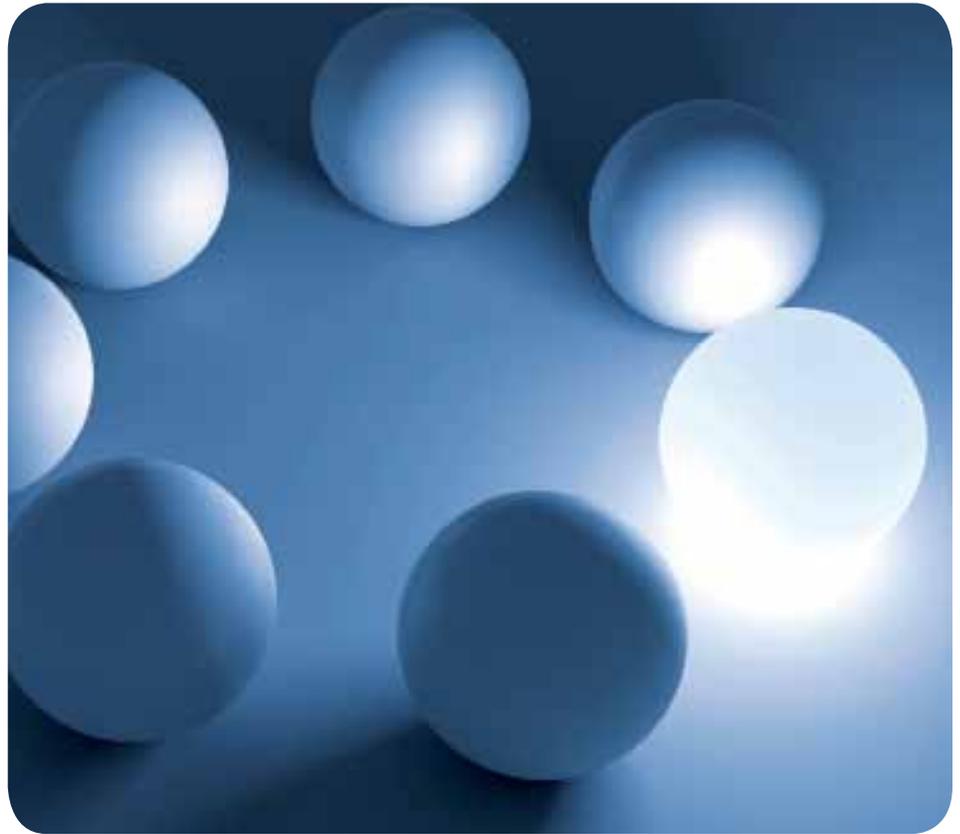


Managing Partner Forum® White Paper



A Summary of Discussion Points and Findings

by Charles F. Huxsaw and John Remsen, Jr.



The MPF 2010 Annual Conference | April 29, 2010 | Atlanta, Georgia

EXECUTIVE SUMMARY

- Managing Partner Forum[®] (MPF) 2010 Annual Conference, presented by TheRemsenGroup, was attended by more than 70 managing partners (MPs) from across the country. The Conference was held on April 29, 2010, in Atlanta, Georgia.
- Managing partners and leaders representing prominent national and boutique law firms attended the Conference, which has grown to become one of the country's premiere conferences focused on building more profitable, cohesive and sustainable law firms.
- This year's theme was "The Need to Lead" because the Conference was dedicated to providing practical skills and insights on how to be an effective decision maker.
- Firms did not perform as poorly financially in 2009 as expected, and are cautiously optimistic about their performances in 2010 and 2011.
- Although more and more law firms are developing and implementing firm-wide strategic plans, the majority of participating firms still do not have one.
- The overwhelming majority of firms with a strategic plan report improved performance and profitability as a result of the plan.
- Managing partners continue to be bogged down with handling day-to-day administrative matters as opposed to focusing on implementation of long-term positive strategic change for the firm.

TheRemsenGroup's Recommendations

- *Develop and Implement a Firm-wide Strategic Plan*
- *Create Job Descriptions for the Managing Partner and Other Key Firm Leaders*
- *Empower a Competent and Trusted Firm Administrator*
- *Consistently Maintain Investments in your Firm's Future*

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INTRODUCTION

Since 2001, John Remsen, Jr., President of TheRemsenGroup, has presented The Managing Partner Forum® (MPF), one of the premiere law firm leadership conferences in the United States. The 2010 edition of Managing Partner Forum® was a noteworthy achievement as more than 70 managing partners and law firm leaders from across the country assembled in Atlanta in late April, not to hear others lecture or proselytize about what is often all too obvious to many managing partners, but to exchange pertinent and timely information with one another, exploring the challenges of their jobs and revealing the solutions they have found with their peers.

To this observer, a seasoned veteran of many years of attending legal conferences and seminars, and an invitee to Managing Partner Forum® as a press representative of IOMA's Law Office Management and Administrative Report, the most remarkable thing about the event was the candor of its participants and their willingness to reveal to each other the often hard-learned experiences of law firm management. There was a genuine collegiality in the room and throughout the day-long event.

In addition to Remsen, the speakers and panelists consisted of the following hand-selected group of veteran law firm management consultants and industry experts:

Gerald A. Bush, Ph.D., *Co-founder, Consigliere Group*

Paul Clifford, Esq., *Principal, Law Practice Consultants LLC*

Darryl Cross, *Vice President - Client Profitability, LexisNexis*

Robert W. Denney, *President, Robert Denney Associates*

Christina R. Fritsch, JD, *President, ClientsFirst Consulting*

Susan Hackett, Esq., *Sr. Vice President & General Counsel, Association of Corporate Counsel*

Bruce Hawthorne, Esq., *Co-founder, Consigliere Group*

Peter Johnson, Esq., *Principal, Law Practice Consultants LLC*

Rob Marbury, *Chief Creative Officer, Marbury Creative Group LLC*

Jeff Reade, *President, Cole Valley Software*

John Smock, *Partner, Smock-Sterling Strategic Management Consultants*

SETTING THE AGENDA – THE FUTURE IS HERE NOW

In his welcoming remarks to attendees at the MPF 2010 Annual Conference, Remsen introduced the theme of the gathering. What he described as “a stormy horizon” had given rise to an enhanced obligation for MPs. That obligation was characterized in the thematic title – “The Need to Lead.” The role of the Managing Partner, said Remsen, is now more important than ever.

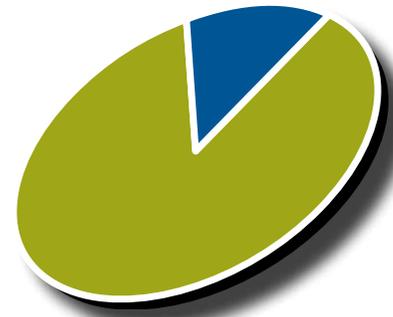
Three keynote speakers followed Remsen’s introduction and underscored the new challenges faced by law firms and their leaders.

First up was Darryl Cross, Vice President of Client Profitability for LexisNexis. Cross based his remarks on findings presented in the LexisNexis State of the Legal Industry Report, which examines “trends and expectations” among firm leaders, in-house counsel and law school students. The survey was conducted in late 2009. He reported that the survey indicated a widening gulf between law firms and their corporate clients. Indicators

of the new rift between firms and clients were survey results such as: “71% of law firms are not responding to corporate counsel”, “56% of corporate counsel believe that ‘law firms are making money on our backs,’” and “nearly 75% of clients don’t agree that firms are doing a good job.” Even in the area of alternative fees, while law firms struggle to devise alternative fee arrangements, corporate clients said they preferred the billable hour system with a discount. Cross advised attendees to: “Look through the window, not into a mirror. Clients are telling firms exactly what they want.”

Cross was followed by Susan Hackett, Senior Vice President and General Counsel of the Association of Corporate Counsel, speaking remotely via Skype to the assembled MPs. Hackett is the principal spokesperson for the ACC’s Value Challenge initiative to achieve client satisfaction and alignment with ACC members’ outside firms. In short, encouraging firms to get away from building up hours

“Look through the window, not into a mirror. Clients are telling firms exactly what they want.”



71% of law firms are not responding to corporate counsel.

SETTING THE AGENDA – *Continued*

and, rather, focus on value pricing for services delivered is the overriding objective of the Challenge. The Challenge is about cost control for clients but also seeks ways for law firms to retain profitability. The opportunity for mid-sized firms, said Hackett, is to gain “an equal footing to showcase what they are offering.” Forum participants were generally unaware of the Value Challenge and its importance as an indicator of which firms are providing value to clients.

Following Hackett as the final keynoter was Bruce Hawthorne, co-founder of the Atlanta-based Consigliere Group. Hawthorne is a former senior partner at King & Spalding and served as Executive Vice President & General Counsel at Electronic Data Systems, and Executive Vice President at Sprint Corporation. Hawthorne addressed the cultural changes that a firm should implement if it is intent on “Playing to Win in a Changing Market.” Hawthorne noted that law firm cultures tend to be formed around

partner preferences rather than what the marketplace seeks. He stressed that firms should “view the world from the eyes of the client,” “facilitate the client’s desire for ‘strategic sourcing’ to manage costs,” and “harness the power of strategy and teamwork.” He summed up his remarks with a description of the elements that reveal “what success looks like” and alternatively the barriers to success that a managing partner can address through thought leadership.

PRINCIPAL FINDINGS

Next, Cross and Hawthorne were joined on the stage by John Smock of Smock-Sterling Strategic Management Consultants and Paul Clifford of Law Practice Consultants, LLC to review and comment upon the collective instant responses of the audience to a series of specific questions posed by Conference organizer John Remsen that explored the

issues presented by the key-noters. Conference participants responded the questions using state-of-the-art audience participation technology provided by Moss-Cairns of Minneapolis, Minnesota.

