



Association of Legal Administrators
2013 Annual Conference and Exposition

LAW FIRM LEADERSHIP
The Critical Role of Law Firm Administrators

John Remsen, Jr.
President
TheRemsenGroup

April 16, 2013
National Harbor, Maryland

BIOGRAPHICAL PROFILE

– John Remsen, Jr., President

John Remsen, Jr. is widely recognized as one of the country's leading authorities on law firm leadership, management, marketing and business development. After serving as in-house marketing director at two major law firms, John formed TheRemsenGroup, a consulting firm that works exclusively with law firms to help them develop and implement long-term strategic objectives to improve cohesiveness, performance and profitability. Since 1997, he has worked with over 225 law firms and thousands of lawyers. Most of his clients are mid-size commercial law firms, ranging in size from 15 to 200 lawyers.

John is a frequent speaker and author on law firm leadership and marketing topics. He has spoken at national and regional conferences of the Legal Marketing Association, the Association of Legal Administrators, American Bar Association and numerous state and local Bar associations. His articles have appeared in such well-respected publications as *ABA Journal*, *Asian Lawyer*, *Florida Bar News*, *For the Defense*, *Law Practice Management*, *Law Practice Today*, *Lawyers Weekly*, *Legal Management*, *Marketing for Lawyers*, *Marketing the Law Firm*, *Managing Partner*, *New York Law Journal*, *Rainmaker's Review* and *Wisconsin Lawyer*.

John has served on the national Board of Directors of the Legal Marketing Association (LMA) and was President of its Southeastern chapter for three years. Under his leadership, the Chapter was recognized as LMA's Chapter of the Year in 2001. In addition, he was Executive Editor of *Strategies*, LMA's monthly newsletter. He also served on The Florida Bar's Standing Committee on Advertising for six years and was the only non-lawyer appointed to serve on its 2004 Advertising Task Force.

In 2007, John was appointed to serve as a core member of the ABA's Law Practice Management Section. In 2008, he was appointed to serve on the ABA's Education Board. Since then, he has contributed numerous articles to various ABA publications and has been a featured speaker at many ABA meetings and conferences.

Since 2001, TheRemsenGroup has organized and presented The Managing Partner Forum (www.ManagingPartnerForum.org), an unsurpassed networking and learning opportunity for law firm leaders. More than 725 law firm leaders from 600 law firms in 32 states have participated in 20 leadership conferences. Designed exclusively for law firm managing partners, the Forum has expanded from its original geographic base in Florida to such major legal marketplaces as Atlanta, Boston, Chicago, Dallas, Houston and St. Louis.

A native of West Palm Beach, Florida, John holds an MBA degree from The University of Virginia (1985) and a Bachelor's degree in Business Administration from the University of Florida (1980). Prior to attending graduate school, John served as Executive Director of The Florida Council of 100, an organization consisting of Florida's top CEOs and business leaders.

March 2012

Law Firm Leadership: The Critical Role of Law Firm Administrators

John Remsen Jr.









Law Firm Leadership: The Critical Role of Law Firm Administrators

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Did You Know?

- UPS delivers overnight to more zip codes by 8:30am and 10:30am than anyone
- UPS has technology tools to streamline shipping, automate billing allocation, and improve productivity
- UPS can help build brand awareness with clients and other important audiences



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Make a Fashion Statement





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John Remsen, Jr.

- President and CEO, The Managing Partner Forum
Law firm leadership conferences
- President, TheRemsenGroup
Law firm management and marketing consultancy
- Marketing Director, Gunster and Porter Wright
- University of Virginia (MBA)
- University of Florida (BSBA)



Law Firm Leadership: The Critical Role of Law Firm Administrators

John Remsen Jr.



About The Managing Partner Forum

- Twenty one (22) Forums since 2002
- Florida, Texas, Southeast, Midwest, Northeast
- Spring in Atlanta; Fall in Chicago
- 775 participants from 650 law firms
- High level participants
- Maximum peer interaction
- World-class faculty






MPF Survey Highlights


- Forums in Florida, St. Louis, Atlanta and Houston
- Audience participation technology
- 160 survey participants
- Firms with 10-2,200 lawyers
- 60% had more than 50 lawyers





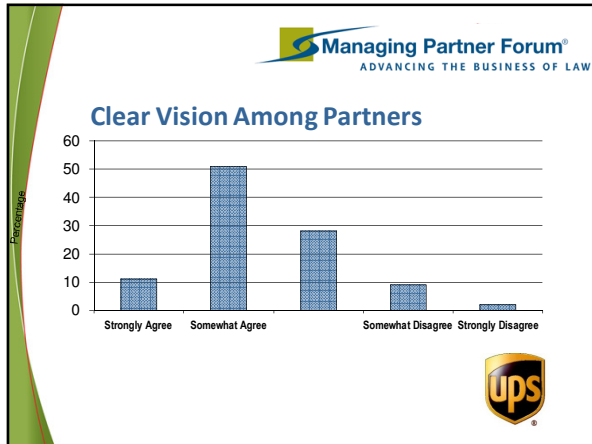
Characteristics of Today's Most Successful Law Firms

