

Five Keys to Success: What Every Law Firm Leader Should Consider for 2019

Having a leadership role in any organization is difficult, regardless of the industry. Law firm leaders, in particular, have a herculean task, to be sure. The legal profession continues to face unprecedented levels of change, bringing forth seemingly insurmountable challenges, but also incredible opportunities for those who are open to embracing the evolving landscape.

As most firms begin the task of closing their year and the sprint to bill clients and dole out compensation to partners and, for those lucky enough, bonuses to staff, it's also time for law firm leaders to reflect on how they managed the firm throughout the year. What were the big successes? Where were the challenges? What opportunities have developed to help carry the firm into the new year on a high note?

Most importantly, what are the focal points that will help ensure success in 2019? Here are five considerations to give attention to that should go a long way to providing sustainable success for the long term.

1. Plan ahead for marketing. Haphazard tactics lead to haphazard results.

The best thing you can do for your firm right now is to prepare to kick off 2019 on the right foot by creating a legal marketing plan (or instructing [your legal marketing agency](#) to do so). The truth is, it's fairly easy to do if you know where to start. The key is to identify your marketing goals for the year – whether they're related to brand recognition, lead generation or events. You need to set specific, measurable, actionable, relevant and time-bound ([S.M.A.R.T.](#)) goals so you can establish a marketing plan that makes sense for your law firm, and then stick with it.

Once your plan is in place, build a budget to fund these activities, so you're sure of the opportunity to succeed. Many firms do this in reverse; budgeting first and then setting course – to their detriment. Setting a budget without a roadmap for your marketing strategy is no different than quoting a fee for a case when you haven't taken the time to figure out what's involved, what kind of expertise you'll need or whether you can even do the work.

2. Figure out what you need to measure. Then, actually measure it ... and report on it!

Key performance indicators (KPIs) provide law firm management with the information needed to make intelligent decisions that may include a necessary course correction. But no one data point tells the whole story. Instead, your KPI dashboard should reflect data on the performance metrics that not only matter most to your practice but also tell the most complete story about whether your firm is meeting its goals. Solid trends gleaned from the most complete picture of data about your firm's overall performance are most easily



Jim Jarrell
Senior Vice President
Marketing & Business
Development
609.858.3863
jjarrell@jaffepr.com

reflected in a dashboard with six to eight KPIs or metrics.

Which leads to this point: You can't measure what you don't track. The first step in establishing your KPI dashboard is looking at the data that are already available in your firm's practice management and financial systems. Make an inventory of the data being collected and determine whether there are any gaps between what you have and what you need.

If you don't already have a dashboard, [a good management consultant and strategist](#) can help you figure out the right combination of data points that will tell you what you need to know. Ideally, your firm is using systems that are integrated with each other, so customizing your data collection and [building the reports you need](#) is a bit more streamlined.

3. Find ways your firm can actually innovate and then leverage them as differentiators.

There's no denying that innovation – whether it's in delivery of service, technology tools or practice management – makes it easier to grow, regardless of the size of your firm. What many firms fail to realize is that innovation, in and of itself, isn't a differentiator. It is *how* the innovation transforms your practice or the client experience that becomes the differentiator.

Take [law firm diversity initiatives](#), as an example. Having a diversity initiative is not innovative, but I had a law firm client who flipped the concept on its head. Instead of touting the existence of a diversity program, they executed an initiative to interview and accept only diverse candidates for their Summer Associate program. For most firms, Summer Associate programs provide a pool of talent for hiring eventual first-year associates. By instituting a diverse candidate profile for Summer Associates, the firm was being innovative in the way they ensured a pipeline of diverse talent for their First-Year Associate class. They didn't just do it – they celebrated it and used it to differentiate themselves from every other firm that merely touted the existence of a diversity initiative.

The point is this: Innovation comes in different forms for different firms. Embrace what works for your firm and then celebrate it so your firm can stand out from the crowd.

4. Fill your pipeline with rich business development opportunities.

One of the biggest challenges for any attorney is bringing in new business, so building an active pipeline for business development can make the difference between a great year and a so-so or bad year. The pipeline – sometimes called the sales funnel – is where all of your marketing, public relations and branding efforts come to fruition by attracting business leads "in the door." While today's law firms – big and small – have become more savvy about developing and refining their brands, logos, websites and marketing collateral (or they hire [high-quality consultants to do it for them](#)), many still ignore the pipeline, which has to be filled with leads that represent opportunities for new business.

Set yourself up for success in 2019 by putting plans in place for a strategic and concerted effort to not only grab the low-hanging fruit from existing clients, but also identify where your new business opportunities are coming from. In a multi-practice firm, it's critical for each practice to identify their list of targets for relationship expansion and their list of

targets for new business. Law firm leaders and business developers can help bridge the gap to get practices working together, especially when they have common business targets.

5. Ask the hard question: Is it time to stop practicing and focus on the business?

Believe it or not, this is an important question to ask. Many law firm leaders, particularly in small firms, are also the firm's rainmakers or primary practitioners. That model may work well during the firm's formative years, while the headcount is small and the client base is manageable. But for any firm with designs on growth or acquisition of market share, this governance model is not sustainable. Law firm leaders who seek to grow their firms must embrace "the *new* normal" of the legal industry: The firm *must* be run more like a business. This is difficult for many firms because the managing partner still has to be compensated, but the compensation model is structured around hours and client acquisition. Administration and governance typically aren't factors.

With the Big Four nipping at your heels (and this is true across the board, regardless of firm size), you do your firm a disservice by not removing the burden of practicing law from your leadership. It'll soon be 2019, and there are newer and better ways to be compensated for your leadership. Do yourself a favor and focus on the business.

All law firm leaders, regardless of their firm's size, recognize the delicate need to balance their professional responsibilities as lawyers and their leadership responsibilities within their firms. By giving these five keys a little love and attention, you're likely to be a lot closer to success in 2019.

If you are struggling in your management and leadership consulting, business development or marketing strategy, reach out to me, Jim Jarrell, at jjarrell@jaffepr.com.