



## **Five New Year Resolutions for the Progressive CFO**

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As 2005 draws to a close, here are five New Year resolutions a progressive CFO should pursue for his firm in 2006. Become a leader in financial analysis, give attorneys the 'right' tools, improve collection processes, streamline the new client intake process and embrace change.

**1. "I will become a leader in financial analysis - no excuses."**

It is so easy to think up an excuse for not being able to analyze real profitability; "If only my system had *this* report or *that* capability." With a Business Intelligence product, there are no more excuses. One can analyze every element of data in one's billing system. Which areas of law are most profitable based on the labor and overhead cost of every time entry? Which clients drain firm resources and chew up valuable capacity while contributing less than a fair profit? No more excuses; get an analysis in seconds.

**2. "I will give my attorneys the right tools."**

It's time to give the attorneys easy access to the information they need to manage their business. What are the client's expectations? What amount is the client looking to pay for this work? Where are we in the billing process? Give attorneys access to a simple contact management system so they can track communications. Desktop Digital Scorecards can provide efficient billing payment analysis.

**3. "I will train our clients to expect to hear from us if they don't pay within 30 days."**

Whoever said 'cash is king' is truly a smart person. We all know that clients can be trained to pay bills on time. Most of them pay their rent and utilities on time, but why not your firm? A number of firms have not invested in simple collections software tools to track collections notes, follow-up dates and collections history. Using a structured collections process will train clients to pay within your timeframe. Collections software with AR Wizards will automate most of the process for you.

**4. "I will streamline the new client intake process by monitoring every intake."**

One of the most mysterious processes in a law firm is new matter intake. It just sort of happens and it is almost impossible to manage since there is no automation. With today's Electronic New Matter Intake workflow tools, staff can manage the process by viewing the firm-wide status screen. New client information is entered only once, approvals are done via email and client work can begin the moment final approval takes place.

**5. "I will become the vice president of change at my firm."**

A progressive CFO must provide more than just bookkeeping and billing. A progressive CFO should be both a leader and the Vice President of Change. A progressive CFO will have the facts at his/her fingertips; the understanding

necessary to define the problem, analyze the trend and propose the solution to meet a goal.

**About the Author**

Jim Hammond, president, [RainMaker Software Inc.](#), has more than 25 years of law firm software experience. RainMaker provides mid-large law firms with proven, practical and progressive financial management, practice management and business intelligence software. He can be reached at [jhammond@rainmakerlegal.com](mailto:jhammond@rainmakerlegal.com).