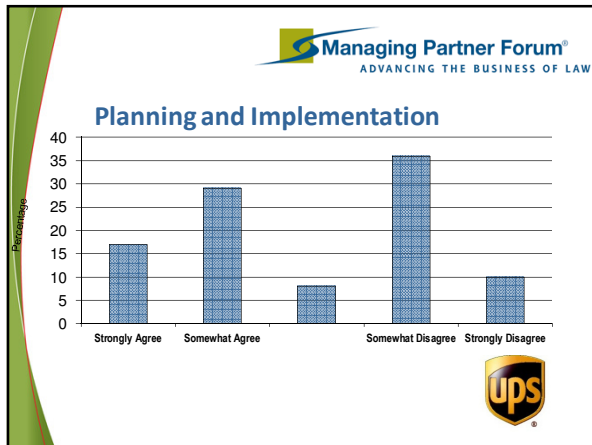
- Developed list of characteristics of successful law firms
- Based on research conducted by Brand Research and Greenfield Belser
- Asked Forum participants to rate how their firms performed on a 1-5 scale

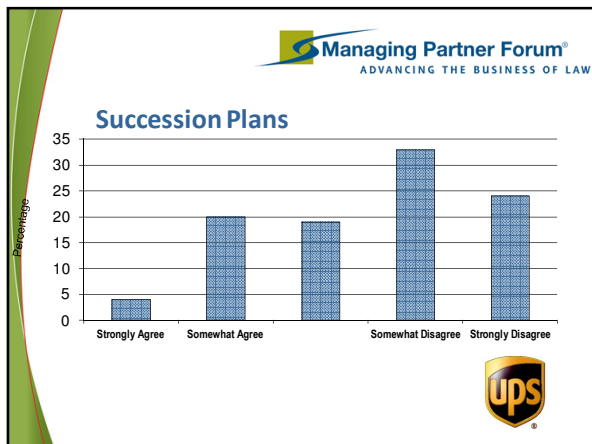


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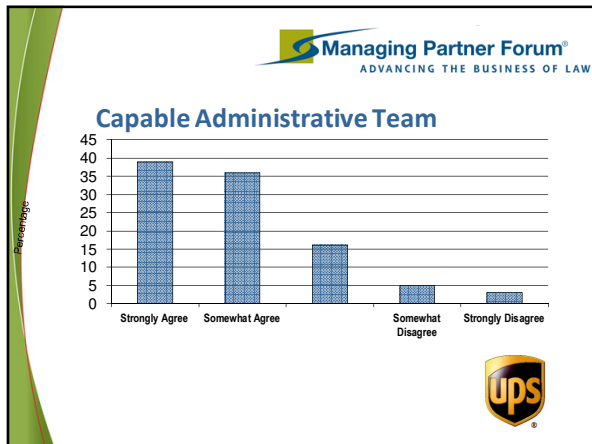


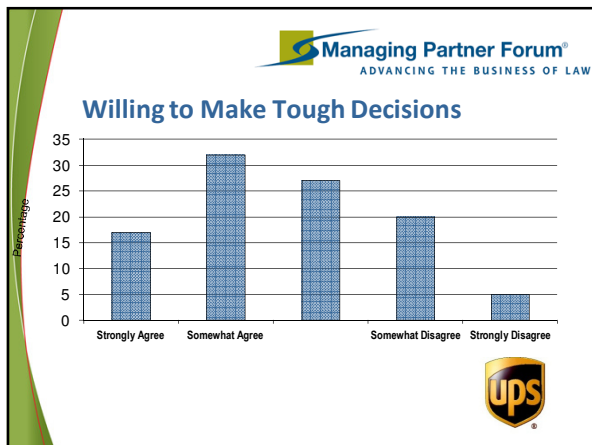




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- Managing Partner Forum®**
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- ### Lawyer Personalities
- Highly skeptical
 - Hate change
 - Risk averse
 - Love autonomy
 - Low resilience
 - Low sociability
 - High sense of urgency
- Source: Dr. Larry Richard - Caliper Profile
-


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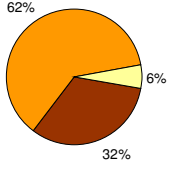
WHAT FIRM LEADERS DO







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Job Description



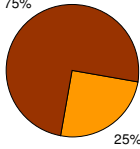
Response	Percentage
Yes	32%
No	62%
Working On It	6%






