



LAW FIRM STRATEGIC PLANNING GUIDE

How Small Firms Are Defining Key Goals to Drive Growth in 2025



Table of Contents

Goal 1: Scaling Your Firm	4
Aligning Your Legal Services with Today's Market Demands	4
Investing in More Digital Marketing	5
Goal 2: Billing for Value	5
Revisiting Fee Structures	6
Improving Payment Collection	6
Goal 3: Improving the Client Experience	7
Maximizing Automation	7
Making the Intake Process Faster	7
Offering More Client Communication Options	8
Goal 4: Optimizing Workflows to Empower Staff	8
Creating a More Efficient Workplace	8
Goal 5: Finding Ways to Stand Out	9
Doing Social Media Differently	9
Building Community	9
Goal 6: Setting Goals with Intention	10
Bonus: The Law Firm Goal-Setting Action Plan for 2025	11



Law firms are heading into 2025 with strong momentum. Demand for legal services has been on the rise, and firms that positioned themselves well over the past few years have seen steady growth. In fact, recent [industry reports](#) show that legal sector revenues climbed 12.5% in 2024, outpacing previous years. But behind that success, competition is intensifying.

Clients today have more choices than ever. Alternative legal providers are [expanding their reach](#), offering businesses and individuals faster, more cost-effective services. At the same time, law firms are under increasing pressure to make billing more transparent, improve client experiences, and find ways to operate more efficiently.

The firms that thrive this year will be the ones that expand intentionally — building practice areas that make sense, strengthening their marketing to reach the right clients, and improving operations so they can handle new business without unnecessary strain.

This guide breaks down what firms should focus on as they plan for the year ahead. You'll find strategies to refine your fee structures, improve cash flow, enhance client intake, and strengthen your firm's marketing. You'll also get a step-by-step framework for setting measurable goals, identifying gaps in your practice, and using technology to build a more efficient, profitable law firm in 2025.

Growth doesn't have to mean added stress — it can be strategic, sustainable, and rewarding, and we'll show you how.

Goal 1: Scaling Your Firm

Remember Tetris? The satisfaction of neatly fitting pieces into place while the screen filled up faster and faster? That's scaling done right — strategic, deliberate, and efficient. Scaling your firm should not be about stacking more cases, clients, or services — it's about building with intention. Like in Tetris, the key is placing the right pieces — whether it's adding new practice areas, ramping up digital marketing, or getting operations in order.

But how do you decide which pieces fit best? Growth doesn't happen in a vacuum. Emerging legal trends, changing client demands, and new areas of opportunity can all shape the smartest path forward. For many firms, this means evaluating whether expanding into new services or practice areas makes sense.

Aligning Your Legal Services with Today's Market Demands

Opportunities for small law firms to expand or pivot are plenty. However, the real challenge lies in weighing the opportunity cost of switching or adding services. The wrong shift can drain resources, while the right one can position a firm ahead of the competition.

Look at what happened with privacy law. In 2016, the International Association of Privacy Professionals highlighted the global impact of GDPR (General Data Protection Regulation). They estimated the [need for at least 75,000 Data Protection Officers \(DPOs\) worldwide](#) with “expert knowledge of data protection law and practices.” That projection proved accurate — privacy law became a thriving practice area, and those who prepared early benefited the most.

A similar wave gained momentum with ESG (Environmental, Social, and Governance) regulations. A majority of legal professionals — [68%](#) — reported a rise in ESG-related legal work in 2024, up from 43% in 2023. As businesses adapted to compliance requirements, firms that built expertise in this area positioned themselves ahead of the curve.

Regulatory complexity is growing across the board. [Cybersecurity laws](#) are tightening, with states pushing aggressive new data privacy rules. And [business models driven by artificial intelligence](#) are raising fresh legal questions, from intellectual property disputes to liability concerns.

Similarly, regulatory scrutiny around [healthcare law](#) is at an all-time high. Telehealth companies are pushing legal boundaries, hospitals are merging under financial pressure, and private equity is pouring money into healthcare deals. Businesses now need advisors who see the whole picture — how these regulations interact, where the biggest risks lie, and what's coming next.