TheRemsenGroup has utilized this instant audience polling methodology for many years as part of the MPF and other

events as a means to provide trustworthy, current benchmarking and hard statistical data to MPs and other attendees which they are able to take back and share with their firms as a basis for strategic planning processes and other managerial decisions. All responses are anonymous. A complete set of charts reflecting survey findings are attached as *Exhibit A*.

2009 Financial Performance and 2010 Predictions

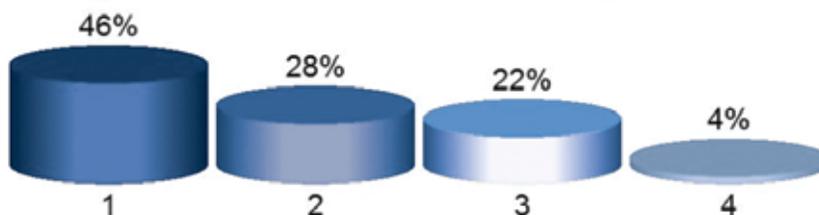
The first set of questions asked the audience how their firms performed in 2009 and in the first few months of the current year. Consistent with other surveys on this subject, 2009 proved to be a solid financial year for firms represented at Managing Partner Forum®. When asked about 2009 financial performance, 74% of attendees responded to the instant survey by choosing either the “quite well” or “good” results as survey options. Thinking that this figure might be too high, Remsen asked John Smock for his assessment. Smock reported that his firm

had conducted a survey in early April and had found the same result — 72% of firms reported that 2009 had been a good year. Smock attributed the overall good results to a new philosophy among mid-sized

firms which he characterized as “high quality-competitive cost.” Paul Clifford added that his firm had observed mid-sized firms taking slices of client business away from “we-do-it-all” mega firms.

How did your law firm perform financially in 2009?

1. Actually quite well. We comfortably beat our budget.
2. Good results. We met expectations, but partner income was flat.
3. Acceptable. We came close to budget. Partners took a slight hit.
4. Not good at all. Revenue was down and so was partner income.



2009 Financial Performance and 2010 Prediction (cont.)

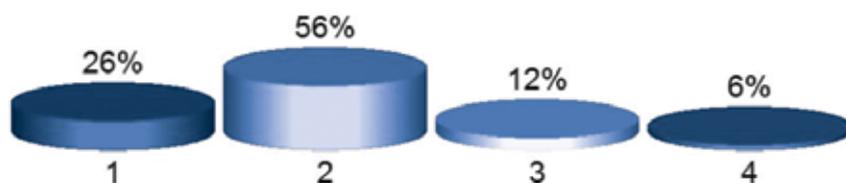
Based on the strong 2009 results, participants were next asked to forecast 2010 results. In all, 84% of firms represented

felt that 2010 would show improvement over 2009 results. Clifford noted that larger AmLaw 200 firms were not so optimistic.

A parting comment from Darryl Cross taught an important lesson. He recounted a dispute within a law firm where the public relations staff wanted to release a press notice announcing the firm's stellar 2009 financial results. Cross advised that the last thing that corporate clients want to hear is how well outside law firms are doing at their expense during an economic downturn.

How has your firm performed so far during the first quarter of 2010?

1. Much better than expected. We're off to a great start.
2. About what we expected. A relatively good start.
3. OK, but not where we want to be.
4. Not good. A discouraging start for the year.



Strategies Implemented to Improve Performance

Managing partners in attendance identified three key strategies for improved future performance, ranked as follows:

1. FIRM WIDE STRATEGIC PLANS

Firm-wide strategic plans topped the list as the key to future performance. This result surprised the panel of experts chosen to comment on the audience responses. The panel felt that this was a “feel good”

response that would have little immediate impact on firm performance in 2010, as solid results from a strategic effort often take two to three years to materialize.

2. KEY LATERAL HIRES

Pursuing key lateral hires, mergers or acquisitions, and other business expansion options ranked as the second most popular choice among attendees.

3. PRACTICE GROUP MANAGEMENT

Improving practice group management was the third most-selected strategy to improve performance in 2010.

The views of the participants and the expert panel fell into concert with the participants' selection of dealing with underperforming equity partners as their fourth-preferred strategy for 2010 implementation.

Strategies Implemented to Improve Performance (cont.)

The panelists who expressed an option on this array of strategies to improve performance each opted for addressing the matter of under-performing partners as their first-to-be-undertaken strategy. Cross acknowledged that this should be viewed as a short-term strategy while other options were more likely mid- or long-term strategies. Smock acknowledged that his firm's survey had different results. In the Smock-Sterling survey, the first choice strategy of respondents was addressing practice group management.



Utility of Strategic Plans

While Conference participants contended that firm-wide strategic plans were important to their firms' future performance, actual implementation and use of a strategic plan was not a universal occurrence. First, attendees were asked if their firm had a strategic plan. A respectable 48% responded that their firms had gone through the planning process and had a plan in place. Thirty percent said they had no such plan, and 22%

claimed that a strategic plan for their firm was in the process of being created. But when probing a little deeper with his questions, Remsen discovered that strategic plans were not living up to be the useful tool that previous MPF surveys had revealed.

Remsen stated that the economic downturn has caused many firms to deviate from their plans and that closely following the plan has been more challenging

then in the past. Only 14% of firms represented followed their strategic plan closely in their day-to-day business development and management activities.

“The economic downturn has caused many firms to deviate from their plans.”

Utility of Strategic Plans (cont.)

Forty-three percent said they followed their plan “most of the time.” But fully 36% of those firms with a strategic plan followed the plan only “occasionally,” and another 7% claimed they wouldn’t know where to locate a copy of their firm’s plan.

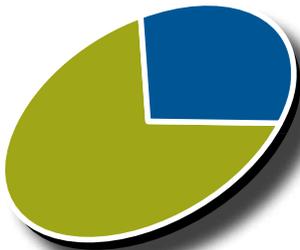
Of those firms without a plan, 67% of the managing partners offered that strategic plans were important, but that the firm had not had time enough to create one. The consultant-panelists took this excuse to task agreeing that a well-crafted strategic plan would require only about three months to draft. Another

the notion that strategic plans were a way to improve performance, stating that they were doing just fine without one or that they were better off not raising some controversial issues that the planning process would likely bring out. John Remsen noted that while some firms avoid strategic planning for fear that it will raise divisive issues, those firms that choose to engage outside consulting assistance to assist with the planning process often save time and avoid such conflicts due to the added buffer of the consultant who is often able to act as a liaison and a more impartial outside voice.

Where the rubber meets the road, however, is if strategic plans in those firms that have them had made a positive

impact on performance. In 2010, seventy-five percent of managing partners reported a “strong” or “very strong” correlation between overall firm performance and following a strategic plan. Twenty-five percent saw no such correlation.

“In 2010, 75% of managing partners reported a “strong” or “very strong” correlation between overall firm performance and following a strategic plan.”



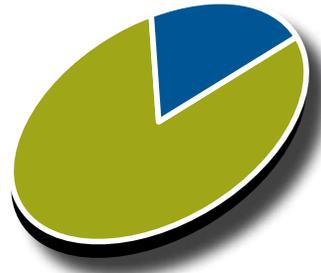
67% of managing partners feel there is not enough time to create a strategic plan.

20% of the negative responders agreed that strategic plans were important but offered that they did not have agreement on the need for a plan from their partners. And 14% disagreed with



Utility of Strategic Plans (cont.)

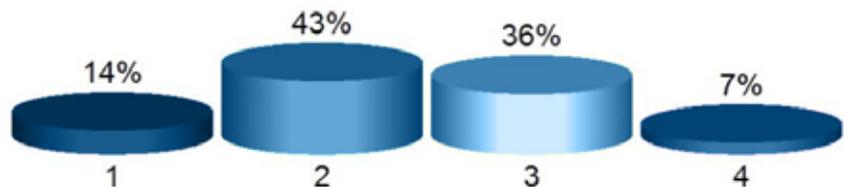
To this point, panelist Bruce Hawthorne concluded, “If you engage in strategic planning, you will move the needle.” Remsen added that according to 2006 MPF polling results, 88% of respondents reported a “strong” or “very strong” correlation between positive firm performance and following a strategic plan. He noted that the minor drop-off in the percentage was most likely due to the recent economic downturn. “It’s challenging to keep partners focused on the long-term investments in the future, when today’s profits are down,” he said.



75% of respondents reported a “strong” or “very strong” correlation between positive firm performance, and following a strategic plan.

If you have a strategic plan, how are you doing with implementation?

1. We follow it religiously
2. We follow it most of the time
3. We look at it on occasion
4. I’m not sure where to find a copy of it



Role of Managing Partner

Managing partners feel compelled to spend significant time in their roles and do so with little formal guidance. Even in small to mid-sized firms like those represented at Managing Partner Forum®:

- 57% of MPs spend between two full days and the entire week on law firm management matters, and

- 38% spend between 10% and 25% of their time on management functions.

Furthermore, they make this time investment without benefit of a formal job description:

- 75% of respondents said they operated without a job description, and

- 72% of their practice group leaders were similarly freelancing their management responsibilities.

So what do managing partners do and what do they wish they were doing in their management roles? Attendees were asked to indicate from among six choices what they considered to be their most important contributions as MPs. The top-ranked responsibility was to initiate changes

Role of Managing Partner (cont.)

The top-ranked responsibility was to initiate changes necessary to ensure the long-term success of the firm. Following as a fairly distant second was managing the day-to-day administrative affairs of the firm, followed closely by building and maintaining consensus among partners. Ranking well back in fourth position out of six choices was maximizing partner income.

TheRemsenGroup has noted a trend in this skewed duty roster for MPs through its annual collection of responses to these same questions. In fact, 2006 MPF polling results indicated that:

- 43% of MPs spent the majority of their time gaining and holding consensus among partners on key issues, and
- 31% spent the majority of time managing day-to-day administrative matters.

