

LAW OFFICE BUSINESS PLAN WORKSHEET

A Guide to Helping You Write a Business Plan



The purpose of this worksheet is to help you think through some of the important issues of your law office so you have a better understanding of the business side of your practice. Use the worksheet to draft a formal business plan that you can use as a roadmap and tool to grow your practice.

BUSINESS DESCRIPTION

Use this section to work up a description of your firm. The description should capture the vision and mission of your practice.

Vision Statement

Describe in one or two sentences where your firm wants to be in the next three to five or 10 years. What is the future you want to create for your firm that captures your passions and inspiration for your practice?

Mission Statement

Describe how you intend to achieve your firm's vision by thinking about its current purpose, business, and values.

What is your firm's central **purpose**? Think about why you want to practice law and what you are hoping to accomplish for your clients.

What is your firm's **business**? Think about the type of legal services you intend to provide and the market you want to serve.

What are your firm's **values**? Think about how you want to define your firm's culture. List three fundamental beliefs or principles that will guide your firm's day-to-day operation.

1. _____
2. _____
3. _____

MARKET ANALYSIS

Use this section to help you analyze the market you want to enter. Use resources such as: the Internet; studies and data from American Bar Association and your state or county bars; business publications; Census data; court records; community leaders; law schools; colleagues.

Overall Market

Describe the market you want to enter. Think about the size, historical and projected growth rates, niches, changes in the legal profession, technology development, and other factors that affect your market. Use the information below to help inform you of your market.

Market Need

List three needs or demands in that market.

1. _____
2. _____
3. _____

Describe how you will fill those needs.

List the barriers that prevent you from entering the market and describe how you will overcome each barrier.

1.

2.

3.

Target Market

Identify the target market (client base) you want to serve. Describe their key demographics.

Age:

Gender:

Education:

Income level:

Primary language:

Other demographic information:

List where your prospective clients are geographically located.

1.

2.

3.

Describe the psychographic profile of your target market. Think about lifestyle, fears, attitudes, values, or habits. Do they tend to be more tech savvy, confrontational, sophisticated, frugal, spendthrift, etc.?

Competition

Identify all of your major competitors (firms of all sizes, in-house counsels, government and public interest lawyers, and non-traditional legal services, e.g., Legal Zoom) that you know about or can find out. Use the chart below.

Competitors	Their price	Strengths	Weaknesses	Other useful information (their clients, specialties, etc.)
<i>Primary direct competitors</i>				
1.				
2.				
3.				
<i>Secondary direct competitors</i>				
4.				
5.				
6.				
<i>Indirect competitors</i>				
7.				
8.				
9.				

Describe what makes your firm stand out from your competitors. Why should clients choose you rather than the competition?

MARKETING PLAN

Use this section to help you plan your marketing goals, strategies and tactics to develop your business and get clients.

Budget

What is your marketing budget? _____

Goals

List up to five goals to help you develop your business. Goals need to be trackable and measurable. Examples of non-measurable goals: get more leads; bill more hours. Examples of measurable goals: generate 20 leads per month; bill 150 hours per month.

1. _____

2. _____

3. _____

4. _____

5. _____

Strategies & Tactics

Describe the strategies (actions, projects, activities, and initiatives) you will use to accomplish your goals. How will you measure the success of each goal? Use the chart below.

Goals	Strategies	Metrics
Example: Generate 10 new clients per month based on 50% conversion rate.	<ul style="list-style-type: none">• Ask clients for referrals• Network to cultivate referral sources• Improve website & use SEO	11+ clients: Goal exceeded 10: Right on track 5-9: Goal not met 0-4: Goal very far off

Use the sample chart below to keep track of your overall marketing efforts and their effectiveness. This will help you refine and improve your marketing plan.

Strategies	Tactics	Execution									
Client referrals	1. Take to lunch 2. Extra attention 3. Formal and informal exit surveys	1. List the clients you took out for lunch and when: _____ 2. List the clients you spent extra 10-15 minutes in a meeting without charging them or other kind of extra attention you provided them: _____ 3. Keep track of all clients you gave formal or informal exit surveys and their response. <table border="1" data-bbox="646 575 1357 716"> <thead> <tr> <th data-bbox="646 575 881 625">Client's name</th> <th data-bbox="881 575 1117 625">Survey type</th> <th data-bbox="1117 575 1357 625">Responded?</th> </tr> </thead> <tbody> <tr> <td data-bbox="646 625 881 667"> </td> <td data-bbox="881 625 1117 667"> </td> <td data-bbox="1117 625 1357 667"> </td> </tr> <tr> <td data-bbox="646 667 881 716"> </td> <td data-bbox="881 667 1117 716"> </td> <td data-bbox="1117 667 1357 716"> </td> </tr> </tbody> </table>	Client's name	Survey type	Responded?						
Client's name	Survey type	Responded?									
Network referrals	Lawyers: 1. Bar associations 2. CLE presentations 3. Social events Non-Lawyers: 4. Trade associations 5. Board of directors 6. Speaking engagements Community: 7. Churches 8. Schools 9. Neighbors	1. List all the bar associations you've joined and your role: _____ 2. List all the CLEs you've presented at: _____ 3. List bar functions and social events you've attended and whom you've met there: _____ 4. List all trade associations you've joined and your role : _____ 5. List all organizations on which you've served as a board member: _____ 6. List all occasions where you've presented to non-lawyers groups: _____ 7-9. List all volunteer services you've provided to the community (at churches and schools and in neighborhoods): _____									
Online tools	1. Website 2. SEO 3. Blog posts 4. Social media 5. Pay-per-click ad 6. Marketing website	1. List the features in your website that make it modern and user-friendly: _____ 2. Describe what you are doing for SEO. How are you keeping the content updated? Are you doing it yourself or using a SEO service? _____ 3. If you blog, how often? _____ 4. Describe any social media you're using and how often: _____ 5. Describe any pay-per-click ad campaigns: _____ 6. Describe whether and how you're using online marketing websites like Avvo: _____									
Ads	Reach leads offline 1. Print ads: billboards, newspaper, transit 2. TV/radio ads	1. List all places where you've taken out print ads and how often they run. _____ 2. List all TV and/or radio ads you've run and their frequency. _____									
List other strategies	Break down strategies into actionable steps.	Keep track of all other strategies and tactics like above.									

