

Time to Get Focused Before 2019 Gets Away from Us!

By [Joseph B. Altonji](#) on January 29, 2019

Wait, what? It's still January, right? Well yes, it is, but now is the time to lay the groundwork for a strategically successful year. Most of us are just finishing up figuring out what happened and allocating the fruits of last year's efforts and, of course, trying to figure out what to expect for 2019. The early returns suggest most firms are coming off a pretty good, if not their "best ever," year but with political and economic uncertainty in the winds it's hard to know if 2019 will be a continuation of improved market conditions or if we will see a return to slow/no growth conditions. So yes, we're trying to figure out what to tell our partners.

But strategically, most of that matters little. Short-term ups and downs will come, and collections that did or didn't happen in a particular week have little long-term impact on the strategic health of the firm (as long as you do well enough to manage partner expectations). The key questions, as we prepare for a less-certain 2019, include:

- Have you improved your value delivery, from the perspective of the clients, over the last year? Concurrently, has your brand improved or weakened as a result?
- Have you improved your processes, either in the area of service delivery or supporting services or both?
- Have you increased the depth of your talent pool, adding to your ability to drive client value?
- Have you rationalized your pricing structure, or are you still simply trying to figure out whether to raise rates 3% or 4%?
- Have you taken steps to organize and derive meaning from the vast amount of data your firm generates every year? Can you now use real information to inform strategic decision-making?

We could go on, but the key point here is that the important questions leadership should focus on are long-term and strategic, not short-term and income statement focused. (Leave those to your team.) Is your firm better positioned to deal with the continuous realignment and innovation of the industry? Two years ago, in my January post ([2017 – The Year to Try Something New?](#)) I suggested you pick one aspect of your firm and completely redesign it as if it didn't already exist – from the best perspective possible. I hope you took up that challenge and continued and expanded it over the next year. Hopefully you are helping to lead the charge on innovation in the industry.

The industry continues to get more and more challenging though, and it's not enough to finish one project and go home. Many have realized that the primary challenges to innovation and change within a firm are culture and inertia, and the reality that as an industry we have been blessed with the ability to drive very good livings for our most successful people (and far better livings than they could possibly expect otherwise to some of our weaker people – Golden Handcuffs abound!). So why change? How do we build a culture designed to embrace change? Fundamentally, this will be the leadership challenge for law firms for the next decade, and those that succeed will thrive, while those who don't, well... they won't.

Which brings us back to our opening question, "What do we do now to assure a strategically successful 2019?" We urge firm leaders to take up this question now, before the year gets far along. We all understand how the challenges of day-to-day management get in the way of longer-term progress. The urgent crowds out the important. Before that occurs, pull

your leadership team out of the office for a day, and set some very real goals. What do you want to accomplish in 2019 that advances the strategic positioning of your firm? How should the firm be different at the end of the year than it is now? What real strategic capabilities do we critically need to build or start to build? And most importantly, if you need it (and most firms do), how do we begin to shift our culture in a way that allows us to embrace change and innovation?

Take the time to set tangible objectives that are not focused on raising this year's revenue by X% or cutting the number of lawyers that fall below their billable hours goals. Focus on how you will make your firm strategically stronger, more resilient in the face of change, and more capable of embracing the opportunities presented by an industry and a world in a state of economic flux and disruption. If you accomplish this, no matter what the top line numbers turn out to be, you will be rightly able to say "2019 was our best year ever!"