

# THE NORTHWESTERN LAW APPROACH TO STRATEGIC PLANNING

*David E. Van Zandt\**

THE strategic planning process, in its truest sense, is a relatively new and foreign concept in academia. The arrival of a new president or dean may result in the creation of a "strategic plan" that sets forth that individual's viewpoint and plan. Other academic institutions may engage in the process in order to satisfy accrediting bodies. Some may develop a strategic plan for the sole purpose of fund-raising. Some may avoid the process entirely because of its potential to divide faculty and/or alumni.

Northwestern Law's strategic plan is much more than a fund-raising document. Our plan not only was generated in a different way than most plans, but it also reaches some different conclusions. We are not trying to be all things to all people. For example, we are selecting a different sort of student. Not only do nearly all of our students now have prior work experience, but fewer of our students come from our home region than all but one or two other major law schools. In our education, we are emphasizing team-building skills and smaller first-year classes. In our faculty hiring, we are favoring interdisciplinary work, but are being selective in emphasizing empirical work on the belief that other kinds of interdisciplinary work tend ultimately to be more insular to a particular field and less important in understanding law and affecting policy discussions.

At Northwestern Law, we developed a unique plan because we chose to embrace the concept of strategic planning. We utilized a process that some have characterized as "business-like." As someone who believes that academia can learn a great deal from business, I am not uncomfortable with this view. Indeed, today's major university, with its research facilities, hospitals and athletic teams is not so far from its corporate counterpart. Today's university president, with responsibilities in a variety of areas, is not altogether different from the CEO of a Fortune 500 company. The dean, in turn, must lead his or her area within that university.

For such planning to be meaningful, it must be based on a realistic assessment of the institution's market, and it should predict where that market is headed. Like any well-run business, we had to have a sense of what our market seeks. Related to that is the important commitment to identifying both our comparative strengths and weaknesses. Those include internal ones (for example, areas of faculty research strength or weakness, coverage of curricular areas) and external ones (access to a strong business and legal community, university strengths and shortcomings, and other potential academic and educational partners). A good strategic plan must identify significant areas in the market in which the institution has good reason to believe that it has comparative advantages over its competitors.

Finally, the plan must make choices, sometimes tough ones, about where the institution must focus its inevitably limited resources, both human and financial. No law school can be all things to all people. Those choices begin to bite when they suggest that one portion of the faculty or of the alumni body may not see their own

---

\* Dean and Professor of Law, Northwestern University School of Law.

projects on the front burner of the plan. Tough as those choices are, a plan that does not make them may be unobjectionable to everyone, but will not be a plan worth pursuing.

## I. THE PROCESS AT NORTHWESTERN LAW

We had a number of goals in mind as we designed our strategic planning process.

### A. *Community Involvement*

One of Northwestern's great strengths is its small size and close-knit, cooperative community. Our goal was to involve students, faculty and staff in the process as members of sub-committees looking at nine different areas. We also made two detailed presentations to our alumni advisory board, which questioned and challenged the assumptions in the plan. This degree of involvement helped ensure that different points of view were heard and that we obtained the necessary buy-in for the plan. Too often, strategic planning is left only to the faculty, which may focus on areas that are unrelated to the law school's overall strategic needs, and which may require a consensus-driven process that results in bland initiatives that do not serve to advance the institution. In particular, we involved our alumni heavily in this process, not because of their potential as donors, but because of the perspective and experience with other well-run organizations they provided us.

### B. *Competitive Analysis*

One of the hardest things for academic institutions to accept is that they operate in a competitive world in which they have to respond to market forces. While academics are often personally quite competitive, academic institutions tend to want to be the judge and jury of their own success. We chose to understand and embrace the competitive reality and were willing to make our best estimates as to where the profession (our main customer base) and the wider world were headed. We studied our competitors and ourselves. While some in academia seem reluctant to acknowledge today's competitive reality, even the most selective of our academic institutions face competitive pressure for students, faculty and resources. Our goal was to identify areas where Northwestern could leverage its strengths into comparative advantages.

### C. *Create a "Stretch" Objective*

We decided to create a plan that would stretch our imagination and our goals. We were unwilling to settle for "doing what we've been doing, only a little better." In our view, for Northwestern to advance to the very top tier in American legal education, we needed a plan that would chart a new course and set us apart from our competition without marginalizing us from the center of the international legal profession and business and political world.

