



**USC**

**Business of Law: Future of Legal Service Delivery**

**Course ID: LAW 555**

**Units: 2**

**Term—Day—Time:**

**Location:**

**Instructor: Kevin Burke**

**Office:**

**Office Hours:**

**Contact Info:**

**IT Help:** USC Gould IT Support

**Contact Info:** [help@law.usc.edu](mailto:help@law.usc.edu)

## Course Description

This course offers students the opportunity to explore the business of law, legal service delivery as it has traditionally been undertaken with its strengths and weaknesses, and how it is undergoing seismic change and will continue to transform during this remarkable time. The course will explore the primary drivers change throughout the business of law ecosystem. We have put forth a modular experience that is designed to provide the opportunity to understand and connect directly with all aspects of the legal industry, including law firm structure and function and the client purchaser needs, service expectations and legal operations platform. The transformation of legal service delivery and the influencers that will shape the future that lies ahead, digitalization and business strategic planning will be studied. Each module will explore the essential pillars of the business of law from both the client and the practitioner perspective. The course is designed in a hybrid form with remote learning in part, by intention, with the expectation that the future of law will be just that. Course segment will include a short video or presentation by a market shaper and influencer, some led discussion on topic by the professor and discussion topics designed to have the student offer perspective and ideas and engage in concert with others in the course. The business of law necessitates a touchpoint with the client experience, and this course similarity seeks to connect with the student experience in the academic process.

## Learning Objectives

1. Explore the business of law, legal service delivery as it has traditionally been undertaken with its strengths and weaknesses, and how it is undergoing seismic change and will continue to transform
  - a. Explore the essential pillars of the business of law from both the client and the practitioner perspective.
  - b. Understand and connect directly with all aspects of the legal industry, including law firm structure and function and the client purchaser needs, service expectations and legal operations platform.
  - c. Explore the primary drivers change throughout the business of law ecosystem. Research and forecast the transformation of legal service delivery and the influencers that will shape the future that lies ahead, digitalization and business strategic planning.

## Required Readings

Detailed in each module

## Description and Assessment of Assignments

Grading will be based upon class participation by module discussion, short issue paper by module and a wider, more heavily weighted final paper touching on the aggregate of the module subjects and holistic analysis of the course content. Each student will apply the various principles to issues presented following the models in the role as the chair of a hypothetical law firm. The final paper will be designed in a setting of a law firm merger scenario with the student, as a firm chair, evaluating and making recommendations to the partnership on the merger candidate firm and strategic direction to be taken.

Each student will choose one of three law firms for which they will serve as firm Chair. The first firm is a large global firm with a full-service practice. The second firm is a mid-market national firm in the United States with a core emphasis in three practices. The third firm is a boutique firm with an elite level single focus. As the course progresses, the student will be asked to apply principles developed and covered in each module topic, in preparing a three-page response to a specific module-related question. They will be asked to consider an issue and present and explain a response as the Chair of their chosen firm. At the conclusion of the course for their final paper, they will be presented with a merger scenario with one of the other two law firms. The final paper will require the student to engage with another student who is Chair of the merger candidate firm. Each student may seek information from the other student Chair on

predetermined topics taken from the course content. The paper will ask for a description of what was learned in the discussion between firms and the recommendation and reasoning that the student will make, as firm Chair, to her/his partners about the merger.

### **Grading Breakdown**

Students will be graded as follows. 15% will be based on class discussion, 50% will be based on the module papers (excluding Module 1: Introduction to the Course and Orientation Module), and 40% will be based on the final paper, discussed above. The details of each module are set forth below.

<b>Assessment Tool (assignments)</b>	<b>% of Grade</b>
Module Papers	50%
Class Discussion	15%
Final Paper	40%
<b>TOTAL</b>	<b>100%</b>

## **Course Schedule: Module Breakdown**

### **Week One: Module One: An Introduction to the Course and Orientation Module**

### **Week Two: Module Two: The Origins and Evolution of the Modern Law Firm Business Model**

This module will examine the law firm business model and legal service delivery over the past seventy years. The model will explore the traditional structure, business critical systems of a law firm business structure, the revenue cycle, business generation, service quality, profitability, the rapid growth within the sector to meet demand, the rise of Big Law, segmentation, globalization, premier boutiques, AmLaw metrics, mergers, law firm failures and the reasons, professional regulation by state, and the taxonomy of law firm business models.