These consistent results clearly show that MPs remain caught up in day-to-day administrative matters which should be delegated to a competent COO or Firm Administrator. John Smock

summed up the situation well by noting that “those who don’t know what to do, do what they know,” finding agreement with the lack of a job description or other formal training for MPs.

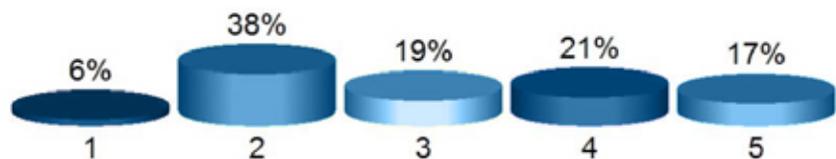
“Get the day-to-day stuff off your desk so you can focus on what you say is most important to your firm.”

If the prior question to attendees indicated what they wished they could do, the next question revealed what tasks the MPs

actually do perform for their firms. Respondents were offered the same six choices as for the previous “wish-list” question. Leaping to the top of the “reality” list was managing the day-to-day administrative affairs of the firm. It ranked well ahead of the second place finisher building and maintaining consensus among partners. Dropping to a weak third rank was initiate changes to ensure the long-term success of the firm. Continuing in the forth-ranked position was maximizing partner income. Darryl Cross observed that what the disparity between the “wish list” and “reality list” revealed is that most managing partners, perhaps of necessity, are focused on internal “fire fighting” matters and not on building client relationships or other long-term benefits

What percentage of your time do you spend in your role as managing partner?

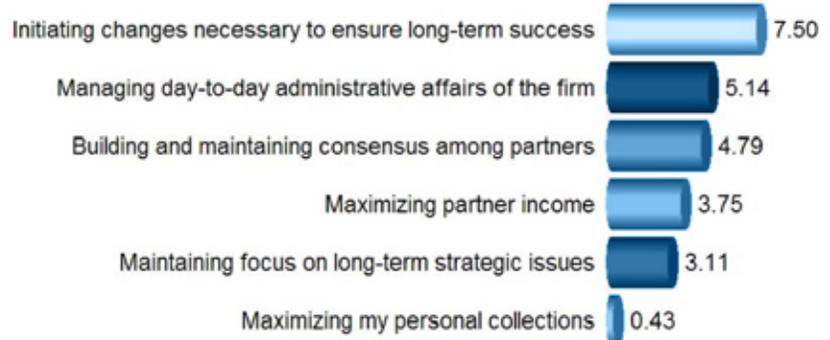
1. Less than 10%
2. 10-25%
3. 26-50%
4. More than 50%
5. Full-time role



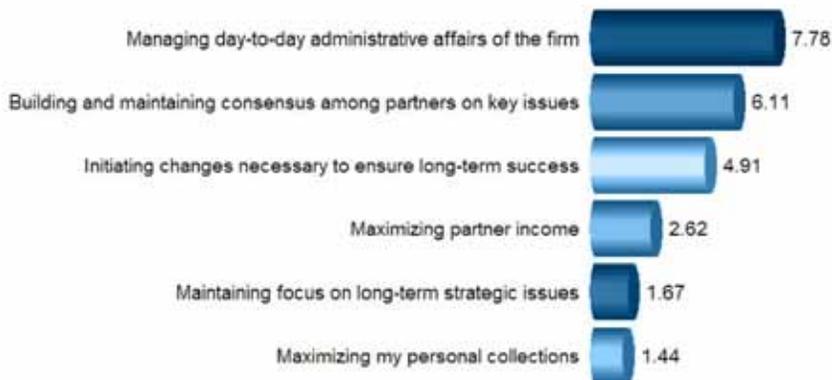
Role of Managing Partner (cont.)

to the firm. Remsen added the following admonition to the attendees: “Get the day-to-day stuff off your desk so you can focus on what you say is most important to your firm.”

What do you feel are your most important contributions in your role as managing partner?



By contrast, where do you spend most of your time?



Succession Planning

Participants were representative of many age groups both in terms of chronological age and tenure as a managing partner. How attendees were thinking about their futures was next probed in two ques-

tions concerning succession. Fifty-four percent of managing partners were contemplating a return to practice. The expert panelists, however, cautioned that this is often a difficult transition. An additional 9%

thought that a lesser practice role, something like “of counsel” status, would be appropriate. In all, 63% anticipated returning to a greater or lesser extent to the practice of law. Twenty percent contemplated retirement,

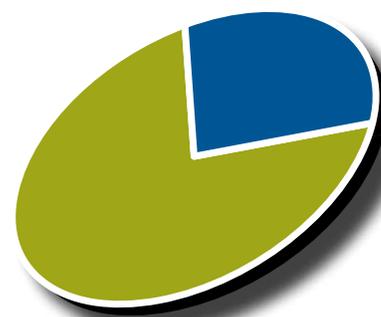
and 17% indicated that they had no idea what they would do next. None of the attendees anticipated going in-house.

But when asked if their preferences had been formalized by an agreed-upon exit strategy with their partners, 86% indicated that no exit strategy was in place. Something less formal

“Every firm leader should groom a successor.”

than a written exit strategy was understood at 10% of the respondents’ firms. Only 4% of respondents’ firms knew when and how their managing partner would step down. Paul Clifford advised that “every firm leader should groom a successor.” John Smock broadened the inquiry saying that managing partner succession should be

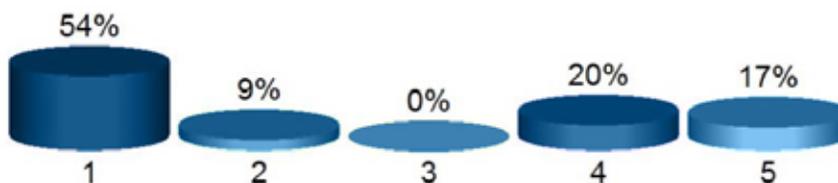
part of a larger effort to develop leaders within the firm. The lack of leadership development programs Smock characterized as “a huge unplayed card for law firms.” Darryl Cross brought the discussion home with the comment that with respect to managing partner succession, he would prefer to see “a bull pen” of several qualified successors from which partners might better make the most appropriate selection for the circumstances.



86% of managing partners have NO exit strategy.

What do you plan to do when you step down?

1. Go back to practicing law on a full-time basis
2. Take on a reduced work load, perhaps an “Of Counsel” role
3. Go in-house
4. Retire from practice of law
5. I have no idea



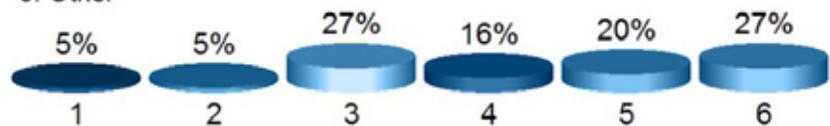
COMPENSATION FOR THE MANAGING PARTNER

Compensation formulae for managing partners were assessed by John Remsen as “all over the map.” Survey participants confirmed his observation. Twenty-seven percent said they received a fixed sum plus a bonus based on firm performance. Another 27% responded “other,” rejecting the five most common schemes the survey allowed as answers. Most surprising was the fact that 20% of respondents said they received no direct reward associated with their managing partner duties. Sixteen percent replied that their principal benefit was a reduction in their billable hour obligations, and compensation based on a fixed amount determined by time and a flexible amount based solely on firm performance each garnered a 5% response.

“Compensation should be based on what you want to encourage.”

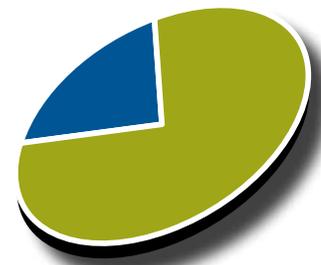
How are you compensated for your contributions as managing partner?

1. Fixed amount based on time required
2. Compensation based on firm performance
3. Combination of fixed amount, plus bonus based on firm performance
4. Reduction in billable hour requirements
5. No direct reward associated with the position
6. Other



In short, managing partner compensation schemes did not replace the income that the MP earned as a full-time practitioner. The panelists, as a result, stated a preference for a compensation system that provides a realistic fixed amount and an up-side based on firm performance. However, it is not that simple according to Darryl Cross who closed the discussion of compensation with the observation that “compensation should be based on what you want to encourage.” He agreed that a mixed compensation system for MPs was best, but cautioned that the discretionary bonus aspect of the system should

focus on those firm-wide objectives that the firm has agreed are its short- and long-term goals and not just on the firm’s overall profitability at year end.



20% of managing partners said they received no direct reward associated with their duties.



CONFIDENTIAL MANAGING PARTNER IDEA EXCHANGES (MPIES)

Since their introduction in 2003, MPIEs have been consistently rated as the most valuable portion of the MPF by those who participate. They offer a highly interactive format during which managing partners share ideas and practical solutions to the challenges of leading a successful law firm.

Each MPIE consists of 15-18 managing partners grouped by firm size. The sessions are facilitated by a professionally trained discussion leader with participation by some of the country's leading law firm

management consultants. Discussions are not recorded and remain confidential.

Topics are determined in advance based on input from the Forum Faculty and Forum Advisory Board. The three discussion topics addressed by each MPIE in 2010 were:

- ***Your Role as Managing Partner ... and Getting Paid for It,***
- ***Building a Collaborative Firm First Culture, and***
- ***Tackling the Tough Issues.***

The Managing Partner Idea Exchanges provide an opportunity for peers to learn from each other best management practices, acquire critical benchmarking information, and establish collaborative relations with other law firm leaders from firms similar to their own.