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Exit Strategy

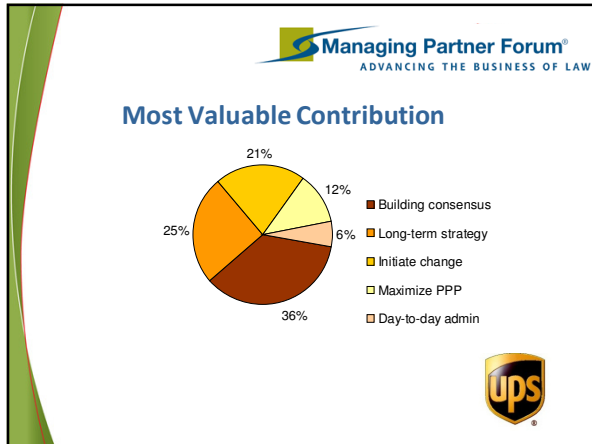


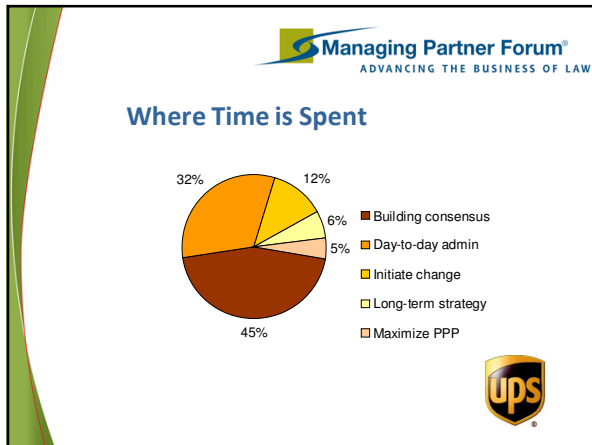
Response	Percentage
Yes	25%
No	75%

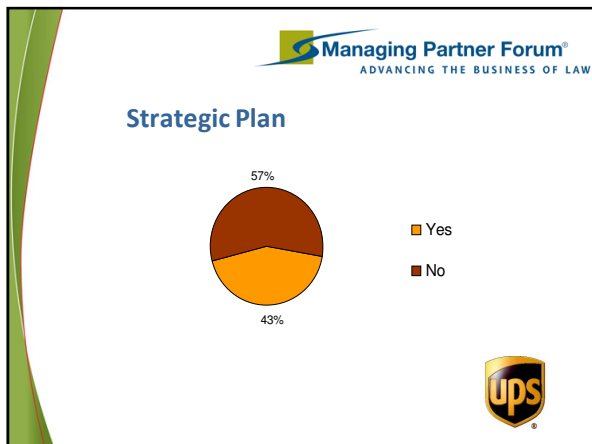


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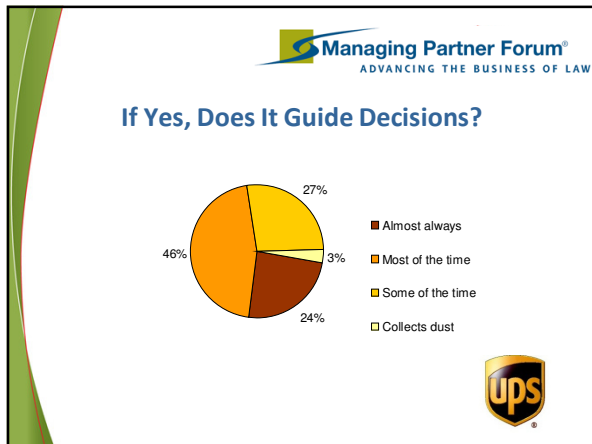


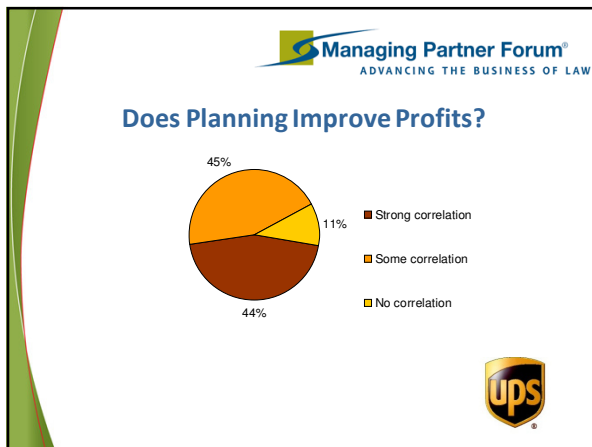


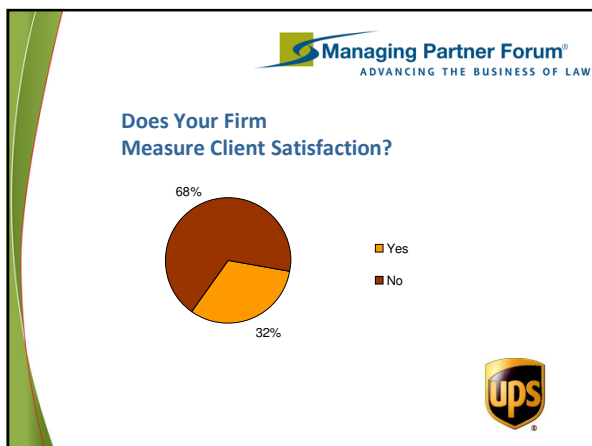


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**OUR RECOMMENDATIONS
TO FIRM LEADERS**






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Be a Passionate Firm Leader

- Get a job description
- Invest the necessary time
- Lead by example






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**Encourage and Become
a Part of the Planning Process**

- Firm-wide strategic plan
- Practice group, individual attorney plans
- Leadership succession plans
- Client succession plans
- Organization succession plans



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Invest in Your Firm's Future

- Administration
- Technology
- Marketing and business development
- Recruiting and retention
- Non-billable time




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Develop and Implement a Client Feedback Program

- Post engagement questionnaires
- Client site visits (lawyers)
- Formal client audits
- Bring clients into the firm




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Promote Internal Communication

- Internal meetings
- Intranet or internal newsletter
- Firm retreats
- Teams and groups




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Tune In to Profitability


- By client
- By industry
- By practice area
- By office
- By lawyer




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Encourage the Firm to Address Tough Decisions

- Underperforming partners
- Problematic personalities
- Unprofitable clients and practice areas
- Future direction of the firm




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Law Firm Leadership: The Critical Role of Law Firm Administrators

John Remsen Jr.



Your Firm Administrator It's The Best Investment Your Firm Can Make

By John Remsen, Jr.

You've always thought that you could run a business. After all, you see successful businessmen in your community every day and, while you respect them for their accomplishments, you can't help but feel that you could do as well, if not better, in running your law firm.

Be careful what you ask for. As managing partner of your law firm, you have a business to run. And it's a substantial enterprise. Our data indicate that a firm of 20 or so lawyers might bring in annual revenue of near \$8,000,000. "Dollars in the door" is often not the problem for smaller and mid-sized law firms. The problem is how to invest those dollars to create even more dollars in the future. Or, put another way, how to enhance your firm's return on its investments in human capital – its lawyers and staff.