Staying ahead of regulatory changes like these allows smaller firms to build niche practices that attract clients looking for specialized knowledge. Estate planning is a prime example. As new asset classes emerge, ownership rights and regulations will change, making estate planning more complex than just trusts, wills, and tax strategies. High-net-worth individuals, business owners, social media influencers, and many others increasingly require more legal hand-holding that traditional firms could overlook. Many large firms still apply a one-size-fits-all approach, leaving room for smaller firms to step in with customized strategies.

Before adding a new practice area, you'll want to evaluate whether this change aligns with your



expertise, market demand, and business goals. Ask yourself these questions to determine if this is the right move:

- 1. Market Demand:** Is there a rising demand for this service in your region or industry?
- 2. Competition:** Are other firms in your area already dominating this space, or is there an opportunity to establish a niche?
- 3. Internal Capabilities:** Do you or your team have the knowledge and experience to take on these cases, or would additional training be required?
- 4. Profitability and Sustainability:** Can this practice area generate consistent revenue, or is it dependent on volatile regulatory changes?
- 5. Marketing and Client Acquisition:** Can you effectively market this new service and reach the right audience, or do you have existing clients that could benefit from it?

Expanding into new practice areas is one way to grow, but getting in front of the right clients is just as important. Even the most specialized legal expertise won't drive new business if potential clients don't know the firm exists. That's why firms looking to scale should also focus on how they market their services and connect with their audience.

Investing in More Digital Marketing

The [American Bar Association's 2023 Websites & Marketing Tech Report](#) revealed that the smallest firms remain the least likely to have a website. That alone is a missed opportunity, but the problem runs deeper — many small firms also lack a structured digital marketing strategy. Without an online presence, even the most skilled lawyers can struggle to attract clients in an increasingly digital world.

Law firms see the best results when they target their marketing efforts where potential clients naturally seek legal help. Search engine rankings, social media engagement, and client referrals all play a role in visibility. Yet, the ABA report found that only about 20% of firms receive regular reports on marketing performance, meaning most firms are operating without clear insight into what's working and what's not.

The missing piece is data — understanding where clients are coming from and which strategies bring in the best cases. Legal practice management software (LPMS) helps bridge this gap by linking marketing performance with client intake, giving firms a clear picture of what's driving new business.

For example, [PracticePanther's tagging and reporting](#) features allow law firms to track where their clients are coming from, such as referrals or specific marketing campaigns. With that information, firms can focus their efforts on what delivers results instead of wasting resources on ineffective strategies.

Many firms hold back on starting new marketing efforts because they don't know which strategies will actually bring in clients. Without a clear plan, it's easy to waste time and money on strategies that don't pay off. If you're looking for a good place to start, check out this [ultimate law firm marketing guide](#). It walks through the approaches that have been the most effective for law firms, helping firms focus on what works instead of guessing.

Goal 2: Billing for Value

For decades, the billable hour has been the gold standard for law firms, used not just to charge clients but also to measure attorney productivity. But clients are pushing back. The [Wall Street Journal](#) recently reported



that clients are growing frustrated with rising legal costs, questioning whether hourly rates reflect real value or simply inefficiencies baked into the system.

As clients scrutinize their legal spend, firms that embrace alternative fee arrangements (AFAs) are capturing new business by offering cost predictability and value-based pricing.

Revisiting Fee Structures

When clients want more bang for their buck, alternative fee arrangements scream here we are. Predictability and transparency from the start stick out to clients — especially when all they have ever heard from lawyers is “it depends.” No wonder the flat fee model is the [most popular AFA amongst law firms](#) — since most of this adoption was driven by proactive clients who placed more merit on outcomes rather than the time spent on the matter.

The [Best Law Firms survey](#) confirms the momentum behind AFAs: 85% of firms with more than 20 lawyers now offer AFAs, a figure that climbs to nearly 90% for firms with more than 100 lawyers.

