



Thomas S. Clay

## Now Is the Time To Evaluate Your Practice Groups

By Thomas S. Clay

**B**y all measures, 2004 is likely to see an uptick in growth and profitability for law firms. As the economy rebounds, firms with *highly effectively* practice groups will yield greater benefits than those with less effective groups. We know this from experience.

Now is the time to evaluate your practice groups to ensure maximum effectiveness. Following are two sets of questions that should be asked by senior leaders, practice group managers, and group members in the evaluation process. Candidly scoring each group's report card will help you identify tactics and initiatives that should be implemented to enhance practice group performance.

### Management Assessment of Individual Practice Groups

These questions should be asked by the senior leaders of the firm about each individual practice group:

1. Is the group's business purpose clear and externally-oriented? Is there a written plan?
2. Does the group have a strong understanding of client needs, desires and changes in their markets? How do you know?
3. Is there a written plan that addresses client service, human resources, marketing and profitability? Are there actions with timelines and people assigned?
4. Does the group have an effective leader?
5. Is the group investing time and capital in the right places?
6. Does the group execute well?
7. Have you measured the right things? What are they?

8. Is the group well linked to senior management? How?
9. What should the group do to perform at a higher level? How can you help?

### Questions for Practice Groups Leaders To Ask

These questions should be asked by practice group leaders when a group is first formed, and periodically thereafter:

1. Are there unanswered questions about the group's structure? What are they?
2. Do we need more time/guidance from senior management? On what?
3. What are the three most critical challenges the group needs to address in order to be more effective?
4. If we don't have a strategic practice plan, how and how soon will we produce one? What help do we need to do so?
5. What external (environmental) factors will most affect growth and opportunities for the growth of our practice? This might include the economy, regulatory issues, competitors, etc.
6. Is our practice sufficiently differentiated from our competitors in the marketplace? If yes, how?
7. What external variables or change would devastate our practice? What can we do to ward these off?
8. What would make our practice boom? Of these elements, which can we control?
9. What are our clients most concerned about for the next two to three years? How do we know?

*continued on page 10*

**"Most law firms are already working hard to implement a practice group management structure."**

**Evaluate ...** *continued from page 4*

10. What is most likely to occur over the next five years with respect to our practice?
11. What other practices in the firm are most interdependent with ours? Which ones are absolutely necessary as support for our practice?
12. What are our aspirations in terms of growth, expansion, market position and image, etc.?

Most law firms are already working hard to implement a practice group management structure. Some groups in a firm may be a long way along in terms of active management and planning. Other groups are just beginning the process.

The questions presented here are useful pump-priming questions to evaluate group progress. Groups, however, should discuss anything that will help them plan, implement and become high performing groups. ♦

**Thomas S. Clay** is a principal of Altman Weil, Inc., working out of the firm's offices in Newtown Square, Pennsylvania. He can be reached at (610) 886-2000 or [tsclay@altmanweil.com](mailto:tsclay@altmanweil.com).