THE REMSEN GROUP'S RECOMMENDATIONS

Since 2001, more than 675 firm leaders from 475 law firms have participated in fifteen Managing Partner Forums. After concluding this 16th iteration of Managing Partner Forum®, Remsen has developed the following proven recommendations which have led his numerous clients to continued growth and success in the ever more competitive legal arena. Remsen notes as the key backbone to any successful law firm strategic plan the concept of law firm as a business entity, requiring institutional goals and planning to foster a successful business enterprise. Remsen's specific recommendations to firm leaders to accomplish this goal are as follows:

“Law firms with plans do emerge as leaders in the marketplace for legal services.”

GET A FIRM-WIDE STRATEGIC PLAN

Given the highly competitive nature of the legal services industry in terms of client service, business development and marketing, and technology, Remsen cannot over-emphasize the need for firms to create and follow a strategic plan. Generally, law firms do not like to lead, but firms with plans do emerge as leaders, and those that fail to plan, do plan to fail in the long run. In creating the process for developing and implementing the plan, Remsen often cites the book *Leading Change*, by John P. Kotter. The book outlines an actionable 8-step process to initiate and sustain organizational change...even in a law firm environment. Following are some paraphrased highlights from the steps which Remsen suggests to law firm leaders:

Establish a sense of urgency at your firm about the need for a plan. The profession has changed dramatically in the last twenty years and it's time for law firms to incorporate better business practices into firm operations. Present facts and statistics to make your argument.

Create a guiding coalition for the plan with a critical mass of 70%-80% of the equity partnership included. You need not get everybody on board for the train to leave the station. Don't let one or two partners hold you back.

Develop a vision and strategy for change. In most cases, it is helpful to partner with a consultant during this process in order to limit the impact of divisive issues which may come up during the creation of the plan. It is best to create a 5-year strategy, listing 3 or 4 one-year priorities which are achievable in the short-term.

Communicate the vision for change often—through firm retreats, on the intranet, in the newsletter, with a branding campaign. Also, be sure to share the vision with all levels of employees from Associates to support staff in order to gain further buy-in for the implementation. Fight the fear that sharing will endanger your firm secrets, and lead by example of the guiding coalition.

THE REMSEN GROUP'S RECOMMENDATIONS – *Continued*

Empower employees for broad-based action. Team members - both lawyers and staff - highly affect the client experience. Remsen often sites the example of AT&T versus AmEx, where at AT&T you are told that your call is important, but you must please hold, but at AmEx you are greeted by a live person. Each interaction leaves the client with a positive, neutral or negative impression. You must empower your entire team to create positive change.

Generate short-term wins. Start with low-hanging fruit and use some of your one-year goals to institute projects where immediate positive results will be seen. These should be highly visible symbolic wins which can be showcased either internally, externally or both, as appropriate.

Consolidate gains and produce more change. Schedule regular meetings to review the plan throughout the year and use a one-page summary of the plan as a starting point for discussion of the vision. Make appropriate changes to points no longer relevant to the vision. Build upon projects which have successfully furthered the vision and “moved the needle.”

Anchor new approaches into firm culture. Show clear connections between the new behaviors and organizational successes. Develop processes to ensure leadership development and succession. Remember that standing still equates to losing ground. There must be an ingrained process of continuous improvement.

IMPLEMENT THE STRATEGIC PLAN

Furthermore, Remsen offers the following keys to successful implementation.

Keep the plan simple. Determine three or four one-year priority items and dedicate sufficient resources and time for accomplishing them.

Establish specific and measurable objectives. Do not draft the plan noting mere generic goals such as “enhance client service.” Drill down to concrete, measurable vehicles to accomplish the goal such as holding one client appreciation event per quarter, or creating a schedule and actually making regular client visits each month.

Assign accountability. Designate specific individuals to take on responsibility to accomplish these important initiatives. Appoint partners who will be accountable for the accomplishment of each goal and empower them to act with a genuine commitment from firm leadership.

“Remember that standing still equates to losing ground. There must be an ingrained process of continuous improvement.”

THE REMSEN GROUP'S RECOMMENDATIONS – *Continued*

Monitor progress. Monitor and report progress in a regular basis. A plan should live and breathe. It should guide firm decisions. Don't let it collect dust.

Reward desired results. Importantly, reward those who step up and achieve the desired results as articulated in the plan.

CREATE JOB DESCRIPTIONS FOR THE MANAGING PARTNER AND OTHER FIRM LEADERS

We strongly encourage Managing Partners to develop a written agreement with their fellow partners clearly outlining a job description for the roles of the MP role and other firm leaders to include:

- *Responsibilities of the MP position,*
- *Amount of time in the role,*
- *Pay structure, and*
- *Exit strategy.*

A key responsibility for the MP should be to groom future firm leaders.

EMPOWER A COMPETENT AND TRUSTED FIRM ADMINISTRATOR

This role should ideally be held by a non-lawyer who can serve as Chief Operating Officer, Executive Director or Director of Administration and bring business discipline to the firm. The MP needs to be able to trust, and not micro-manage this person. The individual in this role needs to be considered an integral part of the leadership team by all of the equity partners, and a key part of the strategy for keeping the strategic plan on track. As multiple RemsenGroup clients whom we have assisted to find top notch COOs will attest, finding the right person for this role pays back the firm in spades as far as monetary and productivity returns are concerned.

CONSISTENTLY MAINTAIN THE INVESTMENT IN YOUR FIRM'S FUTURE

Once you create the plan, use it. Put the resources behind it in order to implement necessary investments in:

- *Associate development and training,*
- *Marketing and business development initiatives, and*
- *Technology upgrades.*

Although law firms are not known for being on the cutting edge in these areas, you need to keep up—or get left behind, especially now. Do not let a shaky economy be an excuse for reckless budget slashing which will leave you with no quality Associates once things start looking up. Think long-term for firm longevity.

“Although law firms are not known for being on the cutting edge in these areas, you need to keep up – or get left behind.”



Charles F. Huxsaw



John Remsen, Jr.

ABOUT THE AUTHORS

CHARLES F. HUXSAW

Charlie Huxsaw is Editor of Legal Publications for the Institute of Management and Administration (IOMA), a publisher of management advisory newsletters for law firms and other professional service organizations. Its newsletters include *Law Office Management & Administration Report*, *Compensation and Benefits for Law Firms*, and *Partner's Report*. He may be reached at chuxsaw@ioma.com.

JOHN REMSEN, JR.

John Remsen, Jr. is widely recognized as one of the country's leading authorities on law firm marketing and business development. After serving as in-house marketing director at two major law firms, John formed TheRemsenGroup, a marketing consulting firm that works exclusively with law firms to help them develop long-term marketing strategies and implement proven, cost-effective business development

programs. Since 2001, TheRemsenGroup has organized and presented Managing Partner Forum®, an unsurpassed networking and learning opportunity for law firm managing partners. He may be contacted at jremsen@theremsendgroup.com.

ABOUT THE REMSEN GROUP

After more than a decade of work as in-house marketing director with two major law firms, John Remsen, Jr. founded TheRemsenGroup, an Atlanta-based consulting firm, in 1997 to bring effective and cost-efficient marketing and business development programs to commercial law firms of all types and sizes. Based in Atlanta, we work mostly with mid-size, commercial firms, tailoring our programs and recommendations to their unique requirements.

Although we assist clients with a full range of marketing and business concerns, we focus our consulting services in three primary areas:

FIRM-WIDE STRATEGIC AND MARKETING PLANS

We have worked with many firms of all sizes to help them develop and implement their first firm-wide marketing plans. And we have worked with many others to help them refine and enhance their current marketing efforts.

FIRM RETREATS

Firm Retreats are one of the things we do best. You can hire us to present a variety of topics on marketing and business development (most are CLE-approved) or you can hire us to arrange the entire affair. Either way, we can help you stage the best retreat your firm has ever had.

COO AND MARKETING DIRECTOR SEARCHES

Over the last three years, we have successfully recruited marketing staff for numerous law firms. In some cases, they want to hire their first marketing director. In other situations, they want to upgrade the position. If your firm has 30 lawyers or more, it's time to consider hiring an in-house marketing professional.

Contact us today for more information about how The RemsenGroup can help your law firm implement powerful and dignified marketing programs that work.



Founded in 1997, TheRemsenGroup is one of the country's leading consulting firms in law firm marketing and business development.

404.885.9100

www.TheRemsenGroup.com

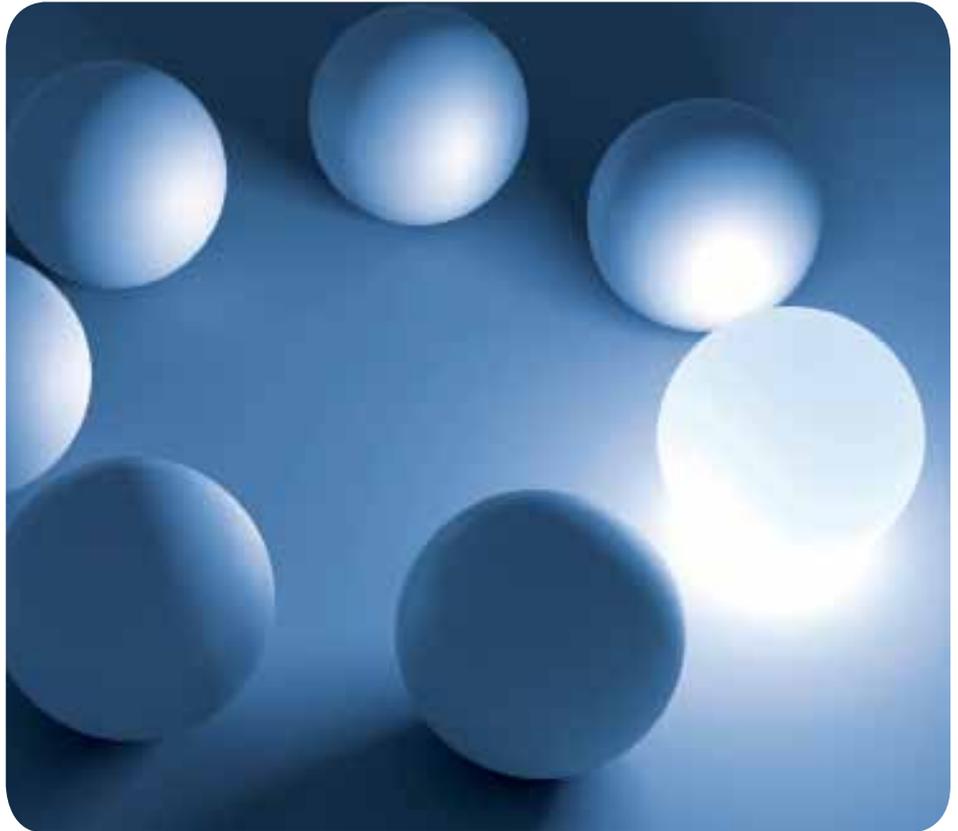


This white paper was designed by Marbury Creative Group, a presenter and sponsor of Managing Partner Forum®. Marbury Creative Group is a marketing firm with a decade of experience serving the legal industry.

