Laura Moore

LM LEGAL FINANCE & OPERATIONS

THE LM LEGAL FINANCE & OPERATIONS METHODOLOGY

A Practical Guide to Building High-Performing Legal Finance & Operations Functions

Professional Edition - Version 1.0

People. Process. Performance.

About This Methodology

This methodology has been developed from practical experience across Legal Finance & Operations. It is designed to help law firms and corporate legal departments build connected, proactive and high-performing operational functions through governance, collaboration and continuous improvement.

Rather than focusing on individual processes in isolation, the LM Legal Finance & Operations Methodology demonstrates how each stage of the legal finance lifecycle contributes to operational excellence.

CORE PHILOSOPHY *Prevent issues before they occur, rather than continually responding to them after the event.*

This is not a prescriptive rulebook. It is a practical framework that can be adapted to reflect the operating model, culture and strategic objectives of each organisation.

LM REFLECTION *The best Legal Finance & Operations teams don't spend their time fixing problems - they prevent them from happening.*

Dedication

To every Legal Finance and Operations professional committed to improving the way legal services are delivered. This methodology has been created with the belief that operational excellence is achieved through collaboration, continuous improvement and a commitment to doing the right things well.

About the Author

Laura Moore is the Founder of LM Legal Finance & Operations, an independent consultancy specialising in Legal Finance, Legal Operations and eBilling. With over fifteen years' experience supporting international law firms, Laura has worked across the legal finance lifecycle, helping organisations strengthen governance, improve financial processes and optimise operational performance.

- Client Engagement & Client Onboarding
- Outside Counsel Guidelines (OCGs)
- Matter Management
- Rates Management
- Work in Progress (WIP) Review

- Legal Billing
- eBilling
- Operational Governance & Continuous Improvement
- Legal Operations Consulting

How to Use This Methodology

The publication is organised in three parts. Part One establishes the methodology and operating philosophy. Part Two translates those principles into practical operational playbooks. Part Three provides a reference library for governance, performance and maturity.

The playbooks describe what good practice should achieve while recognising that ownership and team structures vary between law firms and legal departments.

Version Control

Version	Date	Description
1.0	August 2026	Initial publication of the LM Legal Finance & Operations Methodology

FRONT MATTER

Contents

Part One - The LM Methodology

The LM Legal Finance & Operations Methodology is built around connected operations, proactive control and sustainable performance. Its purpose is to help organisations move from isolated processes and reactive correction to an integrated operating model in which each stage enables the next.

CHAPTER 1

The Legal Finance & Operations Lifecycle

Legal Finance & Operations is not a collection of independent administrative activities. It is a connected lifecycle in which decisions made at the beginning of a client relationship influence matter setup, pricing, WIP, billing, eBilling and ultimately cash collection and client experience.

The Connected Lifecycle

- Client Engagement - establish expectations, commercial terms and review/agreement of OCGs.
- Client Onboarding - coordinate operational readiness and obtain required client information.
- Matter Management - translate approved requirements into accurate matter configuration.
- Rates Management - implement and govern approved pricing, including client portal approval where required.
- WIP Review - proactively manage unbilled work and identify issues early.
- Legal Billing - convert approved work into an accurate, client-ready invoice.
- eBilling - complete technical submission, monitor status and manage exceptions.
- Legal Operations - govern and continuously improve the connected lifecycle.

LM INSIGHT *Every downstream problem should trigger an upstream question: where could this have been prevented?*

CHAPTER 2

People. Process. Performance.

High-performing Legal Finance & Operations functions depend on three connected pillars. People create judgement and accountability. Process creates consistency and control. Performance demonstrates whether the operating model is delivering the intended outcomes.

People

- Clear ownership and accountability
- Appropriate skills and training
- Cross-functional collaboration
- Effective communication and escalation

Process

- Documented and practical workflows
- Defined controls and handovers
- Standardisation where it adds value
- Flexibility to reflect different operating models

Performance

- Meaningful KPIs
- Quality and first-time-right measures
- Root cause analysis
- Continuous improvement based on evidence

CHAPTER 3

Building a Proactive Operating Model

A proactive operating model identifies risk before it becomes a billing delay, rejection, write-off or client issue. It shifts effort away from repeated correction and towards prevention, ownership and early intervention.