While larger firms may lead in adoption rates, smaller firms have a competitive edge when it comes to flexibility and innovation in pricing. The survey highlights that smaller firms often provide a wider variety of AFA options, creating a direct path to growth by attracting clients who prioritize cost predictability and value-driven legal services. Firms that introduce AFAs like flat fees, subscription-based models, or structured payment plans can appeal to a broader client base and build long-term relationships that drive repeat business and referrals.

By acting quickly, smaller firms can distinguish themselves from larger competitors that may be slower to adapt. To start, you should evaluate which practice areas could

support fixed pricing, where clients would benefit from payment plans, and how to position these options as a competitive advantage in marketing and client conversations.

Implementation, however, can seem daunting and discourage firms from transitioning to these increasingly popular AFA options. Thankfully, legal practice management software simplifies managing these models, ensuring smooth implementation and hassle-free payments.

PracticePanther, for instance, makes managing different fee structures and the entire billing process incredibly easy. It supports flexible options like flat fees, payment plans, and contingency billing, allowing firms to meet a variety of client needs.

Additionally, [automating tasks](#) like invoicing, payment reminders, and expense tracking fixes the problem of outstanding balances. Detailed records of time spent on cases ensure that billing is accurate and aligns with agreed-upon fees. With clear, [easy-to-understand reports](#), firms can identify which fee structures are most effective and adjust their strategies accordingly.

Improving Payment Collection

Lack of consistent cash flow is one of the biggest reasons firms struggle to grow or even stay in business. Outstanding balances create financial strain, making it harder to invest in growth, cover expenses, and keep operations running smoothly. And while clients may have every intention of paying, delays add up without an easy payment process. And not only do late payments create financial strain, but they also waste valuable time as firms chase down overdue bills.

So, what are firms doing to combat this? Firms that collect payments efficiently don't wait for clients to

remember to pay — they make it effortless. [Online payment options](#) should be standard, with automated reminders reinforcing due dates before invoices become overdue. Top-performing firms also make [payment plans available](#) to reduce financial barriers and increase collection rates.

LPMS also helps eliminate these payment bottlenecks. Firms using [client portals](#) give clients 24/7 access to invoices and real-time payment options, eliminating unnecessary back-and-forth. [Automated payment tracking](#) keeps overdue balances visible, so staff aren't wasting time chasing payments manually. Plus, [customizable invoices](#) bring more clarity and transparency, cutting down disputes and keeping clients happy.

Goal 3: Improving the Client Experience

The way clients experience legal services has changed. They expect faster responses, more convenience, and fewer barriers to working with an attorney. A clunky intake process, slow communication, or outdated billing methods will likely push potential clients elsewhere.

The firms that thrive are the ones that remove friction at every step. They build stronger relationships, earn more referrals, and bring in steady business. When it's simple to work with a firm, more clients stick around, leading to long-term growth.

Maximizing Automation

Implementing automation in your practice doesn't mean replacing everything with technology — it's about using the right tools to streamline workflows without overcomplicating your operations.

The first step to this is identifying where automation can make the biggest impact. Admin work adds up, whether

you track it or not, and those inefficiencies affect your bottom line. For most firms, that includes:

- **Deadline tracking:** Automated reminders keep cases moving and prevent missed filing dates.
- **Document generation:** Templates and auto-filled forms save time on routine paperwork.
- **Billing and invoicing:** Automated payment reminders reduce outstanding balances.

By automating repetitive tasks, you create more space for work that moves cases forward — without adding unnecessary complexity to your practice. Additionally, repetitive, mind-numbing tasks like these are best in the hands of practice management software, freeing up your calendar for time to focus on clients, case strategy, and growth.

Making the Intake Process Faster

The client intake process is often the first impression a potential client has of a law firm. A slow, inefficient intake experience can cause hesitation — or worse, push them to a competitor.

Digital intake forms eliminate the need for paper documents and manual data entry. Instead of playing phone tag or scanning paperwork, clients can submit their information online, where it syncs instantly into the firm's system. This means faster onboarding, fewer errors, and no extra steps.