#### Reading:

-The Business of Law: Evolution of the Legal Services Market, Tyler J. Replogle  
-<http://repository.lawumich.edu/vol61352/5>

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#### Guest Speaker:

Jeff Schwarz- Concata CEO & Senior Consultant

### **Week Three: Module Three: The Common Characteristics of Successful Law Firms**

This module will examine the most valuable qualities and attributes common to outstanding firms, which allow them to operate as a business and with exemplary sustained excellence, indoctrinating their way of doing things to insure that all individuals function as a unit, continuously seeking ways to improve and serve their clients' interests, believing success will follow in the best and most challenging of times. The module will further explore the success driving principles of mission, culture/values, people, client relationship management, leadership, strategy/execution, differentiated brand position, diversity and innovation.

#### Reading:

What it Takes, Text by Charles D. Ellis

### **Weeks Four and Five: Module Four: Law Firm Leadership and Management**

This model will introduce the business organization and governance essentials for law firm function, administration, high level service performance, business generation, practice specialization and professional responsibility. There will be a focus on leadership and governance structures, the committee system, capitalization, equity and non-equity partnership, the leverage model, the LLP and LLC form, meritocracy, practice management and critical finance and human resource functions. This topic will be enhanced by a practical focus on the qualities of highly successful law firm leaders with discussion of noted leaders and their accomplishments as well as firms that are known to have suffered from misguided leadership.

Reading:

- Leading Firms, Text by David C. Kuhlman
- 30 Years of Law Firm Collapses: An Annotated Timeline, The American Lawyer, October 29, 2019
- The Failing Law Firm: Symptoms And Remedies, Text by David J. Parnell ( selected

Guest Speaker:

Kent Zimmermann, Zeughauser Group

**Weeks Six and Seven: Module Five: The Client/Buyer of Legal Services**

This module will focus on the recent and ongoing shift in the demand, client expectations and the client/law firm experience. The success of the modern law firm will hinge on its ability to adapt, pivot, respond, rethink and embrace change. There will be a study of the impact of the economic collapse of 2008 and the Great Recession from the client perspective, with the “table turning” and clients exerting unprecedented influence and control. Clients are rapidly driving all legal service providers, not just law firms, into a new model that is more collaborative and multidisciplinary, built around integrated technology platforms and delivered with value-based pricing. This fascinating transformation will be studied and delve into how value is now defined and measured by clients in legal services delivery, the forces precipitating rapid and wildly destabilizing change in the traditional law firm model, the rise and influence of procurement and legal operations professionals, the ACC Value Challenge, and how the old ways of law firms have become the path to failure.

Reading:

- Altman Weil, Inc. Law Firms In Transition Survey, years 2016, 2017, 2018, 2019 & 2020
- Georgetown Law & Thomson Reuters Legal Executive Institute Report on the State of the Legal Market, years 2016, 2017, 2018, 2019, 2020

**Weeks Eight and Nine: Module Six: Digitalization, Technology, and Disruptive Innovation in Legal Services**

The legal market place is in the midst of a dramatic period of dynamic transformation. This change has been driven by the exponential growth of technology and digitalization. This module surveys the disruptive market forces underlying the reinvention process, including the shifts in how law is practiced. The emphasis on efficiency, transparency, “more for less,” as well as the explosion of LawTech, data access, analytics, legal process outsourcing and alternative service providers, desegregation of the legal supply chain, AI, e-discovery and document management tools. This state of change will be addressed from all perspectives of the legal services ecosystem, including the impact on client buying power, the shift in the business model of firms closer to the model of client companies, how firms are run, how work is won, done and the mandate for business strategic planning thinking over the traditional status quo mindset.