We All Know the Problem . . .

And it shows up in our survey data year-after-year. At the MPF Spring Leadership Conference held in April, we asked 62 managing partners to identify their most important contributions as firm leaders. Their answers, in order of value, were:

- Initiating change for long-term success.
- Building and maintaining consensus among partners.
- Promoting and encouraging sharing and teamwork.

In prior years, "building and maintaining consensus" has consistently been the number one answer. "Focusing attention on long-term strategic objectives" has also been among the top answers in prior surveys. And, generally, these are the areas toward which an effective managing partner should be focusing his or her time.

Yet, when we asked where they actually spent most of their management time, the same managing partners overwhelmingly acknowledged that day-to-day administrative matters of the firm had to be their first priority. We see this again and again. The more important contributions of leading a law firm gets pushed to the side as firm leaders grapple with day-to-day administrative tasks. Refer to the attached survey results for details.

It's a common problem, but one for which a remedy is at hand.

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Your Firm Administrator: It's The Best Investment Your Firm Can Make

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Managing Partners Should Think and Act Like CEOs, not Managing Partners

Simply put, a CEO (and as managing partner of your firm, that's what you are) should not be bogged down in day-to-day administrative activities. It is not the highest and best use of your time, which should be focused on big picture, strategic initiatives. And you know this.

So here's where a trusted, competent firm administrator (I like the title "Chief Operating Officer") can make all the difference in the world. Our panel of experts at the Spring Conference agreed: law firms would be well served by hiring and empowering a strong COO to manage administrative matters of the firm. They also agreed that the COO should be given important responsibilities, along with a seat at the table at partnership and executive committee meetings.

To think of such a key player as overhead that the firm "can't afford" is short-sighted. In a corporate environment, the CEO doesn't run the corporate IT department, or the HR function, or the marketing program, or even the financial operations of his or her company. And the law firm CEO shouldn't either. Appropriately skilled administrators are an investment in the firm's future – a future the managing partner should lead, not simply manage.

By the way, I like the title of "Chief Executive Officer," not managing partner, for the leader of the firm. More leading (and less managing) would be a good thing for most law firms.

But Many Won't Take the Leap . . .

Does your firm have a strong COO supporting your leadership? If not, why not?

Maybe your partners don't value anything but dollars in the door. In fact, the leaders of almost every smaller and mid-size firm will tell you their firms are both under-led and under-managed. As we've discussed, that's a penny-wise and pound-foolish approach to running a law firm. The law firm economic surveys reveal that the most profitable firms have higher overhead per lawyer. They are investing substantially in their futures, including areas such as administrative staff (not secretaries and paralegals, but rather HR, IT, marketing, and finance professionals), associate development, marketing and technology.

Or maybe your partners don't like the idea of giving a non-lawyer so much power and control? The key here is trust and open communication between the managing partner and the firm administrator. Under the leadership of now retired Executive Director John Michalik, the Association of Legal Administrators addressed this issue in several ways, including the creation of a job descriptions repository on which law firms can draw.

Or, maybe it's just too hard for those who have risen to the role of managing partner to give up all that independent authority. The relationship between a managing partner and an empowered chief administrator requires that the managing partner let loose of some of the indicia of authority. An effective COO needs an autonomous sphere of responsibility. In short, a COO needs a seat at the table as much as the managing partner does.

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And other partners in the firm must be directed to bring issues within the COO's sphere of authority to the COO, not their old colleague in the corner office. Managing partners and chief administrators must function as a team characterized by easy communication and cooperation. And each must have the other's back.

Or maybe it's the money. Perhaps the firm's partners just don't want to surrender additional assets for what they perceive to be a substantial overhead expense. We recommend that bringing in a COO is no place to skimp on compensation. Again the ALA, under the direction of Rosemary Shiels, has conducted numerous salary surveys intending to establish compensation benchmarks for administrative expertise. A firm should expect to pay an annual salary of between \$125,000 and \$250,000 for the managing partner's right-hand man (or woman).

Evolution of the Firm Administrator

In the 1970's, retired military officers were often hired as firm administrators on the assumption their military training would apply to the law firm's management matters.

In the 1980's, many firms (including my former firm, Gunster, and NYC powerhouses like Wachtell and Skadden) hired non-lawyer CEOs and empowered them to run the place more like a business. Again, we don't see too many of them out there anymore.

Today, many firms have hired professionals with strong finance and/or HR backgrounds. We see many CPAs in these roles. But, all too often, they do not have a seat at the table and they are not valued members of the firm's leadership team as they should be.

MPF Recommendations

1) Educate Your Partners about the Importance of Investing in Your Firm's Future

Share articles like this one, circulate highlights of the law firm economic surveys, and read most anything written by David Maister. It's not all about today's billable hours and collections, the most successful firms are investing in the future.

2) Hire and Empower Trusted and Competent Senior Administrative Staff

As previously mentioned, this is not the place to skimp. Get good people and let them do their jobs. For example, I often run into younger, growing firms where the managing partner's secretary has evolved into the firm administrator role. He or she may or may not have the skill set required as the firm grows larger and the demands of the position grow along with it.

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3) Give Your Firm Administrator a Seat at the Table

Your firm administrator is an important member of your firm's leadership team. As such, he or she should be included in executive/management committee and partnership meetings. If you don't have the trust and confidence that your administrator can be a valuable contributor at these meetings, maybe it's time to hire a firm administrator who can.