Reactive vs Proactive

Reactive	Proactive
Correct invoice after rejection	Prevent rejection through upstream controls
Chase missing identifiers at billing	Obtain and track identifiers during onboarding
Fix rates when invoice fails	Approve and configure rates before billing
Review problems individually	Analyse trends and correct root causes

LM REFLECTION *Correct the issue once. Correct the process forever.*

CHAPTER 4

Governance & Continuous Improvement

Good processes create consistency. Good governance ensures they continue to improve. Governance provides visibility, accountability and a disciplined route from operational insight to sustainable improvement.

The Five Components of Governance

- Ownership - a clearly identified process owner.
- Performance - measures focused on meaningful outcomes.
- Risk - identification of operational, financial, client, compliance and data risks.
- Review - regular structured assessment of process health and outcomes.
- Improvement - actions that strengthen the operating model rather than simply close individual issues.

The Governance Cycle

Measure → Review → Improve → Embed → Measure

SIGNATURE PAGE

The LM Methodology at a Glance

PEOPLE ● PROCESS ● PERFORMANCE

Five core principles:

- ☐ Be Proactive, Not Reactive
- ☐ Quality at Every Stage
- ☐ One Connected Operating Model
- ☐ Continuous Improvement
- ☐ People. Process. Performance.

The lifecycle runs from Client Engagement and Client Onboarding through Matter Management, Rates, WIP, Legal Billing and eBilling, with Legal Operations, governance and continuous improvement surrounding the entire model.

SIGNATURE PRINCIPLE *Prevention over correction.*

Part Two - Operational Playbooks

The operational playbooks translate the LM Methodology into practical frameworks. They are designed to be adaptable: law firms may allocate responsibilities differently, but the required controls, information and outcomes remain consistent.

PLAYBOOK 1

Client Onboarding

Coordinating Operational Readiness

Executive Summary

Client Onboarding coordinates the successful onboarding of a new client or engagement by ensuring the commercial, operational and billing requirements needed by downstream teams are obtained, tracked and communicated.

Position Within the Lifecycle

Client Engagement and the Partner/Fee Earner's review and agreement of applicable OCGs occur before operational onboarding. Onboarding then coordinates implementation and readiness before the matter progresses.

Objectives

- Establish complete and accurate client information
- Coordinate relevant internal teams
- Obtain mandatory client identifiers and billing information
- Track approvals and outstanding dependencies
- Reduce downstream billing and eBilling issues

Roles & Responsibilities

Responsibilities vary between organisations. The methodology focuses on the required outcome and governance rather than prescribing a single team structure.

Responsible Partner / Fee Earner

- Confirm client requirements through client discussions
- Identify which matters should or should not be eBilled
- Support obtaining client-specific information and resolve outstanding client queries

Client Onboarding / Equivalent Function

- Act as central coordinator
- Work with the Partner/Fee Earner and client to obtain required information, including Client Matter IDs
- Coordinate relevant Finance, Pricing, Matter, Billing and other teams
- Track outstanding actions and maintain an audit trail

Operational Teams

- Complete the specialist configuration or review relevant to their function
- Confirm completion back to the onboarding coordinator

The LM Process

Stage 1 - Initiate

Open the onboarding workflow using approved client and engagement information.

Stage 2 - Gather

Collect client, commercial, billing and operational information, including mandatory client references.

Stage 3 - Coordinate

Engage the relevant internal functions and track actions, approvals and dependencies.

Stage 4 - Implement

Ensure agreed requirements are configured in the appropriate systems and procedures.

Stage 5 - Confirm Readiness

Confirm mandatory information is complete, outstanding exceptions are owned and the client is operationally ready.

Common Risks

- Incomplete client information
- Missing Client Matter IDs
- Unclear ownership
- Late involvement of relevant teams
- Multiple sources of truth
- Onboarding treated as a one-time administrative event

Performance Measures

- First-time-complete onboarding requests
- Onboarding turnaround time
- Outstanding onboarding actions and ageing
- Downstream issues attributable to onboarding
- Percentage of mandatory client identifiers obtained before billing

Governance

- Named process owner
- Central onboarding tracker
- Escalation of overdue actions
- Exception management
- Root cause review of downstream failures

LM in Practice - Missing Client Matter ID

A new matter progresses while the Client Matter ID remains outstanding. When the first invoice is prepared, the identifier is found to be mandatory and submission is delayed. The reactive response is to obtain the ID and correct the invoice. The LM response is to strengthen onboarding: track outstanding identifiers centrally, assign ownership, and prevent billing readiness until mandatory information is received or an approved exception exists.

