

# The Law Firm Legal Operations Handbook

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As an organization engaged in commercial or professional activities, law firms are businesses at their core. The skills necessary to run a business well don't always align with those necessary to practice law, however. Legal operations are commonly found in corporate environments to support in-house counsel, but it's increasingly relevant to the function of successful law firms.

With market competition and customer demands growing, law firms need to consider the value of having a legal operations team.

## What Are Legal Operations?

Legal operations (legal ops) describes the set of business processes, activities, and the professionals who allow legal departments to deliver legal services. It may include financial management, project management, technology expertise, business intelligence, firm and vendor management, training, and strategic development.

The legal ops team equips practicing lawyers, vendors, and partners with data-driven insights, strategic planning, processes, and technologies to derive maximum value from corporate legal departments, as well as law firms.

## What Do Legal Ops Teams Do for Law Firms?

In law firms, legal ops include all the business tasks necessary to run a firm, outside of the practice of law. These tasks may include financial oversight, project management, strategic planning, data analytics, reporting, and marketing.

## Importance of Legal Operations

Legal regulations and compliance are gaining in complexity as the legal industry becomes more digital, making legal ops teams all the more essential in law firms. An effective legal ops team can significantly impact an organization's bottom-line performance – corporate or law firm – and increase efficiency and profitability.

## How Law Practice Management Software Supports Legal Ops Teams

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Rather than focusing on individual problems in a vacuum, law practice management software provides a comprehensive solution for legal operations teams.

Some of the capabilities of law practice management software include:

### **Practice-Specific Workflows**

Customizable [workflows](#) allow you to standardize your firm's processes and create specific tasks based on practice area or case type. Firms can design templates for repeat processes and assign tasks to staff, ensuring that nothing falls through the cracks. Once one task is complete, you can create triggered events or tasks to keep work moving forward.

### **Timekeeping and Legal Billing Software**

Having an [all-in-one platform](#) for timekeeping, invoicing, and online payments can help streamline one of the most time-consuming – and error-prone – aspects of running a law firm: legal billing.

### **Implementing New Legal Technology**

Finding legal software solutions, assessing vendors, and implementing those solutions can be challenging for legal operations teams.

## **How to Determine the Type of Legal Operations Team Your Firm Needs**

Building a legal operations team starts with understanding what your firm needs, hiring the right talent, and empowering them with the resources to succeed. It can be overwhelming to build a complete legal operations team from scratch, not to mention the drain of resources, so focus on the current pain points and areas for improvement.

For example, if your firm is at the beginning stages of building a legal operations team, rather than building one out, a legal operations manager can handle basic legal ops tasks like vendor management, compliance, and payments. From there, you can build out your team in the future to optimize processes and maximize your results.

### **Empower Legal Ops with the Right Technology**

Legal operations teams must have a range of competencies, but they can only be as effective as their technology. A comprehensive legal practice management software solution supports the many roles of legal operations for more efficient processes.

## **Who Consists of a Legal Ops Team?**

According to the [Corporate Legal Operations Consortium \(CLOC\)](#), there are 12 key legal operations functions.

### **Business Intelligence**

Business intelligence focuses on data and analytics to find opportunities to optimize workflows, systems, and processes with data-driven insights.

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## **Information Governance**

Information governance creates policies for managing data, ensuring security, sharing information, and ensuring compliance.

## **Vendor Management**

Vendor management focuses on service providers, including choosing the right providers, negotiating pricing, and performing due diligence.

## **Financial Management**

Financial management develops budgets and forecasts to predict business costs and support the responsible use of [law firm finances](#).

## **Knowledge Management**

Knowledge management provides lawyers and legal support staff with access to current, accurate information for matters and firm business.

## **Practice Operations**

Practice operations allocate work strategically to ensure all staff members have a fair amount of work that's aligned with their strengths and capabilities.

## **Project Management**

Project management enables a firm to launch initiatives and change throughout the firm without disruption to work.

## **Organization Optimization**

Organization optimization establishes the company culture according to organizational values, from hiring to internal promotions.

## **Service Delivery**

Service delivery produces sourcing models that match the appropriate work to the appropriate resource.

## **Technology**

Technology teams in law firms find new ways to solve problems using technology, integrate technology tools as solutions, and initiate digital transformation.

## **Strategic Planning**

Strategic planning prioritizes projects according to client needs, market competition, and marketing trends.

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## Training and Development

Training and development teams empower employees with onboarding, engagement, and career development.

## Tips for Hiring a Legal Operations Team

Many legal operations professionals are lawyers with in-house experience, but not always. Someone with a strong business background or financial background can be ideal. Beyond that, they should have expertise in the competencies outlined by the 12 areas of legal operations.

Some examples of legal operations professionals include:

### Legal Operations Manager

A legal operations manager supports projects for the legal team, such as managing outside counsel and vendors, budget oversight, and staffing. These are typically highly motivated and detail-oriented individuals in a generalist role.

### Legal Operations Specialist

A legal operations specialist works under the legal operations manager to handle tasks related to vendors, staff, or counsel. They would help the legal operations manager to define strategic and operational initiatives. Other responsibilities for this role may include:

- Assist in implementing legal department tools
- Enforce processes and policies to manage outside counsel
- Assist in budget matters and workflows
- Collaborate with cross-functional teams

### Legal Operations Analyst

A legal operations analyst evaluates the team's regular operations to identify areas for improvement and develop solutions. This is a data-heavy role that requires a keen understanding of metrics and key performance indicators (KPIs).

This role would be responsible for duties such as:

- Develop reports and processes
- Present data to finance and accounting departments to understand spending
- Identify opportunities to streamline processes and optimize budget
- Monitor the legal team's contract lifecycle management process

- Outline legal billing guidelines
- Provide technical support for new hires
- Collaborate with cross-functional teams

## Outlook on Legal Operations

The responsibilities within legal operations have existed as long as in-house counsel has, but it's since become a function of its own as early as the 2010s. Now, legal operations are the norm, rather than a department limited to the most sophisticated of organizations.

A [2022 report](#) from the Association of Corporate Counsel (ACC) found that 60% of legal departments have at least one legal operations professional on the team, which represents 13% growth since 2018. As corporations and firms try to do more with less and adapt to continued market pressures, the legal operations role is likely to grow.

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