



CLM Test Content Outline

Knowledge Dimensions	Blueprint Percentage
Financial Management	29%
General Accounting	14%
Financial Management Information and Analysis	15%
Human Resources/Talent Management	32%
Employee Selection and Promotion	5%
Performance Management and Compensation	14%
Organizational Development	13%
Legal Industry/Business Management	18%
Business Management	11%
Legal Industry	7%
Operations Management	21%
Technology	10%
Operations	11%

I. Financial Management - The Financial Management domain encompasses all aspects of planning, recording, analyzing, and reporting on the financial transactions of a law firm/office, both on behalf of clients and for the law firm itself. Financial Management involves the knowledge and skills administrators need to be able to provide information about and make decisions concerning the operations of the firm/office. Financial Management is divided into two categories: *General Accounting* and *Financial Information and Analysis*.

A. General Accounting

- Knowledge of general accounting procedures, systems, terms, concepts and policies, including familiarity with general ledger, general journal entries, cost accounting, fixed asset accounting, accounts receivable, and accounts payable.
- Knowledge of banking/investment policies, procedures, and types of accounts.
- Knowledge of trust accounting procedures and regulations.
- Knowledge of U.S. federal payroll and employee benefit procedures, and tax and reporting requirements (e.g., Internal Revenue Service Code).
- Knowledge of legal organization structures and the laws and regulations regarding accounting procedures for each structure, including tax reporting requirements.
- Knowledge of special issues in accounting for law firm/law office operations, including time and billing systems, alternative billing methods, electronic billing, collection procedures, and cost recovery guidelines.

B. Financial Information and Analysis

- Knowledge of the content and structure of financial statements.
- Knowledge of financial controls (e.g., division of responsibilities).
- Knowledge of methods of financial analysis (e.g., calculating and interpreting various financial ratios, conducting profit analyses, analyzing comparative financial information across fiscal years).
- Knowledge of budgeting, financial reporting, cash flow analysis, model building, and variance analysis.
- Knowledge of alternative fee arrangements (e.g., bonus based, flat fee, task based, volume discounts).
- Knowledge of client matter budgeting as it relates to electronic billing and/or allocation of firm/law office time and resources.
- Knowledge of financing methods and investments (e.g., lease vs. buy).

II. Human Resources/Talent Management - Human resources management encompasses the knowledge and skills required to manage all aspects of human resources within the law firm/office. This requires an understanding of human behavior, as well as an awareness of existing economic, social, and legal constraints upon the management of personnel functions.

A. Employee Selection and Promotion

- Knowledge of procedures and tools for recruiting, selecting, and promoting employees.
- Knowledge of U.S. federal employment laws (e.g., Civil Rights Act of 1991, Americans with Disabilities Act [ADA], Uniformed Services Employment and Reemployment Act [USERRA]).

B. Performance Management and Compensation

- Knowledge of U.S. federal employee benefit laws (e.g., Consolidated Omnibus Budget Reconciliation Act [COBRA], Fair Labor Standards Act [FLSA], Family and Medical Leave Act [FMLA], Health Insurance Portability and Accountability Act [HIPAA], Employee Retirement Income Security Act [ERISA]).
- Knowledge of U.S. federal employment laws regarding harassment and discrimination (e.g., Civil Rights Act of 1991, Americans with Disabilities Act [ADA], Equal Employment Opportunity Commission [EEOC]).
- Knowledge of performance management systems and procedures (e.g., performance appraisal, discipline, reporting, termination).
- Knowledge of workforce training and professional development systems and methods (e.g., learning management systems, continuing education).
- Knowledge of employee motivational techniques.
- Knowledge of employee incentives/rewards systems (e.g., compensation, employee benefits).

C. Organizational Development

- Knowledge of leadership styles, techniques, and assessments.
- Knowledge of team development and management principles (e.g., self-directed teams, teambuilding).
- Knowledge of organizational development and change management techniques.
- Knowledge and skill in negotiation and conflict management techniques.
- Knowledge of American Bar Association principles and best practices for implementing and evaluating diversity and inclusion programs.
- Knowledge of process improvement methodologies and tools (e.g., Legal Process Management).

III. Legal Industry/Business Management - The legal industry/business management section of the examination addresses those aspects of business management that are unique to the legal industry.

A. Legal Industry

- Knowledge of the American Bar Association Model Rules of Professional Ethics as it pertains to law firm management (e.g., conflict of interest, advertising, client file management).
- Knowledge of professional liability issues.
- Knowledge of changes/trends in the legal industry.

B. Business Management

- Knowledge of business development and marketing techniques, including market analysis and business development tools (e.g., social media, website design, search engine optimization [SEO]).
- Knowledge of laws and regulations regarding business insurance coverages.
- Knowledge of risk management and planning techniques (e.g., disaster and business continuity planning).
- Knowledge of principles of corporate social responsibility (e.g., pro bono, sustainability, community and volunteer service).

IV. Operations Management - Operations management encompasses the knowledge and skills necessary to provide for efficient and productive office operations.

A. Technology

- Knowledge of the features and capabilities of hardware and software systems and applications.
- Knowledge of information technology security risks.
- Knowledge of information governance best practices (e.g., requirements for paper and electronic document management, record retention, discovery holds and requests).
- Knowledge of regulations and controls for cyber security, electronic privacy, and confidentiality.

B. Operations

- Knowledge of facilities management procedures and techniques.
- Knowledge of lease/contract agreements.
- Knowledge of project management.
- Knowledge of principles, laws, and/or programs related to workplace safety and health (e.g. ergonomics, Occupational Safety and Health Act [OSHA], Employee Assistance Programs [EAPs]).
- Knowledge of space assessment, design, and development strategies.