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Shook Hardy learns from client's lean manufacturing effort

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When The Heico Companies LLC went through the Lean Six Sigma method of helping identify and remove waste in its production process, it dragged its law firm Shook Hardy & Bacon LLP through the process as well, leading to exceptional results.

As part of the lean process, Heico set up a system to evaluate the value proposition of the various law firms that provide outside counsel, including Shook Hardy, which helps Heico with product liability work. The ratings measured various aspects of the work as either "value added" or "non-value-added." The result for Kansas City-based Shook Hardy was an efficiency rating of 79 percent in 2013, the strongest result of all the law firms working with Heico, a holding company for manufacturing, construction and industrial services enterprises.

"They could evaluate who was giving them the best value, not in terms of the best hourly rate, but in terms of the work that was being provided," Shook partner Paul Williams said. "Was it productive? Was it efficient? Was it being worked at the right level of person for the type of task or assignment? Was it moving the ball on the project or case? Was it resulting in better outcomes than an alternative? Internally, it gave them the ability to compare the firms. But it also created an ability to partner with them and change the way we do things in order to increase the value we provide to clients."

Shook associate Brandon Gutshall is the boots-on-the-ground representative for the firm at Heico. Gutshall spent an entire summer working daily at Heico. During that time, he identified areas where Shook could eliminate waste and improve efficiency. He also gave Shook a much better understanding of the company, enabling the firm to gain a better understanding of Heico's products and business practices, and identifying ways to improve product liability risks.



SHOOK HARDY & BACON LLP

Shook Hardy & Bacon LLP partner Paul Williams (right) and associate Brandon Gutshall represent The Heico Companies LLC.

By 2014, Shook improved its efficiency rating to 88 percent. Year-to-date, it's at 92.8 percent. The efficiency not only has had no detrimental effect on the firm's ability to protect Heico, but it actually may have boosted it.

"What was really eye opening to me was the practical impact our focus had on their cases," Gutshall said. "In a seven-month period, while we were really focused on Heico's value-added initiatives, we were able to resolve six cases, four of which were wrongful death cases that were resolved for no settlement dollars whatsoever. So it's an example of how we focused on their value initiatives, but it translated into positive case results for Heico."

Shook's work with Heico recently was recognized with a 2015 Association of Corporate Counsel Value Champion award. It was the third time the firm received the honor, making Shook the first three-time winner in the award's history.

Now, Shook is taking what it learned at Heico and applying it to other client engagements, with the hope of adding value and creating long-term relationships.

"Value-add is something a lot of firms are talking about, but it's hard to show what kind of value you're providing to clients," said Susan Seilnacht, Shook's marketing communications manager. "Our work with Heico is proof of that, though. I think it is something that really sets us apart."