For example, PracticePanther allows law firms to [embed customizable intake forms](#) directly on their website. A personal injury firm, for instance, can include fields for accident dates, insurance details, and medical providers, which clients can complete online at their convenience. Once submitted, PracticePanther automatically creates a new client profile, fills in all the form data automatically, and notifies your team.



Offering More Client Communication Options

Clients don't want to chase down updates, and attorneys don't have time for constant check-ins. Striking the right balance between accessibility and efficiency means offering multiple ways for clients to stay informed. The two biggest ways firms are accomplishing this are by:

- **Adding a client portal** to provide secure, real-time access to case updates, invoices, and key documents. Clients can log in anytime instead of waiting for an email or phone call.
- **Using two-way texting** to send quick updates and receive client responses without long email chains.
- **Implementing automated status updates** to keep clients reassured about case progress, reducing the number of manual follow-ups.

Communication is one of the biggest factors in client satisfaction. When firms make it easier for clients to get the information they need, they improve relationships, boost referrals, and reduce unnecessary interruptions in their workflow.

Goal 4: Optimizing Workflows to Empower Staff

Achieving meaningful growth at your firm is about not just your book of business, but also the people that serve your book of business. Efficiency, collaboration, and balance have become deciding factors in where legal professionals choose to work. If a firm's processes cause headaches — whether through outdated systems, rigid structures, or constant manual efforts — top

talent will most likely look elsewhere. And when inefficiencies pile up, stress and burnout follow.

As firms set their 2025 goals, reimagining outdated processes that create unnecessary stress should be a top priority.

Creating a More Efficient Workplace

The legal industry has historically treated long workdays as a sign of productivity. But grinding through excessive tasks in no way means work is getting done efficiently. Firms that want to stay competitive focus on smarter ways to work, like optimizing workflows, improving communication, and utilizing technology to eliminate inefficiencies.

A big piece of this puzzle is reassessing how work happens — where it takes place, how information flows, and what processes can be improved. For example, a 2023 study found that only 22% of law firm leaders and just 7% of associates are back in the office full-time, showing a clear preference for more control over how and where work happens.

However, allowing employees to work remotely is only part of the equation — firms also need reliable systems to maintain productivity and collaboration. Many firms have turned to legal practice management software to create a more structured, productive work environment. With secure, cloud-based access to case files, task management, and communication tools, attorneys and staff can stay organized and connected no matter where they work.

Firms that use technology to modernize workflows create a work environment where long hours are no longer the price of staying afloat. And this is clearly needed, as “Brutal hours at law firms and their toll on mental health” seems to be a consistent headline even

in 2025. Long hours, high-pressure deadlines, and the expectation to always be available have led to alarming rates of stress and mental health struggles among legal professionals. While many hope this narrative will improve in 2025, the reality is that without addressing the core issues, the problem won't go away.

Restructuring firm operations to eliminate inefficiencies and stress is the best way to solve these issues. This means:

- Automating repetitive admin tasks so lawyers and staff can focus on substantive legal work.
- Setting clear boundaries on work hours to prevent the expectation of constant availability.
- Working with your team to optimize workflows in a way that reduces last-minute scrambles and prevents avoidable stress.

When firms implement these changes, among others, they pave the way for a more efficiently managed practice. As employees feel more empowered with new policies and practice management tools, building workflows that focus on outcomes becomes second nature, eliminating the need to live in the perpetual loop of busyness.

Goal 5: Finding Ways to Stand Out

In a crowded legal market, being a great lawyer isn't always enough to bring in business. Potential clients have more options than ever, and with so many firms offering similar services, the real challenge is getting noticed. Large firms often rely on reputation and sheer marketing budgets, but again, smaller firms have an advantage they don't — agility.

Standing out doesn't require gimmicks or expensive ad campaigns. The firms gaining real traction today are the ones showcasing their expertise in fresh, engaging ways and actively building relationships within their communities. A strong presence — whether through social media or local outreach — creates trust before a client even picks up the phone.