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APPENDIX – *Exhibit A*



Audience Participation Technology Results

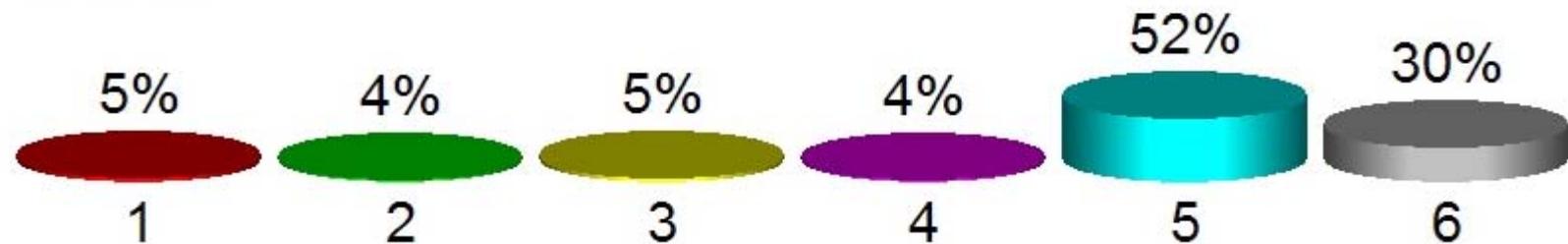


ANNUAL CONFERENCE

2010

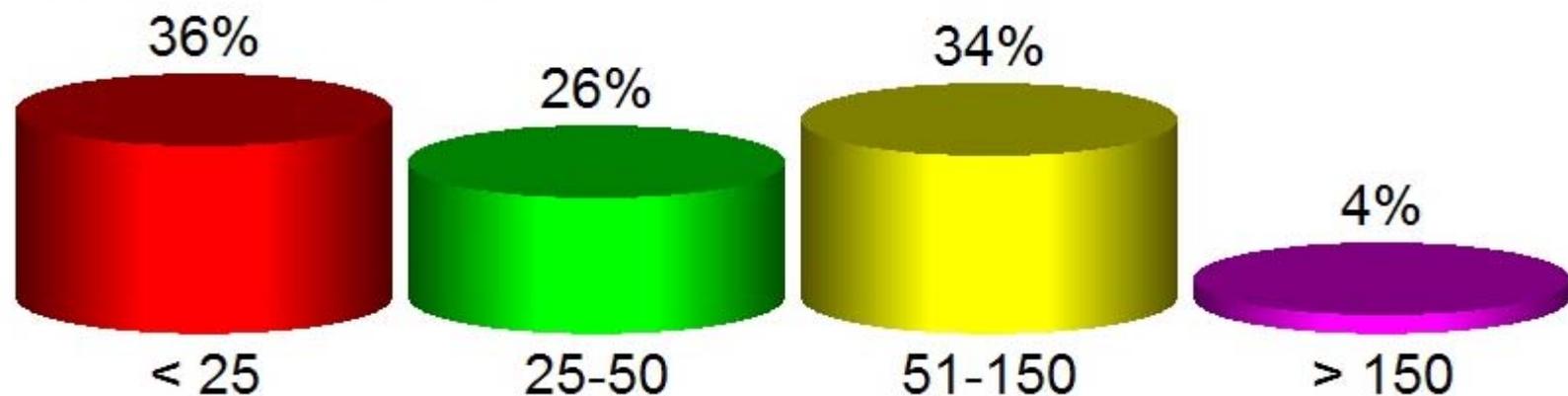
Who do you think will win the GOP nomination for President in 2012?

1. Newt Gingrich
2. Mike Huckabee
3. Sarah Palin
4. Ron Paul
5. Mitt Romney
6. Other



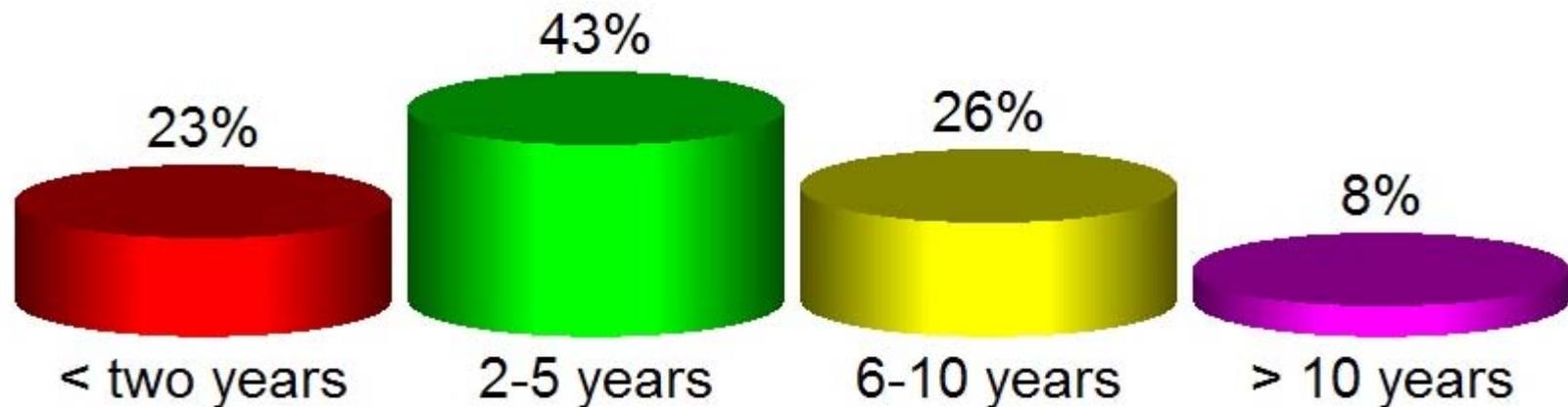
What is the total number of lawyers at your firm?

1. Less than 25
2. 25-50 lawyers
3. 51-150 lawyers
4. More than 150 lawyers



How long have you been your firm's managing partner?

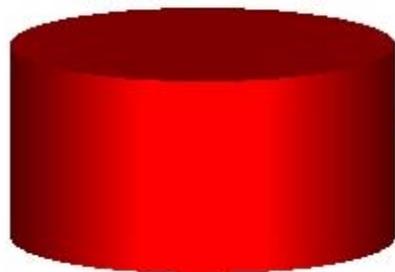
1. Less than two years
2. 2-5 years
3. 6-10 years
4. More than 10 years



How did your law firm perform financially in 2009?

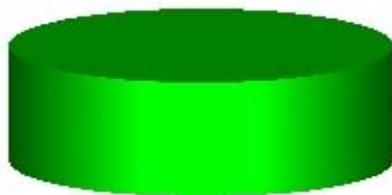
1. Actually quite well. We comfortably beat our budget.
2. Good results. We met expectations, but partner income was flat.
3. Acceptable. We came close to budget. Partners took a slight hit.
4. Not good at all. Revenue was down and so was partner income.