Client Onboarding Checklist

Client & Engagement

☐ Client legal entity confirmed

☐ Responsible Partner/Fee Earner identified

☐ Key client and accounts payable contacts confirmed

Commercial & Billing

☐ Rates/commercial arrangements documented

☐ Currency and billing frequency confirmed

☐ PO and Matter IDs identified where required

☐ Submission method confirmed

Governance

☐ Applicable OCGs reviewed and agreed before onboarding

☐ Relevant teams coordinated

☐ Outstanding actions assigned

☐ Operational readiness confirmed

Playbook Summary

Client Onboarding should operate as part of one connected Legal Finance & Operations lifecycle. Strong upstream ownership, practical controls and clear governance reduce rework and improve client and financial outcomes.

LM REFLECTION *Client Onboarding does not need to perform every task. It needs to ensure the right information is obtained from the right people at the right time.*

PLAYBOOK 2

Outside Counsel Guidelines (OCGs)

Turning Client Requirements into Operational Controls

Executive Summary

OCGs establish the commercial, operational and billing expectations under which the firm will act. They should be understood and agreed before operational onboarding begins so the firm does not commit to requirements it cannot meet.

Position Within the Lifecycle

OCGs sit within Client Engagement. The Responsible Partner/Fee Earner should review, clarify and agree the guidelines with the client before operational onboarding starts. Onboarding then coordinates implementation of the agreed requirements.

Objectives

- Understand client expectations before commitment
- Identify commercially or operationally challenging provisions
- Translate agreed requirements into practical controls
- Communicate requirements consistently
- Reduce non-compliance and invoice deductions

Roles & Responsibilities

Responsibilities vary between organisations. The methodology focuses on the required outcome and governance rather than prescribing a single team structure.

Responsible Partner / Fee Earner

- Review the OCGs with appropriate internal support
- Clarify or negotiate requirements with the client where necessary
- Agree the requirements under which the firm will operate

Client Onboarding / Equivalent Function

- Obtain the agreed/current OCGs
- Coordinate implementation with relevant business teams
- Ensure operational impacts are captured and communicated

Legal Finance & Operations Functions

- Interpret requirements relevant to their process
- Implement required system or process controls
- Escalate requirements that cannot be operationalised

The LM Process

Stage 1 - Obtain

Obtain the current OCGs before operational onboarding.

Stage 2 - Review & Agree

The Partner/Fee Earner reviews the guidelines, supported by relevant specialists, and agrees or clarifies requirements with the client.

Stage 3 - Interpret

Translate agreed requirements into operational actions and ownership.

Stage 4 - Implement

Embed requirements in systems, guidance and downstream processes.

Stage 5 - Monitor

Monitor compliance, client feedback and changes to the guidelines.

Common Risks

- OCGs accepted without appropriate review
- Outdated guidelines
- Inconsistent interpretation
- Requirements not communicated
- Missing client Matter IDs or purchase-order requirements
- Invoice reductions caused by avoidable non-compliance

Performance Measures

- OCGs reviewed/agreed before onboarding
- OCG-related invoice rejection or reduction rate
- Time to implement updated requirements
- Repeat compliance issues

Governance

- Version control
- Named ownership
- Change communication
- Compliance trend review
- Root cause analysis

LM in Practice - Conflicting Interpretation of Client Guidelines

A client updates its guidelines but no structured review is completed. Different teams interpret the change differently and invoice outcomes vary. The LM response is to establish one agreed interpretation, document the operational impact, communicate it consistently and monitor compliance.

Outside Counsel Guidelines (OCGs) Checklist

Review

- ☐ Current OCGs obtained
- ☐ Partner/Fee Earner review completed
- ☐ Requirements agreed or clarified with client

Implementation

- ☐ Operational impacts identified
- ☐ Owners assigned
- ☐ PO and Matter IDs identified where required
- ☐ System/process updates completed

Governance

- ☐ Current version accessible
- ☐ Changes communicated
- ☐ Compliance monitoring established

Playbook Summary

Outside Counsel Guidelines (OCGs) should operate as part of one connected Legal Finance & Operations lifecycle. Strong upstream ownership, practical controls and clear governance reduce rework and improve client and financial outcomes.

LM REFLECTION *Outside Counsel Guidelines do not create operational complexity - poor interpretation and implementation do.*

PLAYBOOK 3

Matter Management

Creating Accurate Operational Foundations

Executive Summary

Matter Management converts approved client and onboarding information into an accurate live matter record that supports time recording, financial management, billing, eBilling and reporting.

Position Within the Lifecycle

Matter creation follows Client Engagement, agreed OCGs and Client Onboarding. The matter record becomes the operational foundation for downstream finance activity.