Doing Social Media Differently

Firms are stepping away from the traditional, stiff approach to legal marketing on social media and embracing a more creative, human approach. Clients don't want jargon-filled posts or generic law firm updates — they engage with content that feels human, helpful, and approachable, like:

- Short, informative videos explaining common legal concepts in plain English that help demystify the law.
- Behind-the-scenes insights that give clients a glimpse into your practice, building trust before they even reach out.
- Creative angles — such as humor, storytelling, or interactive content — that help cut through the noise and make your firm more memorable.

Being memorable doesn't mean compromising professionalism. You can have fun and still maintain credibility — an idea many lawyers hesitate to embrace. Yet, those who leap have reaped the rewards, building a strong social presence that not only stacks goodwill but also opens new avenues for revenue generation.

Building Community

Beyond digital presence, some of the strongest firms grow by embedding themselves in the communities they serve. Large firms often struggle with this level

of connection, but small and mid-sized firms can move quickly, test new ideas, and build relationships in ways that make a lasting impact.

Every law firm operates differently, and those differences can be an advantage. Instead of following a one-size-fits-all approach to growth, firms can experiment with strategies tailored to their specific practice areas and client base.

For example, if your firm focuses on personal injury cases in California, consider testing different ways to improve client acquisition and case efficiency, like:

- Refining your intake process to capture accident details more efficiently.
- Running targeted digital ads in high-traffic accident-prone areas.
- Using medical record retrieval automation to speed up case timelines.
- Automating follow-ups with potential clients who haven't signed yet, using past case data to refine messaging.

Measure what works, identify what doesn't, and iterate accordingly. While you do all of this, build in public. Talk about your story of building a firm from the ground up, share the results of experiments, and people will begin to huddle up. Stealth mode won't grow your network.

Overall, be loud, be proud. From client dinners, educational workshops, pro bono cases, or even supporting your clients' events — make it count. Show up in ways you never have, and watch your example flip the script in the legal industry.

Goal 6: Setting Goals with Intention

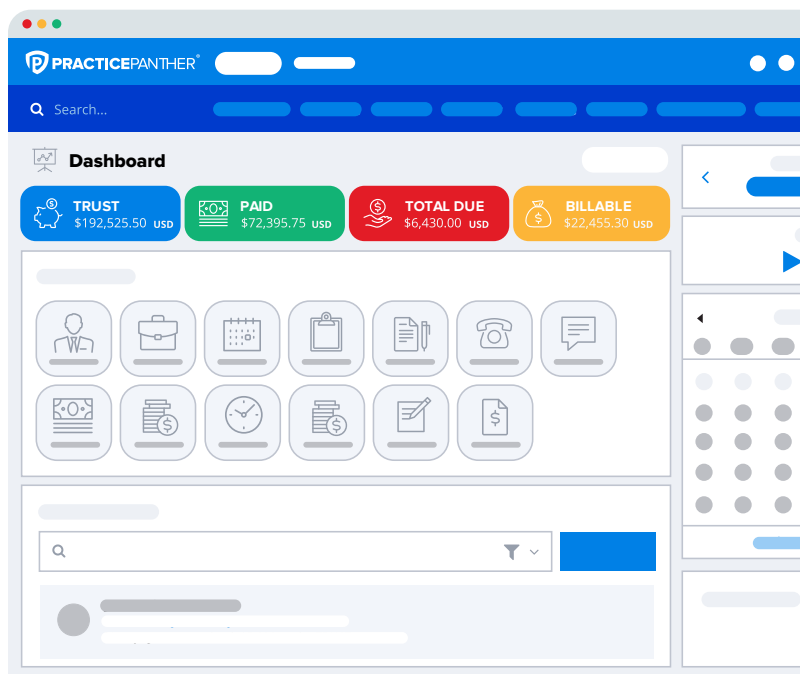
The first step often feels the hardest, but once you leap, momentum builds, and progress becomes natural.

A tech-driven, well-organized practice runs smoother — no bottlenecks, no wasted time. With [PracticePanther](#), you can simplify intake, billing, documents, and client communication, keeping everything in sync. The result? More time to focus on growth and stronger client relationships.