46%



1

28%



2

22%



3

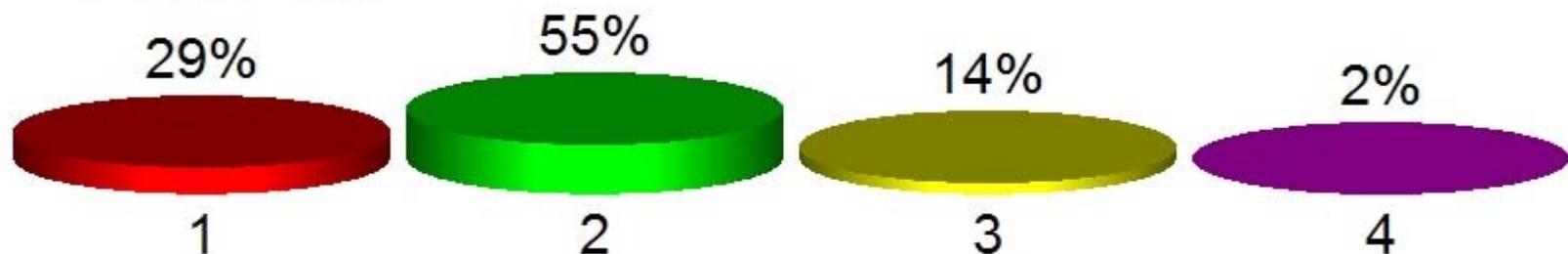
4%



4

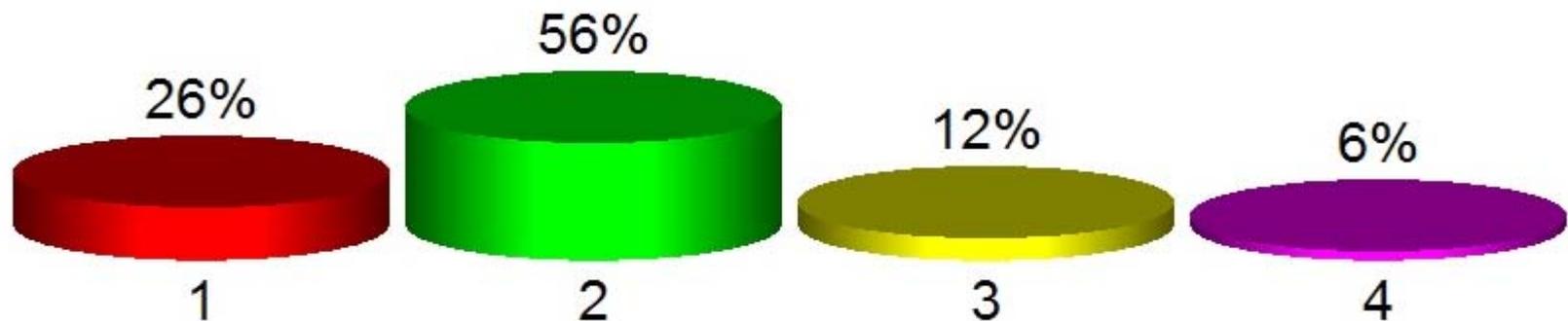
Looking ahead, how would you describe your expectations for 2010?

1. 2010 will be a very good year...a solid improvement from 2009.
2. Cautiously optimistic. We expect a slight improvement, but still nervous about the economy.
3. Hard to say. Fairly flat.
4. We see another bad year in 2010. Profits will remain disappointing.



How has your firm performed so far during the first quarter of 2010?

1. Much better than expected. We're off to a great start.
2. About what we expected. A relatively good start.
3. OK, but not where we want to be.
4. Not good. A discouraging start for the year.



Which, if any, of the following strategies/tactics is your firm implementing to improve its financial performance in 2010?

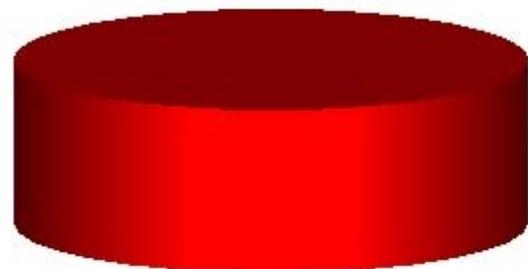


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Does your firm have a written firm-wide strategic plan?

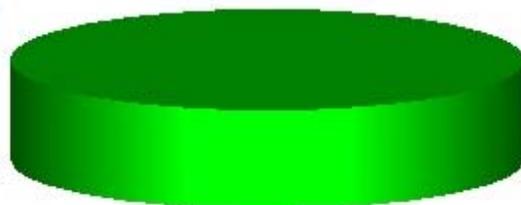
1. Yes
2. No
3. Work in progress

48%



Yes

30%



No

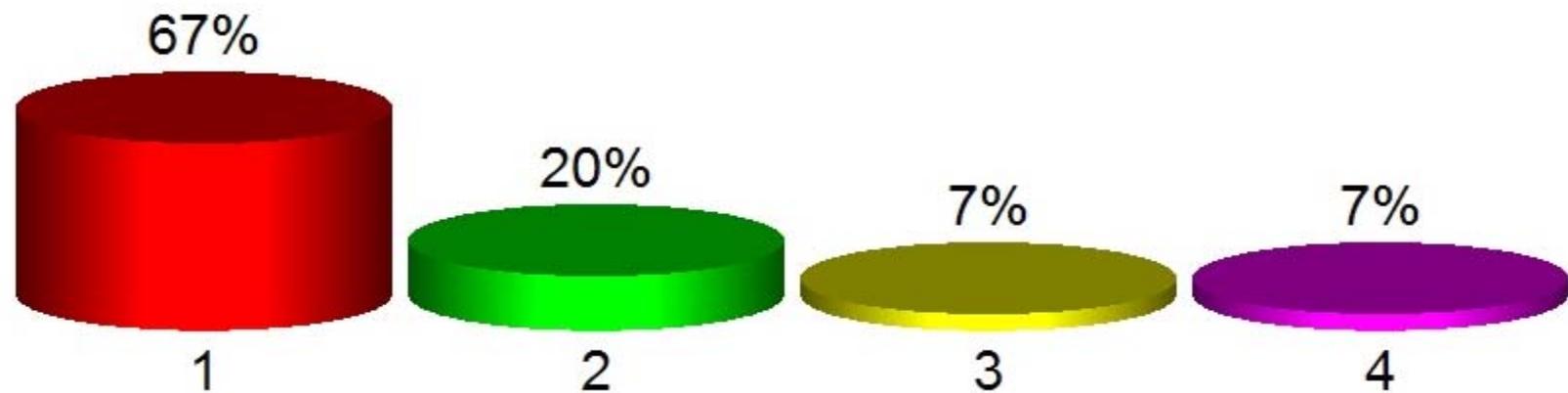
22%



Work in progress

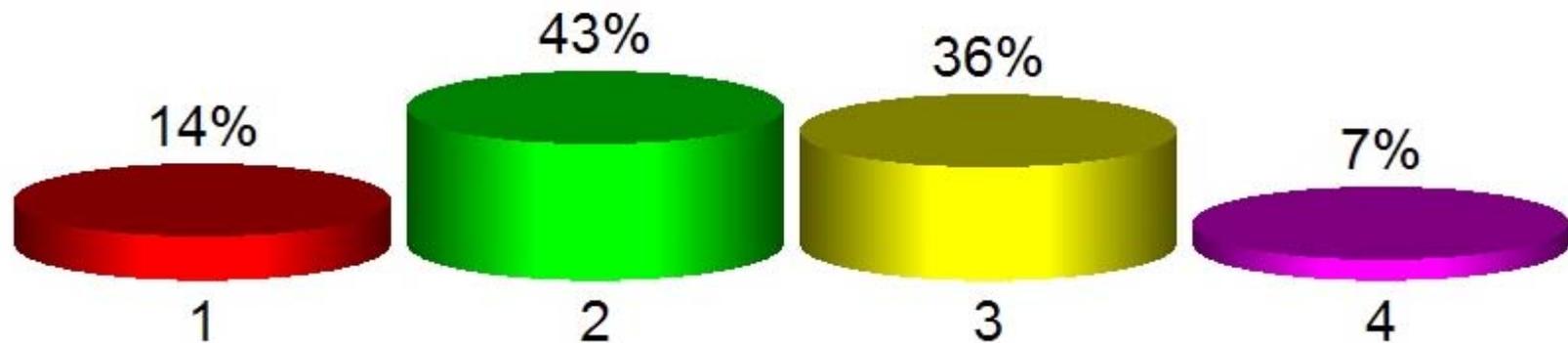
If no, do you think your firm should have one?

1. Yes, but we haven't found the time to make it happen
2. Yes, but my partners don't agree with me
3. No. We're doing just fine without one
4. No. It would likely raise issues we'd rather leave alone



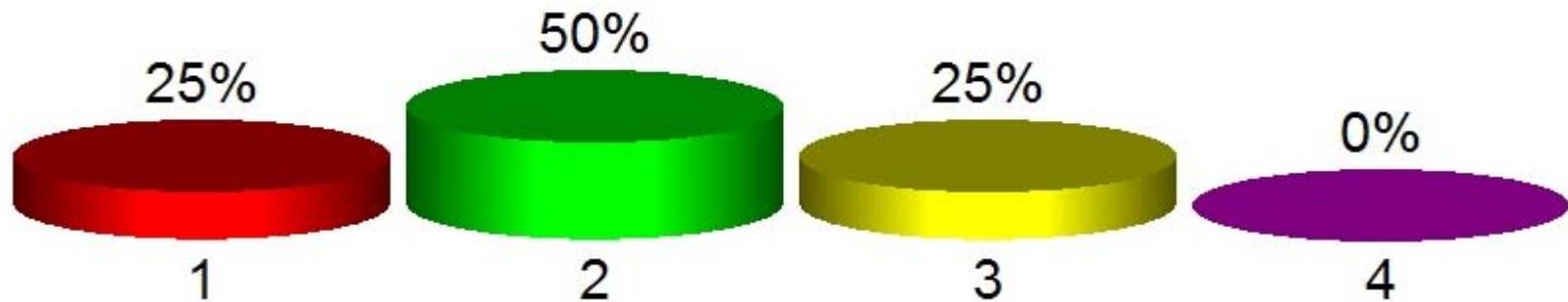
If you have a strategic plan, how are you doing with implementation?

1. We follow it religiously
2. We follow it most of the time
3. We look at it on occasion
4. I'm not sure where to find a copy of it



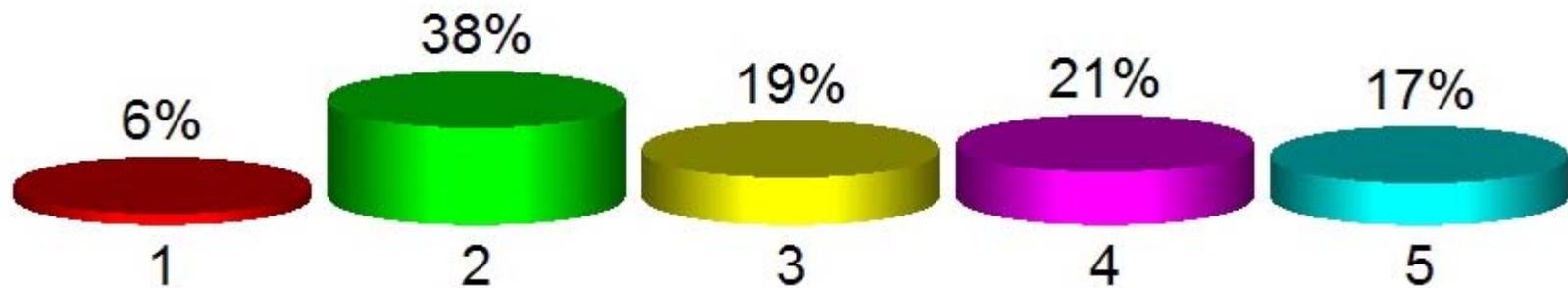
If you have a strategic plan, can you attribute improved performance and profitability to it?