4) Create Job Descriptions for Firm Leaders (including Senior Staff) and Firm Committees

We also recommend that you create job descriptions for this and other important roles in the firm setting forth duties and responsibilities, as well as reporting relationships. [Click here](#) to see several examples of COO job descriptions on the MPF Website. This should also be done for important committees of the firm, as well.

The Bottom Line

Of course, in the end, it's about the firm's bottom line. Investing in administrative talent can be expensive in terms of time, money, and operational change. And there is no easy way to quantify a return on the investment.

But this I know from more than 20 years of working with hundreds of law firms, and observing and participating with law firm leadership:

There is a world of difference in the operations and the profitability of law firms with great administrators and those without!

###



About the Author

John Remsen, Jr. is President and CEO of [The Managing Partner Forum](#), the country's premiere resource for managing partners and law firm leaders. He is also President of [TheRemsenGroup](#), one of the country's leading consulting firms for mid-size law firms. He can be reached at 404.885.9100 or JRemsen@ManagingPartnerForum.org.

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LAW PRACTICE

THE BUSINESS OF PRACTICING LAW OCTOBER/NOVEMBER 2008

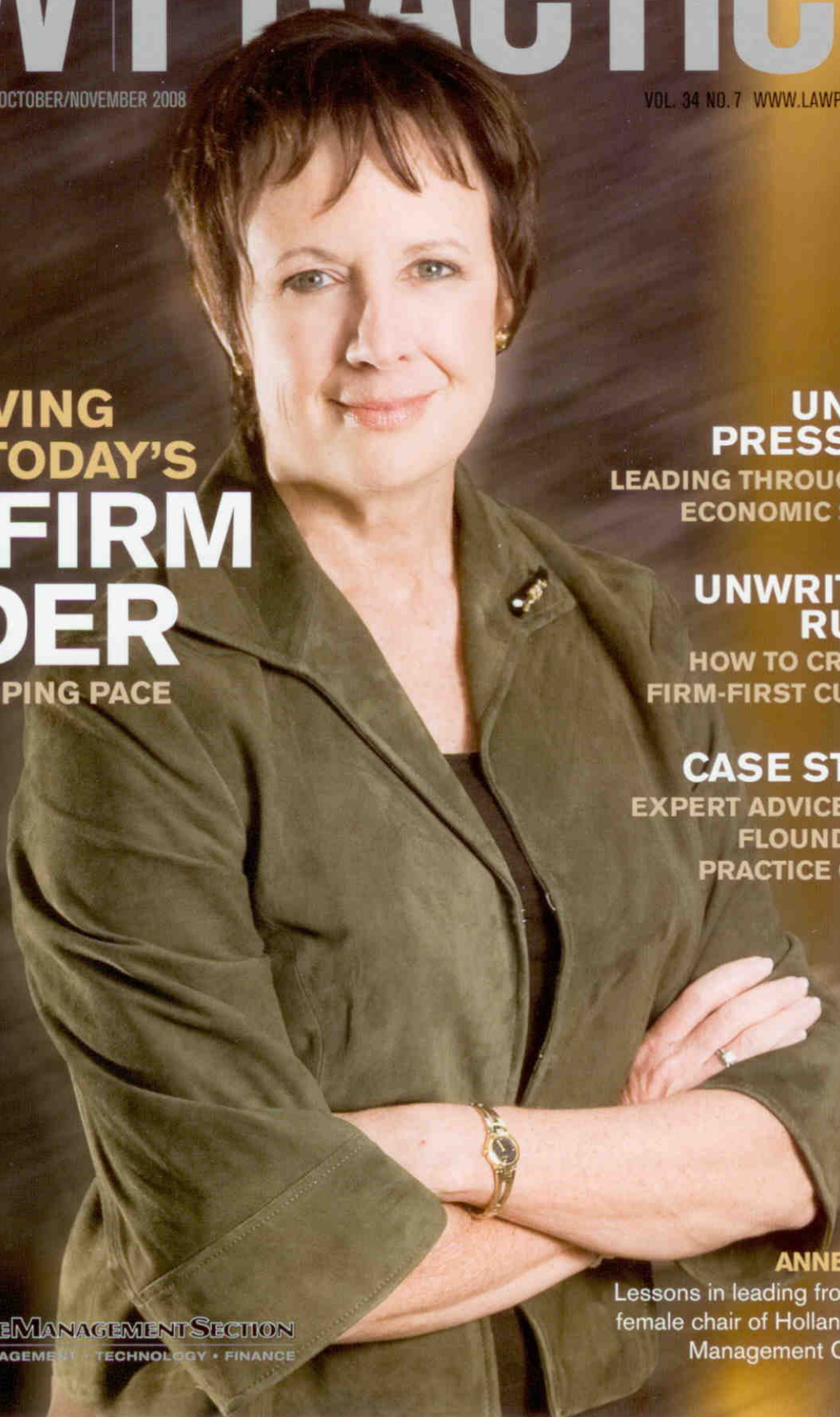
VOL. 34 NO. 7 WWW.LAWPRACTICE.ORG

**THE EVOLVING
ROLE OF TODAY'S
LAW FIRM
LEADER**
A GUIDE TO KEEPING PACE

**UNDER
PRESSURE**
LEADING THROUGH THE
ECONOMIC STORM

**UNWRITTEN
RULES**
HOW TO CREATE A
FIRM-FIRST CULTURE

CASE STUDY
EXPERT ADVICE FOR A
FLOUNDERING
PRACTICE GROUP



ANNE CASTLE

Lessons in leading from the first
female chair of Holland & Hart's
Management Committee

ABA **LAW PRACTICE MANAGEMENT SECTION**
MARKETING • MANAGEMENT • TECHNOLOGY • FINANCE

THE EVOLVING ROLE OF TODAY'S

LAW FIRM

KEY STEPS FOR LEADING YOUR FIRM



BY JOHN REMSEN, JR. We all know that the legal profession has changed dramatically over the past two decades, resulting in a new set of challenges that yesterday's firm leaders never had to confront. There's an oversupply of lawyers. More demanding and less loyal clients. More demanding and less loyal partners and associates. Staggering advances in technology. Tort reform in many jurisdictions. Skyrocketing operating expenses. Mergers and acquisitions and unprecedented competition. Certainly these and other trends have created tremendous pressures for law firm leaders—who must change the way they operate if their firms are to remain viable in the long run.