Objectives

- Create complete and accurate matter records
- Reflect agreed billing and eBilling requirements
- Support reliable reporting
- Maintain data quality throughout the matter lifecycle
- Reduce downstream corrections

Roles & Responsibilities

Responsibilities vary between organisations. The methodology focuses on the required outcome and governance rather than prescribing a single team structure.

Matter Creation Function

- May be a Matter Management team, secretary/practice assistant, shared service centre or other authorised function
- Create the matter using approved information
- Record Client Matter IDs and eBilling status supplied through the engagement/onboarding process
- Configure currency, billing and financial controls

Responsible Partner / Fee Earner

- Confirm matter information
- Identify eBilling status through client discussions
- Notify the appropriate function of material changes

Client Onboarding / Equivalent Function

- Provide approved onboarding information
- Coordinate outstanding dependencies before handover

The LM Process

Stage 1 - Receive Approved Request

Confirm required engagement, OCG and onboarding information is available.

Stage 2 - Create Matter

Create the matter with approved client, partner, office, practice, currency and identifier information.

Stage 3 - Configure

Apply billing, financial and eBilling indicators and other agreed controls.

Stage 4 - Validate

Check mandatory fields and critical configuration before activation.

Stage 5 - Maintain

Keep matter information current throughout its lifecycle and close matters appropriately.

Common Risks

- Incomplete matter data
- Incorrect billing currency
- Missing Client Matter IDs
- Incorrect eBilling status
- Duplicate matters
- Outdated billing arrangements

Performance Measures

- Matter creation turnaround time
- First-time-right matter creation
- Mandatory-field completeness
- Quarterly audit completion
- Downstream issues caused by matter data

Governance

- Quarterly matter audits
- Inactive/closed matter review
- Data quality exception reporting
- Change control
- Named ownership

LM in Practice - Incorrect Billing Currency

A London matter is required to bill in Euros but is opened using a default GBP currency. The issue is found only when billing starts. The LM response is to make billing currency a mandatory validation and include it in periodic matter audits.

Matter Management Checklist

Creation

- ☐ Approved request received
- ☐ Responsible Partner confirmed
- ☐ Client Matter ID recorded where required
- ☐ Billing currency confirmed
- ☐ eBilling status recorded

Validation

- ☐ Mandatory fields complete
- ☐ Financial controls applied
- ☐ Matter reviewed before activation

Ongoing Governance

- ☐ Quarterly audit completed
- ☐ Changes controlled
- ☐ Completed matters closed

Playbook Summary

Matter Management should operate as part of one connected Legal Finance & Operations lifecycle. Strong upstream ownership, practical controls and clear governance reduce rework and improve client and financial outcomes.

LM REFLECTION *Every invoice begins with a matter. If the matter is wrong, every process that follows is working from the wrong foundation.*

PLAYBOOK 4

Rates Management

Protecting Revenue Through Accurate Pricing

Executive Summary

Rates Management ensures agreed pricing is approved, accurately implemented, maintained and, for eBilling clients where required, submitted through the client portal for review and approval before invoices are raised.

Position Within the Lifecycle

Rates Management follows agreed commercial terms and matter creation. It must be completed early enough to prevent WIP and billing from accumulating against unapproved or incorrectly configured rates.

Objectives

- Implement approved pricing accurately
- Protect revenue and profitability
- Maintain effective dates and audit trails
- Manage multi-currency requirements
- Secure client portal approval where applicable

Roles & Responsibilities

Responsibilities vary between organisations. The methodology focuses on the required outcome and governance rather than prescribing a single team structure.

Pricing / Rates / Finance Function

- Implement approved rates in internal systems
- Maintain rate tables, currencies and effective dates
- Depending on the firm's model, upload rates to client eBilling portals and monitor approval

Responsible Partner / Commercial Owner

- Agree pricing with the client
- Provide or obtain required commercial approval
- Resolve pricing exceptions

eBilling / Billing Function

- Where responsibility sits here, support portal rate upload, approval monitoring and escalation

The LM Process

Stage 1 - Receive Approved Pricing

Confirm approved rates, effective dates, currency and supporting evidence.

Stage 2 - Validate

Check timekeepers, discounts, currency and client-specific restrictions.

Stage 3 - Configure Internal Systems

Implement rates and effective dates accurately.

Stage 4 - Submit for Client Approval (eBilling Clients)

Where required, submit rates into the client's eBilling portal, monitor status and obtain approval before invoices are raised.

