The Case For Practice Groups in Law Firms

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WHERE ARE WE NOW?

Success in any market position requires management of key variables... and they need to be in alignment with each other.

- Market position
- Image

- Core clients
- Core services
- Competitive basis

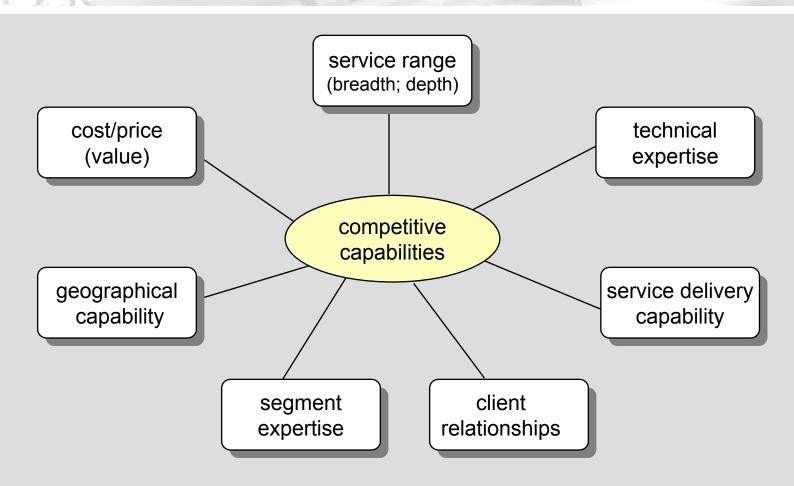
- Behavior
- Structure
- Systems
- Skills
- Processes
- Culture
- Economics

EXTERNAL VARIABLES
SUPPORT

INTERNAL VARIABLES

WHERE DO WE WISH TO BE? Managing these variables over time requires a clear view of the desired future position... **IN 5 YEARS** ...and an in-depth understanding of competitive forces. Behavior · Market position Structure Image Systems new competitors Skills/ Processes · Core clients Culture Core services Economics Competitive basis political, competitor moves client demand economic and trends social trends **TODAY** technology Behavior Market position Structure Image Systems Skills resources Processes Core clients Culture Core services Economics Competitive basis

What are our core competitive capabilities? How do we stack up?



History and Role of Practice Groups

- Need for management and organization arises
- Departments evolve
- Marketplace changes occur—
 Specialization and segmentation
- Explosive law firm growth
- Pace quickens
- Competitiveness is an issue
- Practice groups evolve

Unique Aspects of Management and Leadership in Law Firms

- Flat organizational structures creates need for leaders to also be managers
- Managing professionals requires constantly addressing WHY
- Traditional command and control does not work well
- Lack of training of leader/managers
- Leader/managers are also producers



Practice Group Structure

- Remember—Structure is an important tool
- No structure is perfect
 - Dynamic environment
 - Overlap
 - Marketing and practice management

Structures

- Externally driven
- Structure by function
- By industry
- By business type
- Strategic Business Unit

Why Practice Groups? What are they good for?



Compete Better

- Keep clients and extend relationships
- Gain new and better clients

Build human capital and skills

Innovate

Promote inter-dependency

Keys to High Performance

- Clear role and focus
- Effective leadership
- A business plan
- Client feedback
- Continuous investment
- Superior execution

Role and Focus

- At a minimum, groups are responsible for:
 - Client service quality
 - Innovations
 - Human capital development
 - Marketing

Continuous Investment

- In innovation toward
 - Services
 - Processes and methods
 - Products
 - Knowledge management
- In skill building
- In clients
- In market research

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