

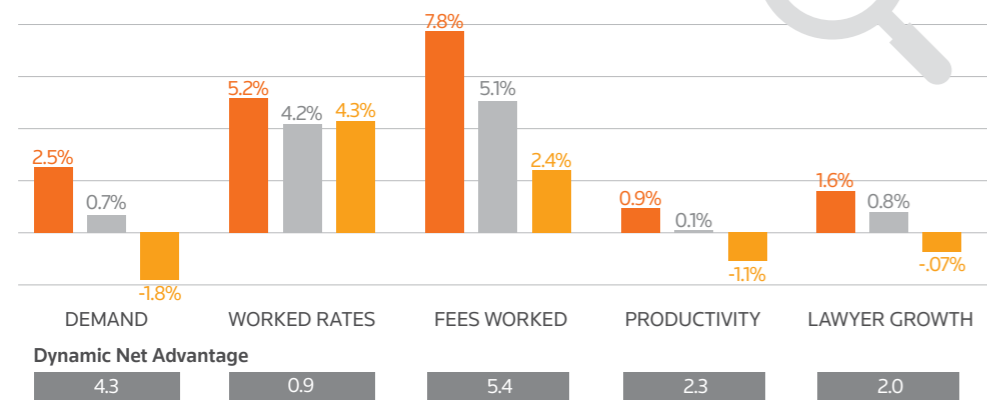
# DYNAMIC vs. STATIC

## PRODUCTIVITY AND PERFORMANCE

### Financial Performance at a Glance

#### Key Performance Measures

2019-2021 CAGR    Dynamic    All Firms    Static



All timekeepers. Billable time type; non-contingent matters. Source: Thomson Reuters 2022

### Embracing Technology

Dynamic law firms were far more likely to classify themselves as early adopters of technology than the average firm.



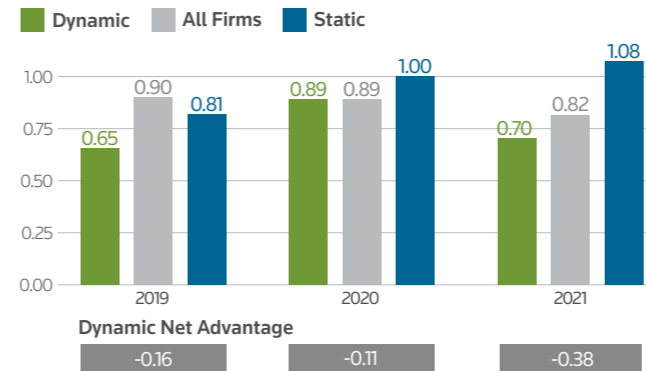
## BUILDING THE TEAM

### Minting New Partners

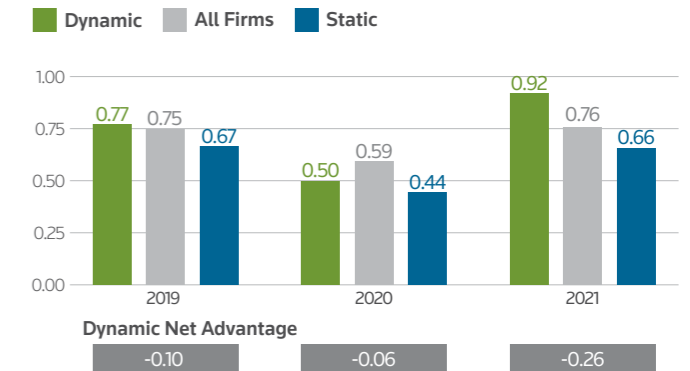
**DYNAMIC FIRMS** were more likely to elevate new equity partners. **STATIC FIRMS** were more likely to promote new non-equity partners while shrinking the equity partnership ranks.



#### Non-Equity Partner Replenishment



#### Equity Partner Replenishment



Replenishment = The number of lawyers who joined the firm divided by the number of lawyers that have left over the past 12 months. Source: Thomson Reuters 2022

### Key Differences in Investments

Dynamic law firms have been investing more in their people. Static law firms have been increasing investment in fixed assets.

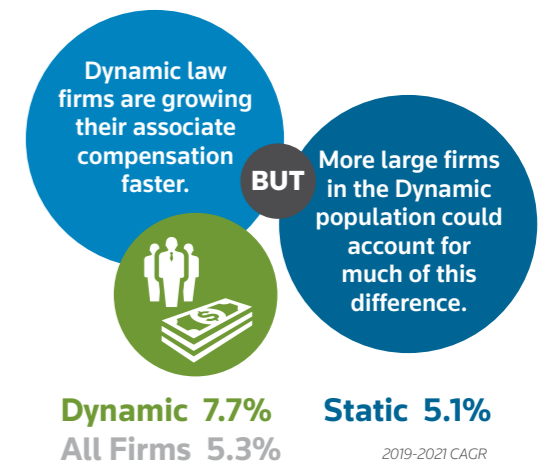
#### INVESTING IN PEOPLE

	DYNAMIC	STATIC
Support staff benefits	+2.9%	> +1.4%
Support staff compensation	+3.0%	> +1.4%
Recruiting	+5.8%	> -7.7%

#### INVESTING IN INFRASTRUCTURE

	DYNAMIC	STATIC
Office	-16.4%	< -14.6%
Technology	+2.2%	< +5.2%
Knowledge management & library services	-0.5%	< +4.0%
Occupancy	-2.0%	< +3.2%

### Associate Compensation

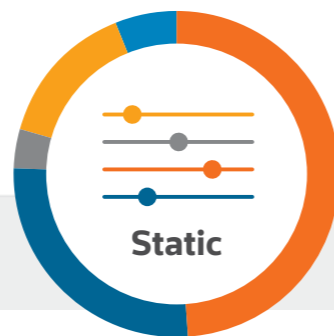


### A Shift in Focus

Practice focus is shifting towards transactional practices.



#### Practice Mix — Proportion of Hours by Practice



	2021	Change from 2019
Litigation	27.8%	▼ 0.9%
Corporate - General	24.6%	▲ 3.1%
Corporate - M&A	3.9%	▲ 0.4%
Real Estate	7.9%	▲ 0.2%
Tax	2.4%	▲ 0.1%

	2021	Change from 2019
Litigation	34.3%	▼ 2.7%
Corporate - General	18.7%	▲ 1.7%
Corporate - M&A	2.6%	▲ 0.2%
Real Estate	10.2%	▲ 0.5%
Tax	4.1%	— 0.0%

### Dynamic Law Firms Have Become More Productive

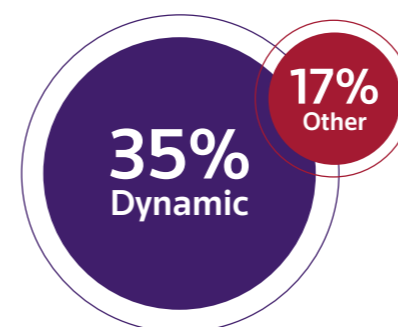
**DYNAMIC LAW FIRMS** achieved **1.2% higher average hours per day** per lawyer in 2021 than they did in 2019.



**STATIC LAW FIRMS**, however, had **1.4% lower average hours per day** than they did pre-pandemic.

## KEY CULTURAL DIFFERENCES

### Collaborative Attitude Is a Strength at My Firm



### Dynamic Firms Are Also Stronger in:

- Get to Know Colleagues
- Caring/EQ/Kindness
- Welcome Everyone's Ideas
- Collaborate/No Silos
- Be Intentional
- Give Recognition/Kudos
- Trust
- Honesty