

Content Outline of the Body of Knowledge

The CLM Certification exam questions are representative of the functional areas below. The percentages listed indicate how each area of knowledge is emphasized on the test.

I. Financial Management 31%

A. General Accounting 14%

- ✓ 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 and 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 operations, including time and billing systems, alternative billing methods, collection procedures, cost recovery guidelines and electronic billing.

B. Financial Information and Analysis 17%

- ✓ Knowledge of financing methods and investments (e.g., lease vs. buy).
- ✓ Knowledge of methods of financial analysis, including reading and interpreting financial statements, calculating and interpreting various financial ratios, conducting profit analyses, and 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 financial controls (e.g., division of responsibilities).
- ✓ Knowledge of client matter budgeting as it relates to electronic billing and/or allocation of firm time and resources.

II. Human Resources Management 33%

A. Employee Selection and Promotion 9%

- ✓ 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 Rights Act [USERRA]).

B. Performance Management and Compensation 19%

- ✓ 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 performance management systems (e.g., appraisal, disciplinary, and termination procedures).
- ✓ Knowledge and expertise in personnel training and development systems/methods.
- ✓ Knowledge of employee motivational techniques.
- ✓ Knowledge of incentives/rewards systems (compensation, employee benefits).

- ✓ Knowledge of substance abuse issues in the workplace (e.g., intervention techniques, assessment and treatment resources).

C. Organizational Development 5%

- ✓ Knowledge of leadership styles and techniques.
- ✓ Knowledge of team development and management principles (e.g., self-directed teams, team building).
- ✓ Knowledge of organizational development techniques (e.g., change management).
- ✓ Knowledge and skill in negotiation and conflict management techniques.

III. Legal Industry/Business Management 19%

A. Business Management 8%

- ✓ Knowledge of business development techniques, including market analysis and business development tools (e.g., social media, website design, search engine optimization).
- ✓ Knowledge of laws and regulations regarding business insurance coverages.
- ✓ Knowledge of planning techniques (e.g., strategic, disaster, and business planning).

B. Legal Industry 11%

- ✓ 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.
- ✓ Knowledge of records management and retention requirements (e.g., requirements for paper and electronic documents, discovery holds and requests).

IV. Operations Management 17%

A. Technology/Automation Management 5%

- ✓ Knowledge of the features and capabilities of the Internet, web-based technology, hardware and software systems, including security and confidentiality.
- ✓ Knowledge of electronic privacy issues.

B. Operations 12%

- ✓ Knowledge of facilities management procedures and techniques.
- ✓ Knowledge of lease/contract agreements.
- ✓ Knowledge of project management.
- ✓ Knowledge of work health issues (e.g., ergonomic work stations, EAPs).
- ✓ Knowledge of space assessment, design, and development strategies.