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Week of **February 3, 2009**

Who Needs a Plan?

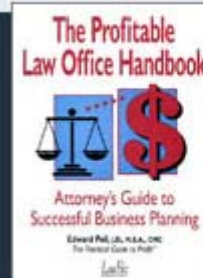
Regular readers of my musings know that one of my favorite quotes is by famed UCLA basketball coach John Wooden: "Failing to plan is planning to fail." Intuitively we know this is true, yet in just the past year so many old and successful organizations, with detailed and elaborate planning processes, have failed. Some draw the conclusion that planning is an impossibility in these volatile times, and that the best any organization can do is a form of white water rafting—get good people in the boat and try to stay afloat as events carry you downstream.

Regrettably, such an attitude is too prevalent in law firms. It's no secret that lawyers tend to be individualistic (and thus reluctant to give up personal control or direction), reactive (believing they must be flexible to accommodate variables that can't be anticipated), and short-term (focusing on the contract, case or negotiation they have today). These traits undermine a successful planning process.

Can law firms benefit from a strategic plan? Quite clearly, the answer is a resounding yes! I'm actually surprised at how few firms, both large and small, have a strategic business plan in place. Managing partners in our Managing Partners Roundtable say that they are peaceful, despite the current financial turmoil, because of the strategic planning process they have in place.

A strategic plan is a forward-looking set of goals and objectives, while tactics are ways to implement and achieve those goals, objectives, and mission. All of America's leading businesses have strategic plans in place. The failure rate of business in general, according to statistics I've seen, is up to 95%, most of which do not have plans. There is a correlation between these facts.

Those firms without a plan merely hop from one paycheck to another. If they're successful, it is quite by accident. As the Cheshire cat said to Alice, if you don't know where you want to go, just keep going and you'll get there. Tactics, and especially effective tactics, are important to develop. But, these tactics must be in the context of a firm's goals and mission.



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For some firms the biggest objection to a plan is that it locks the firm into rigidity at a time when flexibility is needed. But good planning is not static; it is meant to be a guide against which to judge actions or outcomes. If a certain aspect of a plan is not working or needs some adjustment, change it. The beauty of a flexible plan is that it can be revised to better reflect the reality of changing situations to produce the desired outcome—so long as you know what outcome you want. Tweaking a plan, making adjustments from time to time, is quite appropriate, just as people make alterations to an estate plan as family circumstances change. Even junking a strategic plan is acceptable when circumstances and assumptions warrant. But, a replacement strategy should be developed in its stead, not just a series of jumps from here to there.

Personal Commentary

I've joined [Twitter!](#) See my "tweets," and please join me to explore the new world of social networking—I'm looking to grow and learn as we move forward.

Best wishes,

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What Readers Are Saying...

Keynote speech is the "highlight" of Bar Association training seminar

"Ed's presentation, in my opinion, was the highlight of this series of speakers. I found the information which was presented to be tremendously valuable. Further, it was presented in a format which was both usable and interesting. Since Ed's presentation, I have had an opportunity to speak with several others who were in attendance and it is clear from them that he made our event successful."

-David R. Hagen, San Fernando Valley Bar Association