

LAW FIRM BUSINESS PLAN TEMPLATE

A business plan is an important component of opening and running a law firm. Think of your plan as a roadmap that details where you are going and how you plan to get there.

Whether it will be for your eyes only or will be shared with others, a detailed business plan will help you envision and improve your practice. You can use your business plan as a compass to help you set goals and make decisions that are aligned with the vision you have for your practice. A business plan that is shared with associates, partners, and staff can serve to help align everyone's efforts toward a shared purpose and direction. Well thought out business plans can also be an important factor when applying for business loans, as lenders want to see that you have thought through the details and it is based on a sound financial plan.

Your business plan is a living document that should be reviewed and revised on a regular basis. Initially your plan should be reviewed every six months. Once your practice is well established, yearly reviews are recommended. If you decide to sell your practice at some point in the future, a current business plan with supporting financial statements increases the value of your practice and attracts buyers.

The following sections will help guide you in developing your business plan. Don't let the details or size of the plan overwhelm you. Start where you are, filling in the sections that come easily and skipping those that take more time. Then, go back and put in the time needed to fill in the details. Do the research, talk to colleagues, and crunch the numbers. In the end, the time you put into the planning phase of your new practice will increase your chances of success.

Law Office Management Assistance Program

Washington State Bar Association

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LOMAP is pleased to provide you with this resource. Additional resources are available regarding all aspects of practice management whether you are just starting out, improving upon, or transitioning your practice.

June 13, 2014

1. **Executive Summary** [Although this is the first section of a business plan, it should be completed last. You will be using information gathered throughout the rest of your plan to complete the Executive Summary. This section is especially important if you try to obtain financing. In that situation, the Executive Summary is your chance to catch the attention of a lender with a positive first impression of you and your business plan. This is an impressive, persuasive, concise argument for the business.]

a. **Law Firm Description** [A one paragraph elevator pitch describing your firm.]

b. **Vision & Mission** [Macro-level view.]

c. **Practice Area(s)**

d. **Target Clients**

e. **Key Players**

f. **Unique Characteristics**

g. **Marketing Strategy**

h. **Financial Forecast**

2. Key Players

a. Attorneys

Name	Partner/Associate/Contract	Compensation	FTE

b. Support Staff

Name	Title or Function	Compensation	FTE

c. Outside Professionals/Consultants

Specialty	Name	Rate	Frequency
Bookkeeper			
CPA			
IT Specialist			
Website Designer			
Practice Mgmt			

3. Key Market Considerations

a. **Initial Practice Areas** [Don't make your focus too broad or too specific.]

b. **Possible Future Practice Areas** [What areas would be considered a natural progression from your initial focus?]

c. **Client Demographics** [Who is your *ideal* client? Where are they located?]

d. **Market Size** [Within your geographic reach, how many potential clients match your target demographics?]

e. **Competition** [What other attorneys are already serving this client base?]

f. **Uniqueness** [What is it that makes your firm stand out from the crowd?]

g. **Marketing Plan**

4. Financial Forecast

a. **Start-up Expenses**

Item	Estimated Cost	Buy or Lease
Legal Fees to Establish Business Entity		
Business License		
Office Space/Furnishings		
Security Deposit		
Renovations		

Desks/Chairs		
Conference Table/Chairs		
Filing Cabinets		
Reception Area Seating		
Office Supplies/Equipment		
Laptop/Desktop		
Monitor		
Software		
Scanner		
Printer		
Postage Machine		
Office Supplies		
Cleaning Supplies		
Coffee service		
Initial Marketing		
Business Cards		
Website Creation		
Letterhead		
Signage		
Announcements		
Other		
Total Start Up Expenses		

b. On-going Expenses

Item	Monthly	Annually
Staffing Expenses		
Wage & Salary		
Partners		
Associates		
Contract Attorneys		
Paralegals		
Bookkeeper		
Other		
Payroll Taxes		
Unemployment – State & Federal		
L&I		
Medicare		
Social Security		
Employee Medical Insurance		
Employee Retirement Plan		
Other Employee Benefits		

Operating Expenses		
Rent/Mortgage		
Utilities		
Electric		
Natural Gas/Propane		
Water/Sewer		
Garbage		
Telephone/Landline		
Telephone/Cellular		
Internet		
Janitorial Services		
Post Office Box Rental		
Advertising/Marketing		
Insurance		
Premises		
Professional Liability		
Health		
Office Supplies		
Legal Messenger Service		
Legal Research		
CLE & Training		
WSBA Licensing Fees		
Travel		
Taxes		
City		
Business & Occupation		
Total On-Going Expenses		

c. Fee Structure

Type	Rate	% of Practice	Monthly \$ Goal
Contingent			
Hourly			
Flat Fee			
Low Bono			
Pro Bono			

Projected Gross Annual Receipts (earned fees before expenses are deducted):