Stage 5 - Quality Assurance

Verify configured and portal-approved rates, including converted rates for multi-currency matters.

Stage 6 - Monitor & Maintain

Manage annual reviews, new timekeepers, changes and outstanding approvals.

Common Risks

- Incorrect rates
- Missing approval
- Outdated rate tables
- Incorrect currency conversion
- Rates awaiting client portal approval
- Manual overrides
- Late annual rate updates

Performance Measures

- Rate implementation turnaround
- First-time-right rate setup
- Rate-related invoice rejection
- Percentage of eBilling rates approved before first invoice

- Outstanding rate approvals and ageing

Governance

- Documented approval trail
- Version and effective-date control
- Review of outstanding portal approvals
- Currency validation
- Periodic reconciliation

LM in Practice - Multi-Currency Billing

A London matter bills in Euros. London timekeepers' rates must therefore be available at the appropriate converted Euro rates, and for an eBilling client those rates may also require client portal approval before invoicing. The LM approach validates currency and portal approval before billing begins.

Rates Management Checklist

Approval

☐ Commercial terms approved

☐ Effective date confirmed

☐ Currency confirmed

Configuration

☐ Internal rates configured

☐ Converted rates validated where required

☐ Timekeepers assigned

eBilling Client Approval

☐ Rates submitted to portal where required

☐ Client approval monitored

☐ Approval confirmed before invoice is raised

Playbook Summary

Rates Management should operate as part of one connected Legal Finance & Operations lifecycle. Strong upstream ownership, practical controls and clear governance reduce rework and improve client and financial outcomes.

LM REFLECTION *A pricing agreement has little value if it is not accurately reflected in the firm's systems and, where required, approved by the client.*

PLAYBOOK 5

Work in Progress (WIP) Review

Managing Work Proactively Before Billing

Executive Summary

WIP Review is a proactive financial and operational discipline that helps ensure work progresses efficiently from time recording to billing while identifying commercial and operational issues early.

Position Within the Lifecycle

WIP Review follows matter and rate setup and operates throughout the life of the matter before Legal Billing.

Objectives

- Reduce aged WIP
- Identify issues before invoice preparation
- Support timely billing
- Protect profitability
- Improve forecasting and cash flow

Roles & Responsibilities

Responsibilities vary between organisations. The methodology focuses on the required outcome and governance rather than prescribing a single team structure.

Responsible Partner / Fee Earner

- Review WIP regularly
- Confirm billing strategy
- Approve write-offs or adjustments
- Address budget or client issues

Billing / Finance Function

- Provide accurate WIP information
- Highlight ageing and exceptions
- Support timely progression to billing

Finance Leadership

- Monitor trends, aged WIP and recurring delays
- Support governance and forecasting

The LM Process

Stage 1 - Produce WIP Information

Provide accurate matter balances, time, disbursements and ageing.

Stage 2 - Commercial Review

Assess billability, budgets, adjustments and client considerations.

Stage 3 - Operational Review

Identify known matter, rate, OCG or client-reference issues that could prevent billing.

Stage 4 - Prepare for Billing

Complete agreed adjustments and obtain the Partner's billing direction.

Stage 5 - Continuous Monitoring

Track aged/high-value WIP and recurring causes of delay.

Common Risks

- WIP reviewed too late
- Missing time entries
- Budget overruns
- Incorrect rates
- Outstanding client information
- Aged WIP
- Unapproved write-offs

Performance Measures

- WIP ageing
- Average days in WIP
- Billing conversion
- Write-off percentage
- Billing deadline compliance

Governance

- Regular Partner WIP review
- Escalation of aged/high-value WIP
- Write-off trend monitoring
- Root cause analysis of delays

LM in Practice - Aged WIP Delays Revenue

A matter accumulates several months of WIP before review. Narrative, rate and budget issues are then found at billing. Regular WIP review would have identified and resolved the issues earlier, protecting revenue and reducing delay.

Work in Progress (WIP) Review Checklist

Commercial Review

☐ WIP reviewed

☐ Billing strategy agreed

☐ Budgets considered

☐ Adjustments approved

Operational Review

☐ Known rate/matter issues addressed

☐ Narratives and disbursements reviewed as appropriate

Progression

☐ Partner direction received

☐ Actions completed

☐ WIP ready to progress to Legal Billing

Playbook Summary

Work in Progress (WIP) Review should operate as part of one connected Legal Finance & Operations lifecycle. Strong upstream ownership, practical controls and clear governance reduce rework and improve client and financial outcomes.

