system is up and running smoothly, law firms may find that their bills are authorized and settled more promptly than in the past. Having to comply with e-billing requirements can also make it easier for firms to enforce their internal billing and time-recording guidelines, and to better identify their own strengths and weaknesses.

Attracting and retaining attorneys of both genders and from diverse social and ethnic backgrounds has become a leading recruitment objective at many law firms. Increasingly, firms are recognizing that promoting diversity is not just important from a human resources perspective; having lawyers on staff with a wide range of experiences can be seen as a distinct competitive advantage, enabling the firm to provide more effective legal representation to a wide range of clients, as well as foster an atmosphere of creativity and innovation.

Building a More Diverse Law Firm



To be successful in maintaining diversity over the long term, law firms must supplement their efforts to recruit women and members of minority groups with commitment to programs that encourage people of diverse backgrounds to stay with the firm. This means not only making over the image of the firm from the outside, but also taking steps to alter the culture of the firm to ensure that it is welcoming to lawyers who do not fit the traditional mold because of gender, ethnicity, sexual orientation, age, religion, or disability.

Firms can start by looking at their benefits packages. Does the firm offer flexible work and part-time options suitable for parents of young children? Is paid maternity and paternity leave available? Are health care and other benefits to spouses of employees also made available to non-married domestic partners? Are staff members of all religious beliefs permitted to take time off to observe important holidays? Firms may also want to consider making their offices easily accessible to people with physical disabilities or designating lactation rooms for women who are breastfeeding. It may also be possible to establish on-site daycare or maintain a contract for the services of a nearby daycare center.

But even firms that have all the right benefits and programs in place may fail to create a comfortable, professional environment for people of diverse backgrounds. When mentoring younger lawyers by more experienced attorneys only happens on an informal basis, some associates may feel left out. If women and members of minority groups sense the presence of a “glass ceiling” in the firm that they will not be permitted to rise above, they may leave a firm in frustration.

To better the chances that people of all backgrounds will have equal access to opportunities for professional development and advancement, firms should consider establishing mentoring programs. Senior attorneys can help to ensure that junior associates of all backgrounds make useful professional contacts, are assigned substantive work, and have opportunities to take on increasingly challenging roles.

There is little doubt that leading U.S. law firms are concerned about promoting diversity in their ranks. According to a recent survey of large firms conducted by marketing consultancy Altman Weil, 58% of firms now have a designated diversity manager or director, up 8% from 2007 and 13% from 2005.

The survey found that the role of diversity manager is most often given to a lawyer who is already employed by the firm and who continues to practice law in addition to overseeing diversity-related initiatives at the firm. Generally, the responsibilities of the diversity manager include developing, promoting, and implementing diversity goals and strategies, both internally and externally. In addition to working with the human resources department and hiring committees to identify and recruit individuals with diverse backgrounds, the diversity manager is also entrusted with promoting awareness of diversity issues within the firm and developing programs to foster inclusiveness within the firm and encourage retention.

Simply appointing a diversity manager to handle these issues is, of course, not enough. The firm’s senior partners must also be committed to diversity efforts and take any issues or complaints of discrimination that are raised seriously. To find out whether diversity initiatives are actually working, firms may wish to conduct confidential surveys that encourage lawyers and other staff members to provide honest feedback on issues related to diversity. If it becomes apparent that prejudice and stereotypical thinking are a problem in the firm, it may be necessary to hold training sessions on diversity that can help alter the firm’s culture and create a more inclusive environment.



Attorneys Look to Social Networks for Professional Contacts

Growing numbers of attorneys are using social networking technologies to build their network of professional contacts, but a significant percentage of lawyers continue to doubt the usefulness of online networking for professional purposes, according to a survey conducted by online consultancy Leader Networks.

The survey of 224 private practice attorneys and 449 corporate counsels found that 54% of attorneys are members of social networking sites. Broken down by age group, social networkers account for 67% of those ages 25 to 35, 49% of respondents ages 36 to 45, and 36% of the lawyers surveyed ages 46 to 55+.

When asked if they consider the currently available online networking sites to be useful to them professionally, 43% of corporate counsel and 53% of the private practice attorneys surveyed said that current versions of professional networks and online communities do not help them work more efficiently and cost effectively.

At the same time, however, 54% of corporate counsel and 41% of private practice respondents said they view linking to other attorneys or expanding their own network to be important features that an online professional network could provide. Among the top attributes respondents said they are looking for in professional legal networks are access to information not found elsewhere, ease of exchanging information, the ability to identify and evaluate private practice attorneys, and speed of collaboration.

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