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**LAW FIRM LEADERSHIP SERIES  
EXECUTIVE BRIEF**

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# THE 90-DAY OPERATING MODEL

**Why Your Firm Should Consider  
a More Agile Planning Process**

## **About this Brief**

This document is part of a series of Executive Briefs from AllRize. Each one is designed to help law firm leadership teams plan and implement best practices that can improve operational efficiency and strengthen a firm's position for growth in a competitive market. The entire series of Executive Briefs is available at [allrize.ai](https://allrize.ai).

# Executive Summary

The traditional "annual planning" cycle—a cornerstone of law firm management for decades—is no longer a viable strategy in today's legal market. With rapid fluctuations in interest rates, the volatile adoption curve of generative AI, and shifting client demands for value-based pricing, a 12-month budget is often obsolete by the end of Q1.

The 90-Day Operating Model shifts the firm from a "set-and-forget" mentality to a "Quarterly Operating Rhythm." By compressing the feedback loop between data and decision-making, firms can reallocate resources in real-time, protect profit margins against macro-economic shifts, and significantly improve client satisfaction through more predictable service delivery.

## Adapting to Continuous Change

The primary threat to a law firm's growth isn't necessarily a lack of talent or clients. It's often the time between significant market changes (new regulations, tech-driven billing shifts, competitor price-cutting) and how fast the firm can adapt to them.

Firms relying on annual business planning and reviews are essentially steering a ship by looking at a map from last year. Clients now expect firms to be as agile as the tech companies they serve. When a firm remains locked into a rigid annual resource plan, it results in:



### **Reactive Hiring:**

Scrambling to hire when a practice area explodes, often overpaying or compromising on culture.



### **Margin Erosion:**

Continuing to invest in declining practice areas simply because "it's in the budget."



### **Operational Friction:**

Burnout among high-performing associates who are stuck in "surge" mode without a structural mechanism to rebalance workloads.

It's a common fallacy to believe that a firm can accurately predict its revenue, case mix, and headcount needs 12 to 18 months in advance. This rigidity creates a structural gap where the firm's fixed overhead (which typically includes rent, salaries, operating expenses, etc.) becomes decoupled from its fluctuating revenue streams.

A 90-day model does not replace the long-term vision; rather, it provides the tactical scaffolding to reach that vision. It acknowledges that while the firm's destination remains constant, the route to success must be recalculated every 13 weeks.

## Actionable Best Practices: Implementing the Quarterly Rhythm

# 01

### The 13-Week Margin Audit

Instead of reviewing profitability once a year, your leadership team would benefit more from a deep dive audit every 90 days. This is not a surface-level P&L review; it is a clinical assessment of Margin by Case Type. Here's an example:

**Action:** Identify which matters are benefiting from AI efficiencies and which are becoming time sinks.

**Goal:** If a specific practice area's margin drops by more than 10% in a quarter, do not wait for the year-end partner meeting. Investigate immediately. Is it a pricing issue, a staffing mismatch, or a technology failure?

# 02

## Staffing Resource Elasticity

In a 90-day model, modern firms should consider a staffing strategy that maintains a core base of legal talent but also utilizes a flexible "surge" layer to adapt to short term needs and opportunities.

**Action:** Implement a cross-training program where 20% of your associates/paralegals are trained to assist in two different (but adjacent) practice areas.

**Goal:** Every 90 days, re-map your headcount based on the "Demand Heatmap" for the upcoming quarter. If M&A is cooling but Litigation is heating up, you should have the structural agility to shift that 20% elastic workforce within two weeks, not two quarters.

# 03

## The Client Feedback Loop

Client satisfaction is a leading indicator of future revenue. In 2026, clients value a quality relationship and experience over almost everything else. Happy clients typically lead to loyal, long term relations with law firms.

**Action:** At the 45-day mark of every quarter, trigger an automated pulse check for every active client. Ask three questions: Is our communication cadence working? Are we meeting your internal deadlines? Where can we be more efficient?

**Goal:** Use this data to adjust the service delivery plan for that client in the next 90-day cycle. This prevents minor irritations from turning into lost accounts (and lost revenue) at the end of the year.

# 04

## Shadow AI Cleanup & Governance

The use of AI tools within law firms is accelerating exponentially. But far too often, these tools are accessed by members of the legal team without the firm first establishing strategic guidelines for the use of AI. This issue must be audited on a quarterly basis.

**Action:** Once AI usage policies are in place, IT leaders in your firm should survey the team every 90 days to determine which tools they are actually using and for what specific purposes and use cases.

**Goal:** Identify any Shadow AI (unauthorized tools) being used by associates. Bring these into the firm's Governance, Risk, and Compliance (GRC) framework immediately. This ensures that the firm's data security evolves at the same pace as the tools.

## The Psychological Advantage

One often overlooked benefit of the 90-day model is burnout mitigation. When associates feel they are buried in an infinite tunnel of work, morale plummets. By breaking the year into 90-day "sprints," leadership teams create natural points for celebration, recalibration, and rest. This structure makes the firm feel more like a high-performance sports team and less like a legacy bureaucracy. It turns continuous change from a source of anxiety into a source of competitive energy.



# KPIs for the Leadership Team

To measure the success of the 90-day planning model, the Executive Committee should also consider tracking these three metrics:

Metric	Definition	Target Goal
Utilization Variance	The difference between Projected Billables and Actuals per quarter.	< 5% Variance
Response Velocity	The time it takes to reallocate 10% of the workforce to a new surge project.	< 10 Business Days
Client Retention Pulse	Percentage of clients who report High Satisfaction during the mid-quarter check.	> 90%

## Conclusion

Although a 90-day Operating Model may seem unusual for a law firm, it's a common business practice in most large organizations. It provides a very effective way for an organization to briefly pause, measure, optimize, and restart. In today's digitally powered global economy, technical innovations will continue, and business agility will become a mandatory ingredient of every success firm.

## About AllRize

AllRize provides law firms with an award-winning, AI-powered practice management platform that includes Marketing, CRM, Matter Management, Document Management, Accounting, and GRC controls. Each module can be deployed separately or together as one integrated platform. AllRize is a Microsoft Partner and has built its software on Microsoft Dynamics 365 and seamlessly integrated each module with the Microsoft office productivity tools law firms already use. This simplifies the user experience, accelerates productivity, and optimizes internal workflows within the law firm. Learn more at [allrize.ai](https://allrize.ai).