



By Ward Bower

Strategic Self-Assessment

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In the past, lawyer reputations, contacts, connections and quality legal work would fairly assure the economic success of a law firm. But in today's hyper-competitive marketplace, strategy has become the key to successful law practice — not that the other items don't count. They're just not enough now that we compete globally in an ever more transparent, less strictly regulated environment.

Law firms seem to recognize that. Almost every firm claims to have a strategy and a plan. It's only when probed to show it or describe it, or when specific questions are

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asked, that the truth emerges. That truth is that a very small proportion of mainstream US law firms truly have a firmwide institutional plan. That deficiency has proven fatal in too many instances, and is likely to afflict many more firms in our new legal economy, where the economic slowdown intensifies the competitive environment.

Since many law firms without a strategy and a plan think they have both, and it is not until they are challenged that they find out they have neither, rarely is there opportunity for a challenge without outside intervention, which naturally is resisted. Altman Weil® strategy consultants often must expose strategic deficiencies to a resistant clientele. There are many reasons for this resistance —

management insecurity, partner indifference, lack of self-awareness, lack of business training and experience, embarrassment and even ignorance. The process of evaluation is a painful one, necessarily more so when it involves outside intervention. Therefore, a self-assessment tool can be critically important in evaluating, as painlessly as possible, a law firm's strategy and plan.

On the following page is a 20 question “yes or no” instrument which can be used to assess the adequacy of your firm's strategy. It won't take long to complete and score, it can be done by one or a number of partners in a law firm, and it can provide a quick indication of where strategic effort might be focused to become more competitive.

The instrument should be scored two points for each “yes” answer, minus one for each “no” and for each blank that is not completed or not answered concisely (in ten words or less). The maximum possible score is therefore 40, and the minimum -32. Score your firm as follows:

- 30 or above — keep up the good work and concentrate on the “no” answers and the blanks.
- 20 to 29 — on your way but your plan needs to be revisited or formalized.
- 10 to 19 — you need to engage in an institutional planning process.
- -32 to +9 — you are seriously at risk and planning is an urgent priority.

Take a few minutes and complete the instrument, score yourself and see where your firm stands. Even better yet, feel free to copy the instrument (for use within your firm), distribute it to a number of partners and tabulate the results. This exercise should either reinforce your sense that your firm is on the right track, or indicate what needs to be done.

Good luck!

Law Firm Strategic Self-Assessment

1. Yes No Our firm is famous for something important in the legal community that attracts clients, and everyone inside the firm and all of our clients can name it. It is _____
2. Yes No Our firm name is memorable, has not changed in the last three years, and appears favorably in the press at least once a month.
3. Yes No We have identified a limited number of existing practice areas for growth and investment, and every lawyer in the firm can identify them. They are _____
4. Yes No We have added recently or identified at least one new practice area to be added in the next year. It /they are _____
5. Yes No We have eliminated at least one practice area in the past two years, or identified at least one practice area to be de-emphasized or divested in the next two years, and there is a plan to do that. The practice area(s) is/are _____
6. Yes No We have more than one multi-specialty "affinity" group focused on a particular industry or type of client, with a marketing plan, leadership, brochure, website access and future plans to create more groups.
7. Yes No We actively market our practice outside our traditional geographic marketplace via office branching, advertising or relationships with geographically dispersed referral sources that are productive.
8. Yes No We spend over two percent of our revenues on marketing, advertising, business development and promotion.
9. Yes No We agree on the size we want to be in one year and in three years, and how we will get there (organic growth, laterals, mergers, acquisitions, etc.).
10. Yes No We have objective (quantified) revenue and profit targets that are understood by all partners and a plan to get us there.
11. Yes No We agree on our core values and have reduced them to writing. They are _____
12. Yes No We have articulated the image we want to project in the marketplace and how we will do it. That image is _____
13. Yes No We have openly discussed the possibility of pursuing a merger within the last three years.
14. Yes No Our position in relation to our major competitors, in terms of firm size, economics or reputation has improved in the last year or two, and we can prove it.
15. Yes No We have a strategy for use of technology in our practice clearly calculated to produce competitive advantage. That strategy is _____
16. Yes No We are positioned to withstand changes in economic cycles. Our growth market strategy is _____
Our down market/recessionary strategy is _____
17. Yes No We are positioned to transition even sudden changes in leadership. Our succession plan at a firm-wide leadership level is _____
18. Yes No We universally and institutionally recognize that we are engaged in a war for talent. Our strategies to win that war are _____
19. Yes No Our lawyers truly understand why our clients hire us and not another law firm. The reason(s) is/are _____
20. Yes No Our strategic plan is articulated in a written document less than 20 pages long, it is revised at least annually and has been communicated formally to all lawyers and staff.

Scoring: Yes - two points, No - minus one point, Blanks uncompleted or more than ten words - minus one point