Reading:

- The Legal Mosaic, Essays On Legal Delivery (legalmosaic.com), Mark A. Cohen
- Remaking Law Firms: Why & How, Text by George Beaton & Imme Kaschner

Guest Speaker:

Roy Strom, Journalist and Correspondent, Bloomberg Law

**Weeks Ten and Eleven: Module Seven: CLOC – Legal Operations and the New Essentials in the Business of Law**

This module will provide a comprehensive understanding and analysis of the evolution, growth and influence of the legal operations movement in the delivery of legal services globally. Fueled by growing assertiveness among corporate legal departments to improve their productivity while reducing legal costs, the field of corporate legal ops has exploded across the landscape. The legal ops professional organization, CLOC, has gained and wielded enormous influence and disruption of the industry through objectives, processes and business “maturity” core competencies. There will be a study of how CLOC reshaped the model of service delivery to one which places client value, business process efficiency, project management and data optimization through an ever expanding technology platform at its core, and accountable diversity of lawyer ranks demanded of client’s panel firms.

Reading:

-The 2020 CLOC State of The Industry Survey And Report

-<https://cloc.org/wp-content/uploads/2020/08/CLOC-2020-State-of-the-Industry-Survey-Report.pdf>

-<https://cloc.org/2020-state-of-the-industry-report/>

**Week Twelve: Module Eight: The Client Centric Law Firm**

This module will address the shift in the traditional insular focus of law firms and the focus on their own priorities, which were served by revenue generation, to a business model that has the client’s business interests and experience as mission-centric to the performance of law firm professional service. There will be a focus on the prioritization of a product - market fit between a firm’s services and the client value objectives and customer experience. This module will examine the integration of client business understanding, empathy of experience, communication, knowing what client’s want, pricing and cost concerns, process design and bespoke offerings.

Reading:

-The Client-Centered Law Firm, Text by Jack Newton

Guest Speaker:

Jack Newton, CEO and Co-Founder Clio

**Week Thirteen and Fourteen: Module Nine: Innovation, Collaboration, Horizontal Integration, and Resigning Law Beyond Silos**

This module will address the importance of ongoing service and process innovation as a functional strategy for law firms. The competitive environment mandates the need to prioritize the focus on innovation. The historically staid legal industry is moving fast to increase competitive advantage and proactively improve practice service and business operations by leveraging new thinking, ideas, technology and wider expertise. This module will explore what innovation means in legal services. There will be a study of examples of new ideas, advances and solutions advancing the

client experience, the rise of innovation awards and the influence these distinctions have in brand positioning. The module includes a focus on the heightened importance of collaboration in the post-Covid 19 pandemic world. Clients require multidisciplinary expertise, and collaboration across practice areas and silos is essential to success. Yet traditional law firm internal incentives create barriers, as do their structures. This module will focus upon the concept of a smart collaboration approach which inspires greater client loyalty, results in better talent retention, ideal in-sourcing and ultimately improved margins.

Reading:

-Why Lawyers Can't Jump: The Innovation Crisis In Law, Randy Kiser

-<https://www.legalevolution.org/2020/10/why-lawyers-cant-jump-the-innovation-crisis-in-law-205/>

-Smart Collaboration, articles by Heidi K. Gardner

Guest Speakers/video:

Heidi K. Gardner, Distinguished Fellow Harvard Law, School Center for the Legal Profession

Reena SenGupta, CEO, RSG Consulting, Founder & Head, Financial Times Innovative Lawyers Awards

**Week Fifteen: Module Ten: The Future of Law, Tomorrow's Lawyers, and Legal Services – LawaaS**

This module will conclude the course with of the future of legal services with the students engaging on the subject of the future of legal services. Consideration of the post-Covid 19 pandemic changes, that accelerated the transformation trajectory and which heightened digital transformation to an existential imperative, will be discussed in the context of what lies ahead. This module will investigate the nascent LegalTech industry, AI, data analytics, the remote workforce, access to justice, online courts and the future for students as they embark on careers in the most exciting time in the history of the profession.

