

Trends and Developments in Successful Practice Groups – Part 1

By [Susan Raridon Lambreth](#) on December 20, 2014

Innovation Begins at the Practice Level

Innovation in the legal sector starts largely at the practice/industry/client group (“practice management”) level. From developing winning value propositions to pricing and project management initiatives, firms are finding that high-functioning practice management is an essential component of success. According to the Citi Private Bank Law Watch Annual Review of Law Firm Performance, “managing our practices better” was one of the primary areas identified by managing partners as essential to success in the tough economic climate for law firms. Among the specific goals mentioned were:

- Improve practice group leadership,
- More actively manage practice areas, and
- Orient partners to more effective practice management.

To help firms benchmark their practice management progress, LawVision Group is conducting a Law Firm Practice Management Survey of Managing Partners/Chairs, COOs or equivalent firm leaders. The results will provide survey participants with invaluable and timely data on industry best practices. To date, more than 20 percent of the AmLaw 200 have completed the survey, with results continuing to come in.

Our initial findings show that Practice Group Leaders are significantly more empowered than they have been in the past. As you might expect given the tremendous pressures on law firm profitability, the key areas where PGLs now play a role are:

- Performance management of partners,
- Partner compensation and
- Full accountability for practice group financial performance.

Performance management of partners typically includes monitoring the individual financial performance of partners, addressing behavior that is not consistent with firm culture, partner coaching, and overseeing the development and implementation of individual partner business plans. Financial performance accountability has expanded to include monitoring the profitability of the matters handled by the group and working with partners on how they staff, leverage and manage their work.

Having trained the PGLs in half of the AmLaw 200 over the last 20 years (over 5,000 lawyer-leaders), it has been rewarding to see these roles evolve and grow to become business unit “CEO’s” in the leading firms. To find out how your firm’s practice management matches up to its peers, a member of your firm’s leadership can participate in the survey by [clicking here](#). If your firm has already completed the survey, you will receive the preliminary results in a few weeks.

Look for Part 2 in this series “Show Me the Money – Compensation for Practice Groups” which will discuss the role of

the Practice Group Leader in partner compensation and compensating the practice leader.