LM REFLECTION *The best time to resolve a billing issue is before it becomes a billing issue.*

PLAYBOOK 6

Legal Billing

Converting Approved Work into Accurate Client Invoices

Executive Summary

Legal Billing converts approved legal work into an accurate, compliant and client-ready invoice. It should not become the control point for correcting every upstream failure.

Position Within the Lifecycle

Legal Billing follows WIP Review and precedes the client submission process, including eBilling where applicable.

Objectives

- Produce accurate draft invoices
- Apply agreed billing instructions
- Obtain Partner approval
- Finalise invoices efficiently
- Provide a clean handover to submission

Roles & Responsibilities

Responsibilities vary between organisations. The methodology focuses on the required outcome and governance rather than prescribing a single team structure.

Billing Function

- Prepare draft invoices
- Apply agreed billing instructions
- Make approved amendments
- Finalise the invoice following Partner approval

Responsible Partner / Fee Earner

- Review and approve the draft invoice before finalisation
- Resolve commercial queries

Submission Function

- Depending on the firm's model, generate the LEDES file and prepare the invoice for client submission

The LM Process

Stage 1 - Receive Billing Instructions / Approved WIP

Confirm the matter is ready to enter the billing cycle.

Stage 2 - Prepare Draft Invoice

Generate the draft invoice using the firm's financial system.

Stage 3 - Billing Quality Review

Complete billing checks appropriate to the firm's process without duplicating controls that should already have occurred upstream.

Stage 4 - Partner Approval

The Partner reviews and approves the draft invoice before finalisation.

Stage 5 - Finalise Invoice

Billing finalises the approved invoice. Responsibility for generating a LEDES file may sit with Billing, eBilling or another submission function depending on the firm's operating model. The finalised invoice is handed to the client submission process.

Common Risks

- Delayed Partner approval
- Incorrect narratives
- Missing client references
- Incorrect tax treatment
- Upstream issues discovered late
- Manual amendments

Performance Measures

- Draft turnaround time
- Time to Partner approval
- Billing cycle time
- Invoices issued on time
- Amendments after approval

Governance

- Billing service standards
- Approval monitoring

- Exception reporting
- Root cause review of recurring billing issues

LM in Practice - Incorrect Narrative Identified Before Finalisation

A draft invoice contains narratives that do not meet the agreed client requirements. The Partner returns the draft for amendment. The LM response looks beyond the individual correction and strengthens upstream guidance and ownership to reduce repeat amendments.

Legal Billing Checklist

Draft

☐ WIP/billing instruction received

☐ Draft prepared

☐ Client references present

Approval

☐ Partner review completed

☐ Required amendments made

☐ Partner approval obtained

Finalisation

☐ Invoice finalised

☐ LEDES generated by the appropriate function where required

☐ Invoice ready for handover to client submission

Playbook Summary

Legal Billing should operate as part of one connected Legal Finance & Operations lifecycle. Strong upstream ownership, practical controls and clear governance reduce rework and improve client and financial outcomes.

LM REFLECTION *The quality of an invoice is determined long before it reaches Billing. Great billing reflects great upstream processes.*

PLAYBOOK 7

eBilling

Delivering Successful Technical Submission

Executive Summary

eBilling is the specialist submission stage of the lifecycle. Where upstream controls have operated effectively, the eBilling function should receive an invoice that is ready to upload rather than re-performing billing quality assurance.

Position Within the Lifecycle

eBilling follows final invoice production. It manages technical submission through the client's required platform or submission solution and coordinates exceptions to the appropriate owner.

Objectives

- Achieve successful first-time submission
- Perform only portal/technical validation that cannot be managed upstream
- Manage technical exceptions efficiently
- Monitor client platform status
- Return upstream issues to the appropriate process owner

Roles & Responsibilities

Responsibilities vary between organisations. The methodology focuses on the required outcome and governance rather than prescribing a single team structure.

eBilling / Submission Function

- Receive finalised invoices ready to upload
- Generate the LEDES file where this responsibility sits with the function
- Attempt submission
- Monitor technical/client platform responses
- Coordinate resubmission after issues are resolved

Billing Function

- Provide the finalised invoice and support resolution of billing-owned issues

Upstream Process Owners

- Resolve issues relating to rates, matter setup, client requirements or other upstream controls

The LM Process

Stage 1 - Receive Finalised Invoice

The eBilling function expects the invoice to be ready for upload when received. Partner approval may not be separately visible to eBilling depending on the firm's workflow.

