

WHY THE COST OF RUNNING A LAW PRACTICE **DESERVES** **MORE ATTENTION**

By Cory Sprunger



Sprunger Alliance is an ISBA endorsed vendor. Endorsed vendors have been interviewed and vetted by ISBA, with assistance from the ISBA Law Practice Management Committee, to ensure they are relevant, high-quality services with excellent customer service. To learn more, visit www.sprungeralliance.com.

In any law firm, we know that the law itself matters, but so does the infrastructure. How systems are supported matters. How work moves through a firm matters. How much effort it takes simply to keep everything functioning in the background matters.

Every firm relies on a mix of processes and vendors. Some functions are handled in-house. Others are outsourced. Most firms do some combination of both. In every case, those choices influence how a practice operates, how attorneys spend their time, and how sustainable the firm feels over the long term. What varies the most between firms usually isn't legal skill, dedication, or professionalism. It's profitability.

THE COST SIDE OF PRACTICE IS EASY TO UNDERESTIMATE

For many attorneys, the cost of running a practice develops incrementally rather than intentionally. Decisions are made one at a time—choosing a phone system, selecting software, deciding whether to hire help or absorb the work with existing employees. Each decision makes sense in isolation, particularly when viewed through the lens of an immediate need. What's harder to see is the cumulative effect of those decisions over time.

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Two firms with similar workloads and staffing can end up carrying very different operating costs. That difference rarely has anything to do with the quality of legal work or the commitment of the attorneys involved. More often, it reflects how vendors structured their offerings at the moment of decision and how much work is handled internally rather than outsourced to vendor-partners.

Internal handling has costs as well. Time spent managing administrative tasks is time not spent practicing law. Interruptions fragment focus. Work that must be done “after hours” affects sustainability and satisfaction. Employees turnover. These costs are real, even when they are difficult to capture on a financial statement. Over time, those costs shape what a firm can reasonably handle, what it delays, and what it decides is simply not worth the effort.

SEEING THE PATTERN UP CLOSE

As my wife and I grew our own practices and then eventually began managing other law firms that we don’t own, we kept encountering the same friction points. We found ourselves paying for many of the same services other firms were using to alleviate the friction points—payroll tools, communication systems, document services, and various operational platforms—often under similar conditions, but each firm was doing it alone. That isolation had real consequences.

Certain costs felt fixed when they really were not. Some decisions were deferred not because they were unsound, but because the economics made them difficult to justify at the firm’s current size. The result was not inefficiency in any single decision, but friction across the system as a whole.

Conversations with other attorneys reinforced this observation. Newer practitioners, mid-career firm owners, and long-established lawyers described similar pressures, even though their practices looked

very different on the surface. Different communities, different practice areas, but the same underlying cost dynamics. Sprunger Alliance grew out of recognizing that pattern.

THE NARROW PROBLEM WE SET OUT TO ADDRESS

Independent firms naturally approach vendors one at a time. But it means that firms rarely benefit from the collective purchasing power that larger organizations take for granted.

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"By approaching vendors together rather than individually, independent firms suddenly transform the balance of power at the negotiating table."

By approaching vendors together rather than individually, independent firms suddenly transform the balance of power at the negotiating table. Whereas we were once forced into a “take it or leave it” deal with vendors, we now have the collective power to negotiate. All while maintaining control over our own practices. That was the idea, and it remains the focus.

HOW SPRUNGER ALLIANCE FUNCTIONS

Sprunger Alliance is an entrepreneurial approach to dramatically reduce and simplify the carrying costs of running a firm. Here is how it works. Firms join Sprunger Alliance. The alliance

leverages our collective strength to negotiate discounts for members with various partner-vendors. The alliance is paid by earning a small portion of the negotiated discounts. Members then shop for any partner-vendor they want to utilize. That’s it.

Each firm remains its own entity, with its own clients, culture, and professional judgment. Firms are happy because they can run their firms cheaper. Partner-vendors are happy because they have access to new clients. Everyone wins.

Each firm decides which vendor relationships make sense, which functions they want to continue handling internally, and which

to outsource. Participation does not require uniformity. It does not require firms to abandon existing systems. Nothing about the practice of law itself changes. What changes is that the lawyer may now practice more, bill more, and manage fewer non-billable headaches.

WHY COST PREDICTABILITY MATTERS

One lesson that became clear early on is how different costs affect firms at varying stages of practice.

For attorneys starting a practice, uncertainty is expensive. Early operational decisions tend to stick, even if they are not ideal. Systems

chosen quickly to meet immediate needs often remain in place longer than intended.

For firms that are growing, costs compound quickly. Adding staff, increasing volume, or expanding services often triggers changes across multiple operational categories at once. Payroll grows. Technology needs increase. Administrative demands multiply.

For long-established practices, costs often persist simply because they have always been there. Vendor relationships continue out of habit. Internal workarounds remain in place because replacing them feels disruptive.

But pivoting like this to utilize administrative vendors (purchased at group rates) gives you space to make decisions deliberately instead of responding to the crisis *du jour*, gives you predictability and simplicity, and avoids the inevitable crises that ensue when that one key person in your office gives their two-week notice.

In each case, the issue is not saving money for its own sake. It is maintaining control and flexibility.

INDEPENDENCE AS THE STARTING POINT

From the outset, Sprunger Alliance was built on the understanding that law firms value independence. Participating firms retain full control over their work. Client relationships, fees, case strategy, and professional responsibility remain entirely within each firm. The alliance does not influence what firms charge clients or how legal services are delivered. Its role is limited by design. It exclusively exists to reduce and simplify operating costs that firms already carry.

"Addressing certain costs together allows firms to preserve what matters most: autonomy, professionalism, and the ability to focus on legal work."

COST AS A STRUCTURAL ISSUE

This experience running my own law firm and managing other law firms reinforced in me that administration is not merely an accounting concern. It is structural. It influences how time is spent, how work is delegated, how sustainable a practice feels, and it determines the level of "reward" we earn for the hard work we all pour into our practices.

Operating costs shape hiring decisions, technology adoption, and the pace at which firms can adapt to change. When those costs are high, unpredictable, or complicated, they quietly choke decision-making. When they are simpler and more manageable, they create room to be intentional and give you a breath of freedom.

Sprunger Alliance occupies a space that does not otherwise exist in the legal profession. There is no comparable platform focused solely on negotiating lower vendor costs for independent law firms. That narrow focus is intentional and innovative. It exists because many firms face the same economic pressures but have historically addressed them alone.

LOOKING FORWARD

The legal profession continues to evolve. Technology changes. Client expectations shift. Administrative demands grow. None of that appears likely to reverse.

What can change is how firms respond. Addressing certain costs together allows firms to preserve what matters most: autonomy, professionalism, and the ability to focus on legal work. We are proud to announce our endorsement by the ISBA, with almost 500 members. Together we are stronger.

Sprunger Alliance grew out of lived experience, not theory. It reflects what can happen when independent firms decide to address a common problem together while remaining independent in every way that matters. ☯

Cory Sprunger is an attorney licensed to practice law in the State of Indiana and the founder of Sprunger & Sprunger Attorneys at Law. In addition to his legal practice, Mr. Sprunger is the founder of Sprunger Alliance, a business services organization created to support small businesses through shared administrative services, operational support, and negotiated cost efficiencies.

Through his work with Sprunger Alliance, Mr. Sprunger has been involved in developing systems designed to improve organizational efficiency, reduce administrative burden, and support business operations for participating members. His experience includes overseeing integrated legal and operational frameworks intended to promote stability and sustainability for small businesses.