Reading:

-Tomorrow's Lawyers: An Introduction to Your Future, Text By Richard Susskind

Guest Speaker:

Richard Susskind (video)

## Statement on Academic Conduct and Support Systems

### Academic Conduct:

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in Part B, Section 11, “Behavior Violating University Standards” [policy.usc.edu/scampus-part-b](http://policy.usc.edu/scampus-part-b). Other forms of academic dishonesty are equally unacceptable. See additional information in SCampus and university policies on scientific misconduct, [policy.usc.edu/scientific-misconduct](http://policy.usc.edu/scientific-misconduct).

### Support Systems:

*Counseling and Mental Health - (213) 740-9355 – 24/7 on call*  
[studenthealth.usc.edu/counseling](http://studenthealth.usc.edu/counseling)

Free and confidential mental health treatment for students, including short-term psychotherapy, group counseling, stress fitness workshops, and crisis intervention.

*National Suicide Prevention Lifeline - 1 (800) 273-8255 – 24/7 on call*  
[suicidepreventionlifeline.org](http://suicidepreventionlifeline.org)

Free and confidential emotional support to people in suicidal crisis or emotional distress 24 hours a day, 7 days a week.

*Relationship and Sexual Violence Prevention and Services (RSVP) - (213) 740-9355(WELL), press “0” after hours – 24/7 on call*  
[studenthealth.usc.edu/sexual-assault](http://studenthealth.usc.edu/sexual-assault)

Free and confidential therapy services, workshops, and training for situations related to gender-based harm.

*Office of Equity and Diversity (OED)- (213) 740-5086 | Title IX – (213) 821-8298*  
[equity.usc.edu](http://equity.usc.edu), [titleix.usc.edu](http://titleix.usc.edu)

Information about how to get help or help someone affected by harassment or discrimination, rights of protected classes, reporting options, and additional resources for students, faculty, staff, visitors, and applicants. The university prohibits discrimination or harassment based on the following *protected characteristics*: race, color, national origin, ancestry, religion, sex, gender, gender identity, gender expression, sexual orientation, age, physical disability, medical condition, mental disability, marital status, pregnancy, veteran status, genetic information, and any other characteristic which may be specified in applicable laws and governmental regulations. The university also prohibits sexual assault, non-consensual sexual contact, sexual misconduct, intimate partner violence, stalking, malicious dissuasion, retaliation, and violation of interim measures.

*Reporting Incidents of Bias or Harassment - (213) 740-5086 or (213) 821-8298*  
[usc-advocate.symplicity.com/care\\_report](http://usc-advocate.symplicity.com/care_report)

Avenue to report incidents of bias, hate crimes, and microaggressions to the Office of Equity and Diversity | Title IX for appropriate investigation, supportive measures, and response.

*The Office of Disability Services and Programs - (213) 740-0776*  
[dsp.usc.edu](http://dsp.usc.edu)

Support and accommodations for students with disabilities. Services include assistance in providing readers/notetakers/interpreters, special accommodations for test taking needs, assistance with architectural barriers, assistive technology, and support for individual needs.



*USC Support and Advocacy - (213) 821-4710*

[uscса.usc.edu](http://uscса.usc.edu)

Assists students and families in resolving complex personal, financial, and academic issues adversely affecting their success as a student.

*Diversity at USC - (213) 740-2101*

[diversity.usc.edu](http://diversity.usc.edu)

Information on events, programs and training, the Provost's Diversity and Inclusion Council, Diversity Liaisons for each academic school, chronology, participation, and various resources for students.

*USC Emergency - UPC: (213) 740-4321, HSC: (323) 442-1000 – 24/7 on call*

[dps.usc.edu](http://dps.usc.edu), [emergency.usc.edu](http://emergency.usc.edu)

Emergency assistance and avenue to report a crime. Latest updates regarding safety, including ways in which instruction will be continued if an officially declared emergency makes travel to campus infeasible.

*USC Department of Public Safety - UPC: (213) 740-6000, HSC: (323) 442-120 – 24/7 on call*

[dps.usc.edu](http://dps.usc.edu)

Non-emergency assistance or information.