Stage 2 - Generate / Prepare LEDES

Where required, generate the LEDES file from the finalised invoice. The file is generated, not 'received', where this sits with the eBilling function.

Stage 3 - Initial Technical Validation

If a third-party submission solution such as eHub or BillBlast is used, it may perform initial validation. For manual submissions, the eBilling function attempts submission of the LEDES file. Validation should focus on technical/portal requirements that cannot be controlled in the finance system, not re-reviewing upstream business rules.

Stage 4 - Invoice Submission

Upload the invoice through the required portal. Do not assume an expected response or payment date because client processes differ.

Stage 5 - Exception Management

Identify whether an exception is technical or belongs to an upstream process; coordinate correction and resubmission without absorbing ownership for upstream failures.

Common Risks

- Technical LEDES issue
- Portal access problem
- Missing Client Matter ID
- Rates not approved in portal
- Supporting documentation issue
- Upstream errors identified at submission
- Delayed resubmission

Performance Measures

- First-time submission success
- Technical rejection rate
- Submission turnaround time
- Resubmission time

- Outstanding rejected invoices
- Upstream issues identified during submission

Governance

- Regular rejected-invoice review
- Outstanding submission monitoring
- Root cause reporting by process owner
- Client platform maintenance
- Trend analysis

LM in Practice - Invoice Rejected Due to Missing Client Matter ID

A finalised invoice is rejected because the Client Matter ID is missing. The immediate invoice is corrected, but the LM response traces the failure upstream to onboarding/matter configuration and strengthens the relevant control so eBilling is not repeatedly correcting the same issue.

eBilling Checklist

Before Submission

☐ Finalised invoice available

☐ LEDES file generated where required

☐ Supporting documentation available

☐ Client rate approval confirmed where applicable

☐ Platform access available

Submission

☐ Initial technical validation completed by submission tool where applicable

☐ Manual submission attempted where applicable

☐ Portal response monitored

Exception Management

☐ Technical issues resolved

☐ Upstream issues returned to process owner

☐ Resubmission completed

☐ Root cause trends recorded

Playbook Summary

eBilling should operate as part of one connected Legal Finance & Operations lifecycle. Strong upstream ownership, practical controls and clear governance reduce rework and improve client and financial outcomes.

> **LM REFLECTION** *An invoice rejection is rarely an eBilling problem. More often, it is evidence of an upstream process that needs to be strengthened.*

PLAYBOOK 8

Legal Operations Consulting

Connecting People, Process and Performance

Executive Summary

Legal Operations Consulting provides the cross-functional governance and improvement lens that connects the complete lifecycle. It focuses on how processes interact rather than optimising departments in isolation.

Position Within the Lifecycle

Legal Operations sits across the entire lifecycle rather than at a single point within it.

Objectives

- Drive continuous improvement
- Strengthen governance
- Improve collaboration
- Reduce operational risk
- Support technology optimisation
- Deliver measurable outcomes

Roles & Responsibilities

Responsibilities vary between organisations. The methodology focuses on the required outcome and governance rather than prescribing a single team structure.

Legal Operations / Operational Leadership

- Review end-to-end performance
- Lead process improvement
- Coordinate cross-functional governance
- Identify automation and technology opportunities
- Track improvement actions

Process Owners

- Own performance and controls within their process
- Participate in root cause analysis
- Embed agreed improvements

Leadership

- Set priorities
- Support accountability
- Use performance insight to guide decisions

The LM Process

Pillar 1 - People

Develop capability, role clarity, collaboration and knowledge sharing.

Pillar 2 - Process

Map, standardise and improve processes with practical controls.

Pillar 3 - Technology

Use systems and automation to support the operating model rather than add complexity.

Pillar 4 - Performance

Measure outcomes that support decision-making, client service and continuous improvement.

Common Risks

- Siloed improvement
- Unclear ownership
- Technology implemented without process design
- Activity metrics replacing outcome measures
- Recurring issues without root cause action

Performance Measures

- First-time invoice submission success
- Invoice rejection rate
- Matter audit compliance
- Onboarding quality
- Rate accuracy
- Billing cycle time
- WIP ageing
- Improvement actions delivered

Governance

- Monthly operational reviews

- Quarterly process health checks
- KPI dashboards
- Root cause analysis
- Action tracking
- Annual maturity assessment

LM in Practice - Improving the End-to-End Process

A firm experiences high invoice rejection rates and initially treats the issue as an eBilling problem. End-to-end review identifies missing Client Matter IDs, inconsistent OCG interpretation, outstanding rate approvals and weak matter governance. Cross-functional improvement reduces rejection and improves billing cycle performance.

