

Work On Your Firm; Not Just In It

Practice management issues for partners

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Partners should spend time working on the business of the firm. This means focusing on the firm's business, client and people issues.

There are a vast number of external forces impacting firms in the current environment.

These forces must be recognised, their impact assessed and appropriate responses developed and implemented.

To allow the firm to drift without taking control of the firm's future and simply following past practices will place the firm at a competitive disadvantage.

Key issues for attention include:

1. Strategy

How will the firm be recognised in the market? What are the range and scope of services? How will it handle process driven work? What is its growth and development strategy?

2. Clients

How is the firm positioned in the market? What is its brand? Who are attractive clients and prospective clients for the firm? What are its service and industry specialities? How will it handle the operational and geographic demands of its clients?

3. People & Culture

How does the firm attract and retain the right people? What sort of training and development should the firm support in light of its strategy? Does the firm have a discernible, positive culture?

4. Systems & Processes

How well does it manage its knowledge? Are its systems aligned around key client preferences for doing business? Is the firm adopting the right risk management and file management processes?

5. Financial

Is the firm producing adequate levels of profit? Is the firm focusing on key profit drivers to improve outcomes? Does the firm have sound financial management?

6. Governance

Is there a clear governance structure, with roles and accountabilities? What is the role of the partnership and the board – how are their powers divided? What is the role of the Managing Partner / CEO / Chief Operating Officer?

7. Partnership

How will we compensate partners? What is the succession plan and who are the future partners? What is the ideal number of partners in each of the practice areas? How will we manage equity?

Many of these issues are obvious – so obvious that it's often assumed that they'll look after themselves!

That is rarely the case. Managing a law firm involves managing a large amount of small items as well as the major strategic issues.

By having some of the partners charged with the task of carefully thinking about these questions, there is a much better chance of developing an effective response to all of these challenges.