1. Strong correlation between planning and performance
2. Some correlation between planning and performance
3. No perceived correlation
4. Inverse correlation between planning and performance

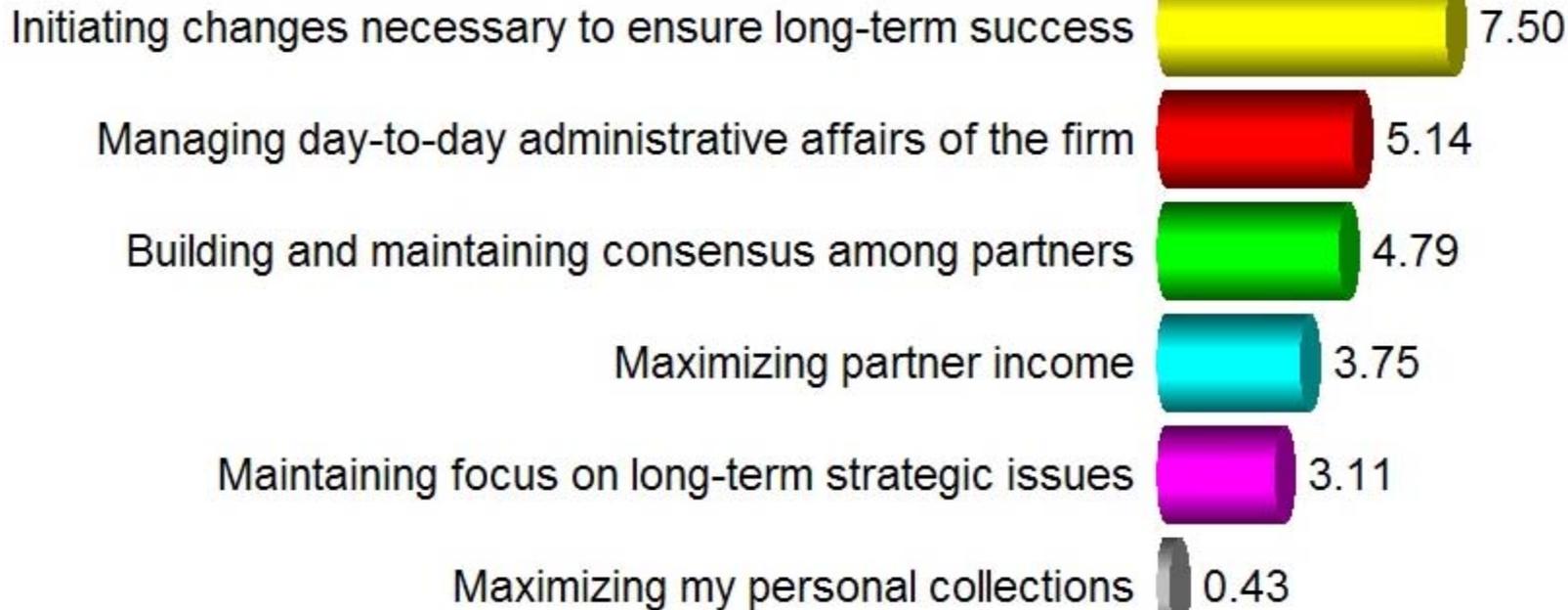


What percentage of your time do you spend in your role as managing partner?

1. Less than 10%
2. 10-25%
3. 26-50%
4. More than 50%
5. Full-time role



What do you feel are your most important contributions in your role as managing partner?



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By contrast, where do you spend most of your time?

Managing day-to-day administrative affairs of the firm

7.78

Building and maintaining consensus among partners on key issues

6.11

Initiating changes necessary to ensure long-term success

4.91

Maximizing partner income

2.62

Maintaining focus on long-term strategic issues

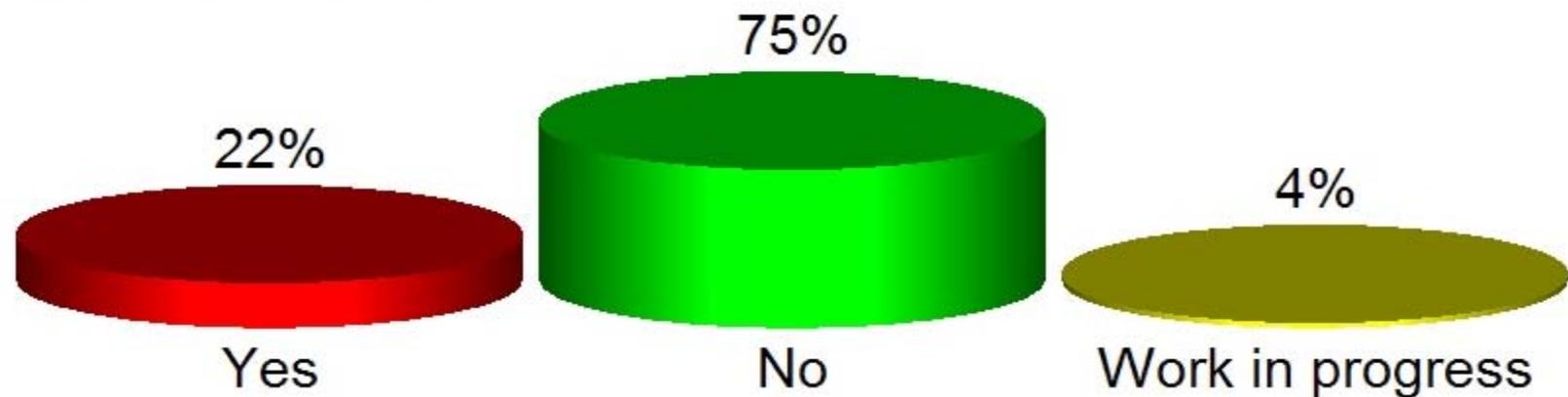
1.67

Maximizing my personal collections

1.44

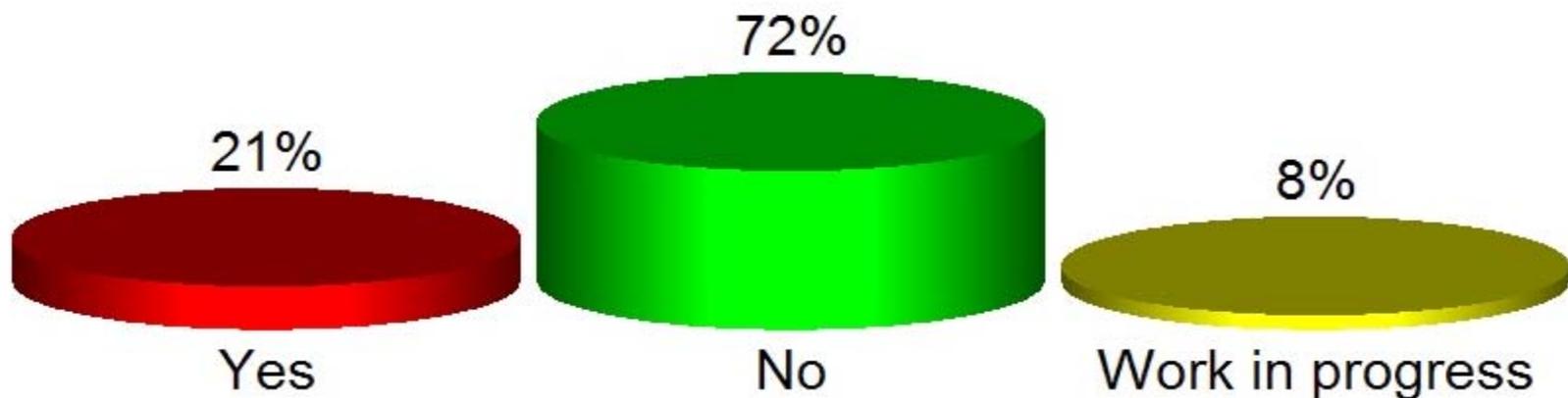
Does your firm have a formal job description for its managing partner?

1. Yes
2. No
3. Work in progress



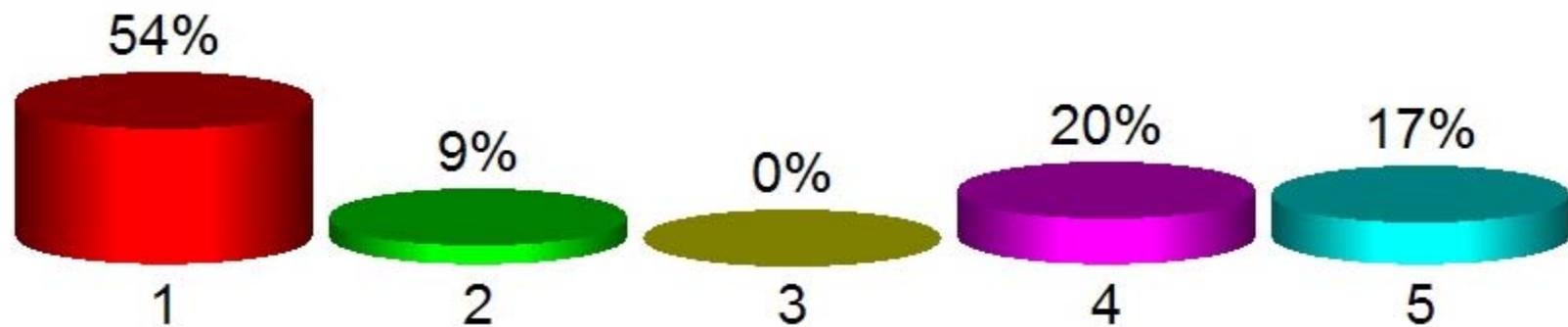
Does your firm have job descriptions for its department heads and practice group leaders?