Legal Operations Consulting Checklist

Governance

- ☐ Governance framework established
- ☐ KPIs agreed
- ☐ Cross-functional reviews scheduled

Improvement

- ☐ Root causes tracked
- ☐ Actions assigned
- ☐ Technology opportunities assessed

Maturity

- ☐ Process health reviewed
- ☐ Operational maturity assessed
- ☐ Improvements embedded and re-measured

Playbook Summary

Legal Operations Consulting should operate as part of one connected Legal Finance & Operations lifecycle. Strong upstream ownership, practical controls and clear governance reduce rework and improve client and financial outcomes.

LM REFLECTION *Operational excellence is not created by one exceptional team. It is created when every team consistently delivers quality for the next.*

Part Three - Reference Library

Legal Finance Glossary

Term	Definition
Client Matter ID	A client-assigned identifier used to associate a law firm matter or invoice with the client's internal matter record.
eBilling	Electronic submission and processing of legal invoices through a client-designated platform.
LEDES	A standardised electronic legal invoice data format used by many eBilling platforms.
OCGs	Outside Counsel Guidelines: client requirements governing the delivery, management and billing of legal services.
WIP	Work in Progress: recorded legal work and related costs that have not yet been billed.
Rate Matriculation	The controlled implementation or progression of approved timekeeper rates, often as part of an annual rate cycle.
Matter Management	The creation, configuration, maintenance and governance of matter data throughout its lifecycle.
First-Time Submission Success	The proportion of invoices successfully submitted without requiring correction and resubmission.

Acronyms

- AFA - Alternative Fee Arrangement
- AP - Accounts Payable
- KPI - Key Performance Indicator
- LEDES - Legal Electronic Data Exchange Standard
- OCG - Outside Counsel Guidelines
- PMS/FMS - Practice / Financial Management System
- WIP - Work in Progress

Recommended KPI Library

- Onboarding first-time completeness and outstanding-action ageing
- OCG implementation and OCG-related rejection/reduction trends
- Matter first-time-right creation and quarterly audit completion
- Rate implementation accuracy and eBilling portal approval status
- WIP ageing, billing conversion and write-off trends
- Billing cycle time and Partner approval turnaround
- eBilling first-time submission success and technical rejection rate
- Cross-functional root cause and continuous improvement action closure

Governance Calendar

Cadence	Governance Activity	Focus
Daily / Weekly	Operational exception review	Rejected invoices, urgent onboarding/rate/matter issues
Monthly	Performance review	KPIs, ageing, billing cycle, outstanding approvals
Quarterly	Process health and matter audit	Controls, data quality, root causes, improvement actions
Annual	Maturity and methodology review	Operating model, technology, capability and strategic priorities

Operational Maturity Model

Level 1 - Reactive

Problems are primarily addressed after they occur.

Level 2 - Managed

Processes exist but vary across teams or offices.

Level 3 - Standardised

Processes are documented and consistently applied.

Level 4 - Proactive

Governance identifies and addresses risk before it impacts performance.

Level 5 - Optimised

Continuous improvement is embedded and performance insight drives change.

FINAL SECTION

The LM Difference

Many organisations improve individual operational processes. Sustainable improvement, however, depends on the connections between them. The LM Legal Finance & Operations Methodology treats the lifecycle as one connected operating model in which every process influences the success of the next.

- Clear ownership
- Embedded governance
- Quality at every stage
- Meaningful performance measurement
- Continuous improvement
- Cross-functional collaboration
- Prevention rather than correction

THE LM DIFFERENCE *The objective is not simply to improve Legal Billing, eBilling or Matter Management in isolation. It is to create an environment where every process consistently enables the next to succeed.*

Final Words

As Legal Finance & Operations evolves, organisations will continue to face more complex client requirements, global delivery models and advancing technology. Systems will change, but the principles of operational excellence remain constant: strong governance, clear ownership, collaborative teams, effective processes, meaningful performance and continuous improvement.

CLOSING PRINCIPLE *The best Legal Finance & Operations teams don't spend their time fixing problems - they prevent them from happening.*

People. Process. Performance.

Publication Notice

This publication provides general operational guidance and is not legal, tax, accounting or regulatory advice. Organisations should adapt the methodology to their own structure, systems, contractual obligations and professional requirements.

Version 1.0 intentionally excludes client-specific flowcharts, before-and-after process maps and case studies. These may be introduced in future editions using appropriately anonymised real-world engagement outcomes.