Curious about how PracticePanther can help you achieve your goals in 2025? A quick demo will show you how you can spend less time on admin tasks and more time growing the practice you've envisioned.

As another resource to help you get started, we've included a goal-setting action plan at the end of this guide. Use it to get your plans for growth off the ground and build a more efficient, thriving legal practice this year!

GET A DEMO



Bonus: The Law Firm Goal-Setting Action Plan for 2025

1. Vision Board Your Ideal Legal Practice

Before making changes, take a step back. What does success look like for your practice? Answering these questions will help create a vision for where you want to be by the end of 2025:

- Team: What qualities do you want in your team? Think about skills, work ethic, collaboration style, and cultural fit.
- Leadership: What kind of leader do you want to be? Does your team feel that you meet and collaborate enough with them? Define your leadership style—collaborative, strategic, supportive, or innovative.
- Processes: Picture how your practice operates. Are workflows automated? Is communication seamless?
- Clients: Who are your ideal clients? Consider industries, case types, or client values.
- Culture: What is the working environment like? Imagine the balance between professionalism, innovation, and well-being.
- Growth: How do you want your practice to expand — new practice areas, higher revenue, or a larger client base?

2. Assess Where Your Firm Stands Today

Before mapping out improvements, get a clear baseline of your firm's current performance. Review key data points, including:

- Number of active clients and case types.
- Revenue streams and profitability.
- Team efficiency and workload distribution.
- Existing processes (e.g., intake, billing, client communication).
- Technology use — where does manual effort slow things down?

Pro Tip: Use PracticePanther's [reporting features](#) to track client matters, billing trends, and time management. Having real numbers makes it easier to measure progress. You can also create custom Tags to track things like if clients came from certain marketing or referrals, or to track cases of specific practice areas.

3. Identify Priority Areas and Pinpoint Gaps

Choose 4-5 key areas where your firm needs improvement. Common focus areas include:

- Client experience: Faster response times, better communication, or a more seamless onboarding process.
- Team efficiency and morale: Reducing admin burdens, improving work-life balance, or enhancing collaboration.
- Technology adoption: Automating billing, case tracking, or client intake to save time.
- Revenue growth: Increasing referrals, optimizing pricing, or improving collections.



- Brand visibility: Strengthening social media, SEO, or local networking efforts.

Once you've chosen your focus areas, document what's missing or inefficient so you can set specific goals to improve them.

4. Set 3 SMART Goals for Each Priority Area (End of 2025)

Vague goals lead to vague results. Instead, use SMART goals—Specific, Measurable, Achievable, Relevant, and Time-bound. For example:

- Client Experience: Launch a client portal by Q3 2025 for real-time case updates.
- Team Efficiency: Automate billing and invoicing by Q2 2025 to save 10 hours per month.
- Revenue Growth: Increase repeat client retention by 20% by year-end.

5. Break Goals into Actionable Steps

Every goal needs a roadmap. Break each goal into specific, manageable steps. For example:

Goal: Improve client response times.

Steps to improve client response times:

- Create templates for responses to common inquiries.
- Implement a centralized task management system for follow-ups.
- Establish response time benchmarks and track performance.

6. Assign Tasks: Do It, Delegate It, or Schedule It

For every action step, decide who is responsible:

- Take it up yourself if it's critical or aligns with your expertise.
- Delegate it to team members with the right skills.
- Schedule it with clear deadlines to ensure accountability.

Pro Tip: PracticePanther's [task assignment](#) and [calendar features](#) can help you organize responsibilities and monitor deadlines for your firm goals as well as your cases.

7. Track Progress and Adjust as Needed

Set monthly or quarterly check-ins to review progress, adjust timelines, and reallocate resources if needed.

Approach this by:

- Using PracticePanther's reporting tools to track client retention, billing efficiency, and case completion times.
- If a strategy isn't working, tweak your approach.
- Celebrate small wins to keep your team motivated — whether it's hitting a revenue milestone or improving response times.

