# The Law Firm Partner Compensation Scorecard

**Is Your Compensation Model Built for Growth?**

Partner compensation is more than a year-end calculation. It shapes which clients partners pursue, how they collaborate, whether they develop future leaders, and how they balance individual performance with the firm's needs.

Evaluate whether your current compensation model supports your firm's financial and strategic priorities.

**How to Score Your Firm**

Rate each statement from 1 to 5.

1 = Strongly Disagree.
2 = Disagree.
3 = Unsure / Sometimes.
4 = Agree.
5 = Strongly Agree.

**Profitability & Financial Performance**

1. Our compensation model considers more than revenue or billable hours. Score: _____ / 5
2. Partners understand how their client portfolio contributes to firm profitability. Score: _____ / 5
3. Collections, realization, write-offs, and staffing efficiency are considered when evaluating partner performance. Score: _____ / 5
4. Partners have access to reliable financial information before compensation decisions are made. Score: _____ / 5

**CATEGORY SCORE:** _____/20

**Business Development & Client Growth**

1. Our compensation system appropriately rewards new business development. Score: _____ / 5
2. Partners are rewarded for expanding existing client relationships, not only originating new clients. Score: _____ / 5
3. Our origination policies encourage partners to transition and share client relationships when appropriate. Score: _____ / 5
4. Partners have an incentive to introduce clients to other practice areas or colleagues. Score: _____ / 5

**CATEGORY SCORE:** _____/20

**Collaboration & Firm Value**

1. Partners benefit financially when collaboration creates greater value for the client and firm. Score: _____ / 5
2. Partners do not feel they must protect their client relationships to protect their compensation. Score: _____ / 5
3. The compensation system recognizes contributions that strengthen the firm beyond an individual partner's book of business. Score: _____ / 5
4. Our compensation model supports the firm's strategic priorities rather than encouraging partners to operate independently. Score: _____ / 5

**CATEGORY SCORE:** _____/20

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**Leadership & Talent Development**

1. Partners receive appropriate recognition for meaningful firm leadership responsibilities. Score: ____ / 5
2. Mentoring and developing associates is considered a valuable partner contribution. Score: ____ / 5
3. Partners can devote appropriate time to management and strategic initiatives without feeling financially penalized. Score: ____ / 5
4. Rising partners understand what they need to accomplish to increase their compensation and leadership responsibilities. Score: ____ / 5

**CATEGORY SCORE:** ____/20

**Succession & Future Growth**

1. Our compensation model encourages senior partners to transition client relationships successfully. Score: ____ / 5
2. The model supports the development of future rainmakers and firm leaders. Score: ____ / 5
3. Our compensation criteria reflect where we want the firm to be three to five years from now. Score: ____ / 5
4. Partners generally understand why compensation decisions are made and how performance is evaluated. Score: ____ / 5

**CATEGORY SCORE:** ____/20

**Your Partner Compensation Score:** Add your five category scores. **TOTAL SCORE: ____ / 100**

**85–100: Growth Aligned**

Your compensation model supports the firm's goals. Focus on keeping it aligned as leadership, clients, and practice areas evolve.

**Watch for:** Misalignment as the firm grows or senior partners transition relationships.

**70–84: Strong, With Gaps**

Your model has a solid foundation, but some incentives may not support your growth strategy.

**Priority:** Review your lowest-scoring categories for gaps between partner incentives and firm goals.

**50–69: Compensation Friction**

Your model may reward behaviors that conflict with long-term goals, creating issues with collaboration, profitability, leadership, or partner development.

**Priority:** Review both the compensation formula and the financial data supporting it.

**Below 50: Growth at Risk**

Your compensation structure may be limiting collaboration, profitability, succession, or growth.

**Priority:** Define the partner behaviors your firm needs for the next three to five years, then align compensation and reporting accordingly.

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**Find Your Compensation Blind Spot**
Your total score tells only part of the story.

Record your category scores below:

1. Profitability & Financial Performance: _____ / 20.
2. Business Development & Client Growth: _____ / 20.
3. Collaboration & Firm Value: _____ / 20.
4. Leadership & Talent Development: _____ / 20.
5. Succession & Future Growth: _____ / 20.

Your lowest-scoring category: ________________________________________

One compensation issue your partners discuss repeatedly:

One behavior your firm wants to encourage more often:

Does your current compensation model financially reward that behavior? Yes / No / Unsure

**One Final Question**
If every partner responded perfectly to the incentives in your current compensation model, would the result be the law firm you want to build?

If the answer is unclear, your compensation model may **deserve a closer look**.

LMJ CPAs helps law firm leaders evaluate the financial data behind partner performance, identify profitability and reporting gaps, and create clearer information for strategic compensation decisions.

Bring your completed scorecard to your next partner or leadership meeting and use your lowest-scoring category to start the conversation.

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