



Litigation Insights: The Verdict is in – CFO Services is an Undeniable Success

Background

Litigation Insights provides litigation services to law firms throughout the U.S. and abroad. Eighty percent of their work involves jury research, including mock trials and deliberation groups. The remaining portion involves animated graphics (such as accident reenactment) and presentation technology for trials.

“There was too much to juggle.”

CEO Merrie Jo Pitera has been recognized as a “Woman Who Means Business” by the Kansas City Business Journal. Looking back, she became Litigation Insights managing partner in 2000. Even as an effective managing partner, Merrie Jo started to feel overwhelmed in 2007 when a senior partner decided to begin his transition into retirement. She recalled, “In addition to managing the office, I was responsible for my own clients and projects and I was working with my partner’s clients as part of his exit strategy. There was too much to juggle.”

Organization: Litigation Insights
Industry: Litigation services
Size: Approximately 35 employees
Revenue: \$5 million
Locations: Offices in Kansas City, Minneapolis/St. Paul, Dallas/Fort Worth, and St. Louis; satellites in Los Angeles, San Francisco, and Boston
TPP CFO & Accounting Resources client since 2007

As a result, the accounting department began missing deadlines.

Additionally, Litigation Insights had no collections processes in place for delinquent accounts. “We would make calls when time allowed, but that wasn’t as often as it should have been,” admitted Merrie Jo. As a result, by the middle of 2007, the company had a significant amount in accounts receivable that was over 120 days in arrears.

As Merrie Jo struggled to keep up with her responsibilities, TPP approached her about CFO services. “Their timing was impeccable.” Merrie Jo knew she didn’t want to bring on a salaried person because: (1) she didn’t think the company could afford it, and (2) she didn’t have time to bring a new person up to speed on the business. TPP CFO & Accounting Resources offered an alternative solution that provided both CFO oversight and accounting services.



Solutions

Overall accounting set up and producing timely financial reports were the first priorities. For example, former practices meant waiting until all work was completed on a project before billing the client. This created cash flow challenges given accounts receivable was always tied up. “Timely payments are vital to the survival of any business,” said Bob Parker, partner at TPP, “so we developed a weekly report that identified delinquent accounts and provided contact information for follow-up calls.” Through streamlined collections processes, TPP CFO & Accounting Resources was able to significantly reduce Litigation Insights’ accounts receivable and increase their cash flow in a short period of time.

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In addition to streamlining accounting functions, TPP CFO & Accounting Resources helped Merrie Jo develop a strategy to get through the recession. During that period, Merrie Jo was determined to avoid layoffs at Litigation Insights; however, that goal forced her to reexamine her internal operations. As a standard practice, Litigation Insights used both employees and contract labor to complete projects. “My philosophy was to spread the work around and keep everyone engaged,” said Merrie Jo. But Bob pointed out to avoid layoffs, Merrie Jo would need to use

her employees first and use contractors only when the workload demanded it. “It was a hard adjustment for me personally,” recalled Merrie Jo, “but the strategy pulled us through.” The company managed to increase profits and didn’t have any layoffs despite the rough economy.



Merrie Jo believes one of the strengths of TPP CFO & Accounting Resources is its communication. “To begin with, the meetings are extremely well organized,” explained Merrie Jo. “And after each meeting, we received an e-mail that recaps our discussion accompanied by a list of action items. This ensures that we understand the tasks at hand and remain focused.” Additionally, TPP CFO & Accounting Resources is always available by phone or e-mail to answer questions.

Merrie Jo adds, “With TPP CFO & Accounting Resources, I have peace of mind. I don’t have to worry. We never miss deadlines anymore. If their team comes across a problem, they just fix it. I don’t have to be bothered. I get frequent updates, but I’m not involved with the day-to-day accounting activities. Everything runs like a well-oiled machine.”

Results

Outstanding accounts receivable was reduced by over 30 percent as accounting processes were streamlined. And, the days’ events shifted from day-to-day worries to strategic decisions with increased visibility to relevant financial information. Financial oversight provided by TPP CFO & Accounting Resources gives Merrie Jo peace of mind to focus on growing the business.