1. Yes
2. No
3. Work in progress



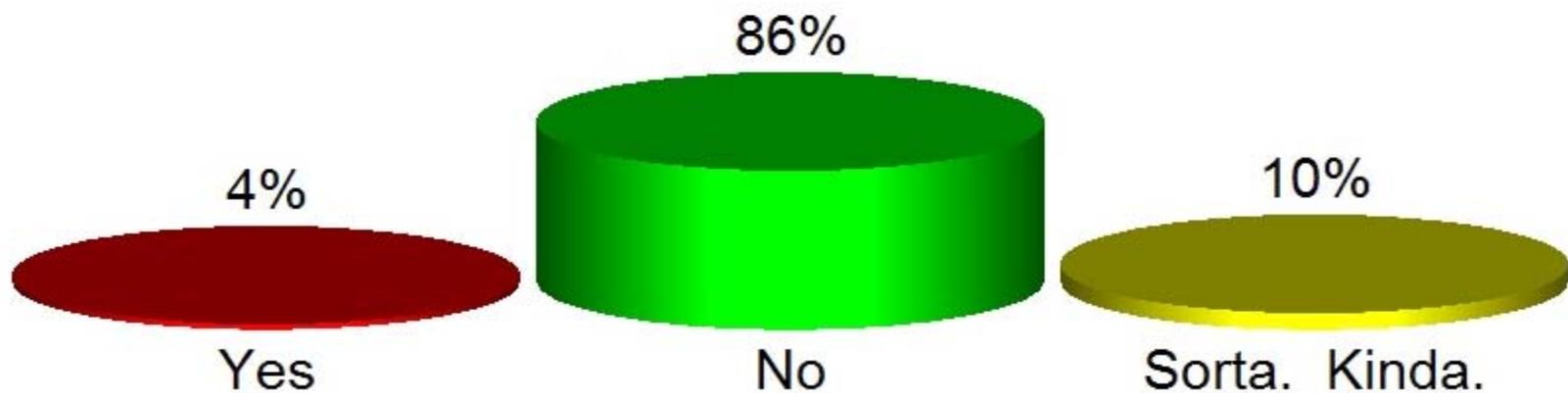
What do you plan to do when you step down?

1. Go back to practicing law on a full-time basis
2. Take on a reduced work load, perhaps an "Of Counsel" role
3. Go in-house
4. Retire from practice of law
5. I have no idea



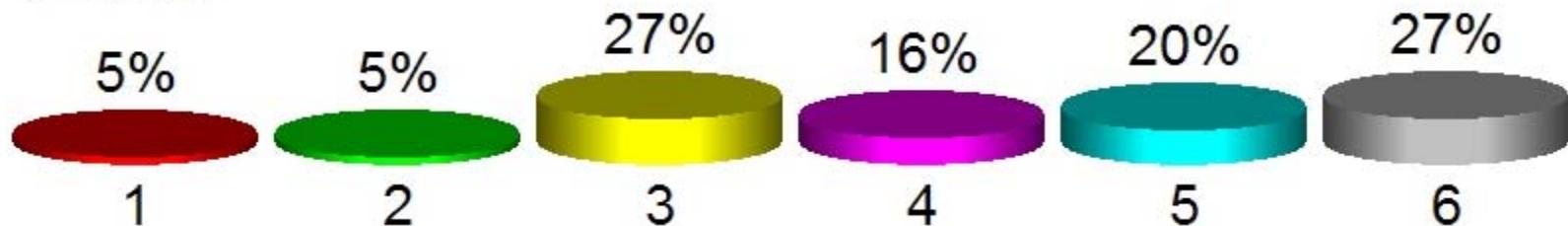
Have you established a clearly defined “exit strategy” with your partners?

1. Yes
2. No
3. Sorta. Kinda.



How are you compensated for your contributions as managing partner?

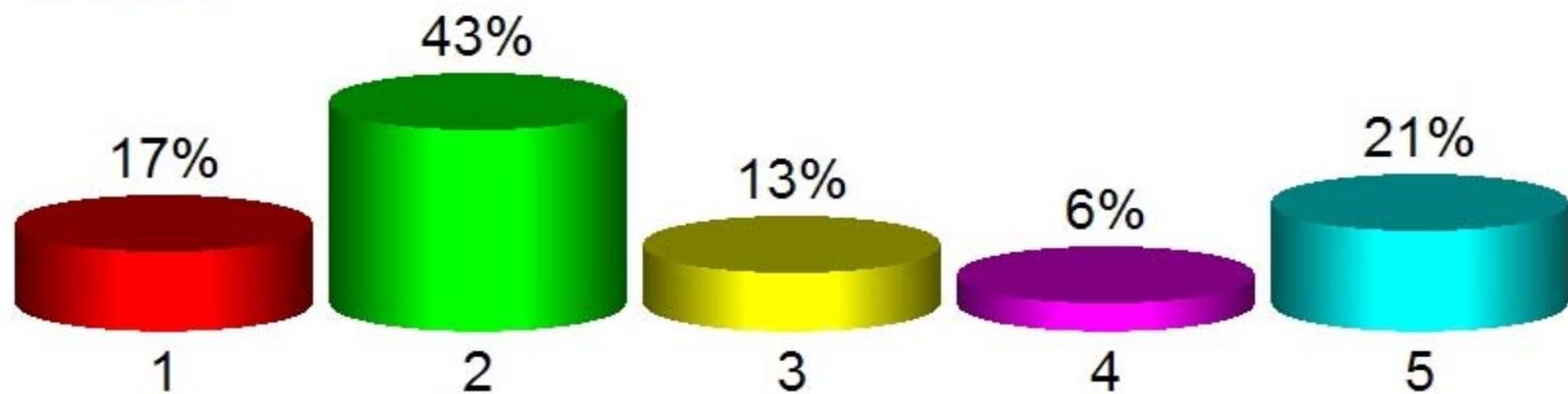
1. Fixed amount based on time required
2. Compensation based on firm performance
3. Combination of fixed amount, plus bonus based on firm performance
4. Reduction in billable hour requirements
5. No direct reward associated with the position
6. Other



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What color is primarily used in your firm identity?

1. Red
2. Blue
3. Green
4. Orange or Yellow
5. Other



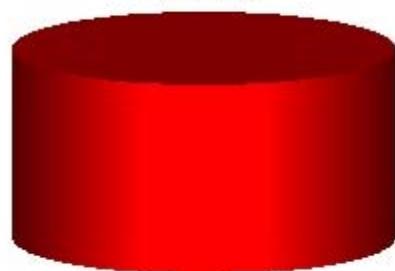
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2010

How does your advertising spend differ this year from 2008?

1. About the same
2. Significantly Less
3. Significantly More
4. Not Sure

63%



1

13%



2

21%



3

3%

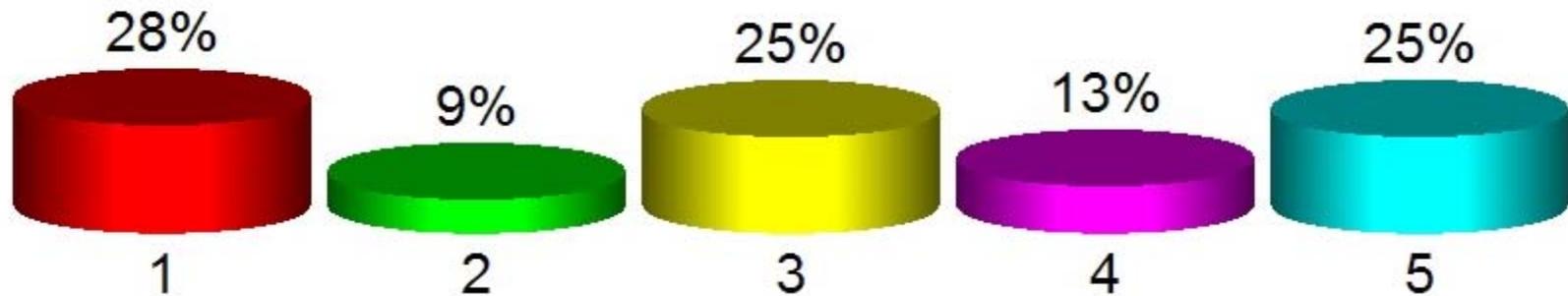


4

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What percentage of your ad budget are you spending online vs. print?

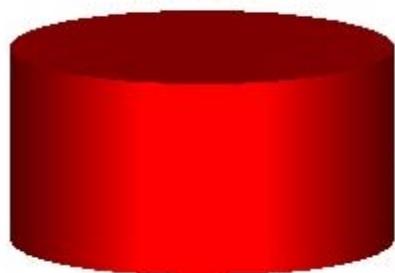
1. 70% Print vs. 30% Online
2. 80% Print vs. 20% Online
3. 90% Print vs. 10% Online
4. 100% Print
5. Not sure



Is your firm website updated for Web 2.0?

1. Within the last 12 months
2. Updating it Now
3. On the Table for Discussion
4. No plans to Update it

54%



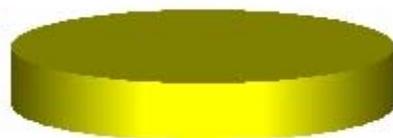
1

20%



2

17%



3

9%



4