FINANCIAL PLANNING

Detail your firm's financial operations, including your start-up budget, cash flow, and projected revenue. If a line item does not apply, put zero.

Funding

List the various sources of funding used to start your law firm.

Personal Capital _____
Loans _____
Line of Credit _____
Sub Total \$ _____

Start-Up Budget

List your start-up expenses using the chart below.

Type of Expense	Cost
Professional expenses (<i>law license, bar dues, malpractice insurance, business fees, etc.</i>)	
Equipment (<i>computer, printer, scanner, etc.</i>)	
Software & technology (<i>practice management software, accounting software, IT services, etc.</i>)	
Office furnishings (<i>tables, chairs, file organizers and storage, décor, etc.</i>)	
Office supplies (<i>paper, pens, legal pads, post-notes, stapler, etc.</i>)	
Marketing (<i>business cards, advertising, website, etc.</i>)	
Miscellaneous (<i>parking, travel, etc.</i>)	
Other	
Total	\$ _____

Cash Flow

Use this worksheet to show the flow of funds in and out of the firm, itemized as regular income and operating costs.

	[Month]	[Month]	[Month]	[Month]	[Month]	[Month]	TOTAL
Beginning Balance							\$
<i>Income</i>							
Accounts Receivable							
Other							
TOTAL INCOME							\$
<i>Expenses</i>							
Professional Expenses							
Equipment							
Software & Technology							
Utilities & Rent							
Supplies							
Marketing							
Miscellaneous (Transportation, services, etc.)							
Taxes							
Loan Payment							
TOTAL EXPENSES							\$
Ending Balance							\$

Projected Revenue

Revenue comes from calculating the price of services and then subtracting the costs in providing those services. Establishing price and projecting revenue can involve some speculation, especially in the beginning. Review your income and expense data regularly and adjust your revenue projection as needed.

After analyzing the market and reviewing the data, what will your price point be for services? Will it be hourly, flat fee, or a combination?

How much work do you need to bill at the above rate(s) to meet your operating costs (i.e., number of hours or number of flat fee cases)? How much work do you need to bill at the above rate(s) to generate profit?

Do you need to limit contingency work or take on another type of work to ensure sufficient income? Are there periods of the year you will need to plan for fewer clients or cases (i.e., summer, holidays)?

What steps will you take to maximize accounts receivable and turn billed work into collected work? How will you monitor and age receivables? What action will you take as receivables age?

How frequently will you revisit your data (e.g., monthly, quarterly) to assess the viability of your financial plan and price structure? What data, reports, etc. will you need to complete your review?

Price	\$	_____
MINUS Costs	\$	_____
EQUALS Projected Revenue	\$	_____

PRACTICE MANAGEMENT

Describe the operation and organizational systems of your firm. Include office processes, procedures, and standards. Think of whether you will engage in various procedures and what, if any, limitations you will place on these processes or procedures.

Case Management

System	Procedures
Case Screening	
Conflict Analysis	
Intake	
File Opening	
Fee Agreements / Engagement Letters	
Contract Work	
File Structure	
Disengagement	
File Closure	
File Storage	
File Retention	

Time & Billing

System	Procedures
Billing	
Invoicing	
Payment Plans	
Incentives	
Delinquent Accounts	

Disbursements	
Credit Cards	

Office Management

System	Procedures, Location, Frequency, Etc.
Office Policies	
Office Procedures	
Review	
Training	

EXECUTIVE SUMMARY

Use this section to provide an overview of your business plan that includes a summary of the business description, market analysis, marketing plan, financial operations, and practice management.

The summary should be concise while still grabbing the reader's attention. While it may help to draft this portion after drafting all the other sections, remember to place the executive summary at the beginning of your final draft for the reader.

IMPORTANT NOTICES

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