LEADERS

Yet most aren't keeping pace. In the midst of all the change, far too many firms haven't changed much at all. They run essentially the same way they did 20 years ago—like loose confederations of solo practitioners sharing office space.

Why? According to nationally known lawyer-psychologist Dr. Larry Richard and his groundbreaking research on the subject, most lawyers hate change. They also love autonomy and resist rules and structure. They have little patience and want immediate results. They don't like risk and shun the unknown. So for many firms, it's easier just to leave things alone.

On the other hand, some firms "get it." These firms are fundamentally changing the way they do business, with streamlined governance, standardized systems and procedures, strategic plans, and marketing and business development programs. They enforce minimum performance standards for partners and associates. Many are also divesting themselves of low-profit clients and practice groups. They are de-equating underperforming shareholders and asking disruptive lawyers—even those with big books of business—to leave. These firms are emerging as the front-runners in the market because their top levels of leadership have the moxie and vision to make change happen.

The Firm Leader as Change Agent

In today's most successful law firms, the role of managing partner has evolved significantly, from that of a "caretaker" trying not to rock the boat to that of a dynamic consensus builder and change agent. Today the managing partner is the CEO of a multimillion-dollar entity in a rapidly changing industry and needs to exercise critical leadership skills to set the example for leaders at all other levels of the firm and thus ensure the organization's success.

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Of course, knowing that you need to set the course to success and actually doing it can be difficult, given the press of countless to-dos firm leaders tackle every day. Consider this: Last year TheRemsenGroup surveyed more than 170 managing partners from firms ranging in size from 10 to 2,200 lawyers. Of those firms, 60 percent had more than 50 lawyers. When they were asked what their most important contributions were in their roles as managing partner, building consensus among shareholders and initiating change topped the list of responses. In contrast, when asked where they spent most of their time, day-to-day administration ate up way too much of it.

We also asked if these managing partners had a job description: 74 percent did not. In addition, 76 percent did not have a clearly defined exit strategy.

What can we take from this? Too many leaders at the top levels of law firms are winging it.

Steps to More Effective Leadership

A successful firm leader must be a visionary, a communicator, a negotiator, a coach, a disciplinarian, a cheerleader and a psychologist all wrapped up in one person. Needless to say, it's not an easy job, especially when you add management responsibilities to the mix.

There are, however, steps that the top levels of firm leadership can take to enhance their effectiveness and improve the performance of their organizations. Here, in a nutshell, is the guidebook.

A successful firm leader must be a visionary, a communicator, a negotiator, a coach, a disciplinarian, a cheerleader and a psychologist all wrapped up in one person. Needless to say, it's not an easy job.

► Codify the Top Leader's Job

Every managing partner should have a well-defined job description. It should set forth the primary responsibilities of the position, the amount of time required, and how the partner will be compensated for his or her nonbillable contributions. Also, it should account for the fact that a managing partner's time should be spent mostly in the areas of planning, communication and consensus building. Day-to-day administration functions should be delegated to a capable administrator.

► Appoint Strong Group Leaders

A firm needs strong leadership at all levels. Unfortunately, departments and practice groups are too often led by the most senior lawyer or the lawyer with the biggest book of business when, in fact, that may not be the right person for the job. Passion, commitment and leadership skills are required for these important roles. To help ensure the right people are put in the right positions, department heads, practice group chairs and branch office managing

partners need job descriptions, just like the managing partner does.

► Develop a Firmwide Strategic Plan

The evidence is clear. Firms that have plans outperform those that do not. Planning helps to bring everybody onto the same page, sharing the same vision for the future. Firm leaders have to embrace and encourage the planning process and the plan's implementation at the firm, practice group and individual lawyer levels.

► Build a Firm-First Culture

Leaders should always encourage and reward a "firm-first" mind-set and attitude among all the firm's members. There are a variety of ways to do this, including through compensation mechanisms, but even simple steps can prove very effective. For example, insist on the term "our" clients instead of "mine" and "yours." Leaders must do everything possible to promote trust, teamwork and fairness within the firm.

► Lead by Example

Managing partners and practice group leaders cannot be hypocrites. They must "walk the talk" by being first in submitting their individual marketing plans, getting their time records in, mentoring younger colleagues, returning client phone calls and otherwise setting the standard for everyone in the firm.

► Invest in the Future

According to LexisNexis's 2007 *Juris Law Firm Economic Survey*, the top performing and most profitable law firms spend more per person than underperforming firms

LEADING THROUGH THE ECONOMIC STORM

In their recent report "No Chicken Little, The Sky Is Not Falling," John S. Smock, John W. Sterling and Peter A. Giuliani consider the near- and longer-term future of the legal marketplace—and strategies for firms to implement in response. Here's their essential advice for leaders.

do. They are investing in the future. The lesson: Resist the temptation to enhance profitably through cost cutting. That's a short-term fix. Profitable firms look at long-term impacts.

► Groom Successor Leaders

The best leaders are wise enough to identify and mentor a successor for their roles. They give that person important, high-profile assignments so that the firm's people gain trust and confidence in the successor's leadership skills well before the torch is actually passed. In addition, managing partners in particular should have a well-defined exit strategy that is communicated to all shareholders.

► Be Passionate

They sure don't teach much about leadership in law schools. But that's not an excuse for failing to strive to be the best firm leader you can be. There are many intricacies involved in steering a firm toward top performance in times of change. To learn more about them, you should attend leadership conferences and ask your firm for training. Read books and articles. Learn from other managing partners and practice group chairs. It's important for leaders to demonstrate that they're devoted to excellence. After all, if the leader isn't committed, there aren't likely to be many followers—and the firm will stagnate as a result. Those firms with strong, passionate and committed leaders, on the other hand, will emerge as the most successful law firms of the future. LP

John Remsen, Jr. (jremsen@theremsengroup.com), is President of TheRemsenGroup, a marketing consulting firm that works with law firms to help them attract and retain the clients they want. He is also the Founder and CEO of The Managing Partner Forum.

It takes a steady hand to lead a firm when there is change and turmoil on so many fronts. In addition to the increasing complexity of law as a business, we are facing economic uncertainty, disruptive local and global events, and new leadership in Washington, D.C. The ability to understand the impact on your practice—and change or steady the course as needed—is a critical component of the law firm leader's role. So what's a firm leader to do? Here are six key ways to stay strong despite the economic storm and ready your firm to grab new opportunities—because, yes, there is plenty of good news for law firms.

■ RECOMMIT TO EFFECTIVE MANAGEMENT AT FIRM AND PRACTICE LEVELS.

The evolution that's been under way at many firms to get to good management practices must be stepped up to a *revolution*. Many firms still sub-optimize their management effectiveness. The marketplace will not allow it now or in the future.

■ **FOCUS ON EXECUTING THE STRATEGIC PLAN.** That is, do what you said you were going to do and be who you intend to be. A down economy gives a strategically focused firm an opportunity to dramatically improve its position, increase the bonds between the firm and its people and attract people who fit with the firm's direction. Abandoning the strategy and hunkering down until the storm passes is not the way to deal with this marketplace.

■ **CULL THE PRACTICES.** Now is the time to ensure that the firm's complement of practices is the complement the firm believes it needs to be successful, now and, very importantly, in the future. This does not mean getting rid of the less-than-profitable practices and only keeping the more profitable ones. It means making conscious decisions about which practices fit the firm's strategy and will be necessary to meet the needs of the clients it serves and desires to serve in the future. Carrying a non-strategic, underperforming practice serves little purpose in the present economy and could be truly damaging.

■ **CULL THE PEOPLE.** Many firms have underproductive partners and associates who drain resources from what the firm is trying to do and whom it is trying to reward. Now is the time to make those tough but essential decisions about people. Remember, every dollar paid to an unproductive partner above what he or she is worth is a dollar *not* paid to the productive ones.

■ **FIX THE COMPENSATION PROCESS.** You need to ensure that you reward what's important to the firm's survival and prosperity. Associate compensation needs to be changed to reflect varying performance and get out of the socialistic/lockstep environment that currently exists. Partner compensation should also be reviewed and, if needed, adjusted.

■ **INCREASE MARKETING AND BUSINESS DEVELOPMENT.** Marketing in law firms is too often seen as a cost rather than an investment, and when results do not meet expectations, marketing is cut. But in downtimes, effective marketing is even more important than in the good times. Cutting or gutting the marketing program not only won't work, but it may accelerate downward trends. LP

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With an Eye toward the Future...

Isn't It Time that Your Law Firm Develops a Strategic Plan?

By John Remsen, Jr.

Today's law firm can either take charge of its future or sit on the sidelines watching the marketplace change around it.

In corporate America, virtually every successful company has a strategic plan guiding its future. Banks won't lend money without one. Shareholders and venture capitalists demand them. It gives an organization a competitive advantage.

Ask just about any managing partner or firm administrator whether his or her law firm should have a strategic plan and almost all of them would say "yes." After all, without institutional direction, the law firm is little more than a collection of sole practitioners sharing office space...or a "hotel for lawyers," as our friend Bill Flannery likes to say. Yet, according to a recent survey, fewer than 5 percent of the law firms in the United States have such a plan in place.

Why then, do so few law firms have a strategic plan? And what does it take for a law firm to develop and implement one?

What Is a Strategic Plan?

In short, strategic planning is a *process*, the result of which is a written document that sets forth where an organization wants to go and how it will get there. Many experienced law firm marketers suggest that a law firm's strategic plan should consider a five-year horizon. It should, among other things, state how big the firm will be, where it will have office locations, what its major practice areas will be, and what its client base will look like.

Once the firm's partners reach consensus on these big-picture issues, the firm can develop its three-year goals and objectives and then determine the strategies and tactics to achieve them. Strategies and tactics are more short-term in nature. They should be specific, measurable and achievable within a year.

If strategic planning is so important, why do so few law firms have a plan? The reasons vary, but the following obstacles are most common.

Denial that it's no longer business as usual

Despite everything one reads in *The National Law Journal*, *The American Lawyer* and just about every other publication on the legal industry, there is a continuing denial among many attorneys that the *business* of lawyering has fundamentally changed. Times are good right now and, generally, firms are doing quite well. However, it is the firms that long ago recognized the value of planning that are emerging as the new leaders in the global marketplace for legal services.

Focus on the short term

Strategic planning looks at the future, while most law firms have a very short-term view of the world. Compensation systems often reward today's billable hour, with little reward for non-billable time invested in the firm's future. That's very dangerous—shortsighted, to say the least.

Law firms need to measure and reward those activities—firm governance, associate mentoring and training, and business development—that are necessary to insure the firm's long-term prosperity.

Difficulty Establishing Consensus among Partners

No doubt, lawyers like their autonomy and tend to resist institutionalization. Many firms like to refer to themselves (with pride) as very democratic institutions. They operate very much like a collection of sole practitioners sharing office space. They want to be left alone. On top of that, there are often very different philosophies among the firm's owners about the future of the firm. So it's easier not to talk about it.

Certainly, getting everyone to buy-in to a specific plan is challenging. There is a tendency among lawyers and law firms to want to be "all things to all people." In this type of culture, lawyers often resist any plan to move in a particular strategic direction and toward a more institutional way of thinking.

Lack of leadership

Inevitably, the strategic planning process leads to change. And change requires leadership. Often, firm leadership is simply not willing to make the tough (and not always popular) decisions necessary to make the firm a stronger,



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more profitable institution in the long run. Managing partners and executive committees must realize that they can't please everybody.

Failure to implement

There are many firms that have made a half-hearted attempt at strategy planning and, for one reason or another, it has failed. The reasons are many and varied. Nobody seems to have the time to get things done. The plan exists, but it collects dust on a corner shelf. Inadequate resources were allocated to achieve the goals set forth in the plan. Or there was a lack of leadership. Or the plan was too ambitious. Or there was no accountability. And so on and so on.

The common refrain is, "We tried that, but it didn't work here." Chances are, the firm went through the motions, but there was never a genuine commitment to make implementation a priority. Without implementation, the planning process can be a frustrating waste of time, effort and money.

Keys to Successful Strategic Planning

Now that we've discussed why so many firms have not gotten around to developing a real strategic plan, let's examine the keys to making it happen.

Establish a sense of urgency

A sufficient number of lawyers in the firm must believe that it is no longer business as usual and that strategic direction is necessary if the firm is to survive and prosper in the years ahead. They must instill and constantly reinforce a sense of urgency that change is necessary.

Commitment from firm leadership

Firm leadership (or at least a critical majority) must have a genuine commitment to develop and implement a strategic plan. Without strong leadership and passionate commitment, it is still "business as usual," despite the rhetoric. Under these circumstances, the firm's efforts are doomed to failure.

Involve all partners in the process

At the end of the day, the owners of the firm must buy into and support the plan.

By involving each of them in the process through a series of one-on-one meetings and/or in a group brainstorming session, each partner will feel a part of the planning process. The likelihood of success jumps dramatically.

Associates and staff must also buy into the future of the firm. Special programs that enlist their support will add to the plan's successful implementation.

Keep the plan simple and focused

If the firm is developing its first strategic plan, it should keep the plan simple and focused. Most firms try to take on too much, too fast and wind up accomplishing little. With a realistic plan and by starting slowly, the firm is able to maintain its focus on the most important projects. The firm can always add to the plan later. A law firm is wise to start slow, publicize success and grow from there.

Create a plan that lives and breathes

Once a strategic plan is adopted, it does no good to set it aside, never to be looked at until the following year, if at all. The plan should be a flexible and dynamic instrument. Its principles should be incorporated into the firm's day-to-day operations. Firm leadership should communicate the goals and objectives of the plan often and in a variety of ways throughout the firm. Make sure everybody has a copy. Review it at internal meetings. Update it often. All important decisions should be considered in the context of the plan. If the firm makes decisions contrary to what is contained in the plan, it needs a new plan.

Establish accountability

Nothing happens without accountability. For most firms, this is best accomplished at monthly meetings of small groups (5-6 individuals) of attorneys, often organized by practice group. There must be a strong group leader and meetings should have an agenda and meeting notes. Assignments must be made and progress must be monitored.

Measure and reward desired behavior

Simply stated, the firm needs to measure

and reward desired behavior. If the firm wants its partners to spend time training younger associates, the investment of non-billable time in the firm's future must be measured and rewarded. If the firm determines that business development is important, it should reward it through recognition, origination credit, and/or by measuring and rewarding effort. Otherwise, behavior changes will not occur. Without incentives (or disincentives), it's business as usual and there is little change.

Does everybody have a role to play?

There is no right or wrong answer here, but the firm must determine up front if all of its attorneys have a role to play when it comes to investing in the firm's future. If so, what is the role of each attorney? What about associates? Is it the same for everybody or do we ask different attorneys to take on different responsibilities?

Making it happen

The strategic plan is not an end, in and of itself. It is a *process* through which a law firm contemplates its future and determines how it will allocate resources to take it where it wants to go.

Without implementation, a strategic plan is worthless. Planning should never replace and distract from the *doing* part of the equation. Implementation must be given the highest priority.

Conclusion

Many sole practitioners and attorneys at smaller firms seem to think that strategic planning is for larger firms. However, any firm with an eye toward the future can benefit from the process. Planning can help a firm develop consensus on key big-picture issues, promote internal communication within the firm, inspire attorneys to get out and do things they wouldn't otherwise do, and help the firm allocate its resources more effectively.

With leadership, commitment and a good strategic plan, any firm can develop a profitable practice working with clients it enjoys and in the areas of law it finds most appealing.