#### *D. No Financial Constraints*

We wanted to develop a plan without regard to narrow financial constraints. While all plans are eventually subject to financial limitations, we believed that our plan could be more visionary and more imaginative if it was initially developed without considering the resources that might be needed to accomplish it. We would reach the resource issue as we began to implement the plan in accordance with our budget process.

#### *E. Accountability Requirement*

We wanted to set the measures of our success and hold ourselves accountable. If we could not come up with objective accountability measures, then the plan was too vague to be of much use. Strategic plans, even those that lend themselves to accountability measures, are too often drafted and then put into glossy publications to gather dust on the shelf because there is no mechanism to pressure for implementation. Our goal was to ensure that our plan came alive. We made commitments to all members of our community, including the Board of Trustees of the University, and are now in the process of fulfilling those commitments.

In short, we did not want to develop a watered down document, one which would please everyone—and no one. We developed a strategic plan that sets out a clear vision of a distinctive approach to legal education, that addresses the realities of the market, that makes significant choices, and that sets objective measures of success. We used it as the basis for developing initiatives in the areas of admissions and placement, faculty, curriculum, our community, and our physical plant. We identified initiatives that would require a change in process or philosophy, as well as those which would require increased financial resources. The latter initiatives formed the basis of our capital campaign. We are now in the process of implementing our plan and reporting our progress to our community.

## II. THE STRATEGIC PLAN

The overarching theme of our plan is “building the great law school for the changing world.” The plan sets forth a vision and philosophy of legal education that leverages Northwestern’s strengths. What we have mapped out is a vision that we believe will produce more successful students because they are better prepared for the increasingly competitive world. We also firmly believe that over time the merits of this vision will be widely recognized by employers, by applicants, and by the world at large as the superior model, which in turn will propel our reputation to the top. It is a theme that captures the imagination and that can be easily understood by all members of our community. As we go about making any strategic decision, we can ask ourselves how the decision fits into our idea of a great law school. We may never reach this objective, but the vision is worth the journey.

This essay will describe our competitive analysis and view of the future of the legal profession. It will set forth our key strategic initiatives, and it will conclude with a discussion of the implementation of the Plan to date.

### III. THE CHANGING LEGAL PROFESSION AND THE CHANGING WORLD

The legal profession and legal market have undergone radical change, even in the almost seventeen years since I graduated from law school. The pace of change continues to accelerate. Many of these are economic and societal changes that have affected all of us.

#### A. *A More Competitive World*

A major change that has impacted the role of law and lawyers is that the business world is simply more competitive and more global. Thanks to advances in technology, even the smallest business down the street can have a global presence. Customers, whether for widgets or legal services, expect to receive more in less time. A lawyer no longer has the luxury of sending a letter to a client with the expectation that she won't have to return to the matter for a couple of days until the client reads the letter and responds. With email, cellular phones, personal digital assistants and laptops, all of us operate in a "24/7" climate.

Second, law increasingly impacts our daily lives. There has been significant growth in legislation over last thirty years. Through both legislation and judicial decision, there has been a dramatic expansion of rights and remedies in areas as diverse as disability and product liability. The increased litigiousness of society impacts business and commercial decisions. Lawyers must be conversant in their client's business if they are to offer the best advice for responding to, and, indeed, anticipating legal challenges to the way that the client does business.

Third, there has been an increasing scrutiny of the quality of justice in society. For instance, as has been demonstrated by Northwestern Law's Center for Wrongful Convictions, there are serious concerns about the administration of justice in death penalty cases.

#### B. *Changes in the Legal Profession*

The legal profession has not been immune to these changes. Once thought to be one of the most secure professions, the practice of law, like accounting and medicine, has become more of a business and less of the gentlemanly notion of a profession. Our image of Abe Lincoln engaged in a generalist, solo practice in which clients sought out his advice because of his superior legal expertise is an image of the past. Much law practice has become highly specialized as the amount of regulation has increased. Clients are looking for representation that is not merely effective, but also economical. Like other parts of their business, whether in the manufacturing plant or the sales force, they seek efficient legal service. They seek firms with the resources to represent them around the world. Lawyers who can attract those kinds of clients demand to be compensated for that skill.

There has also been a change in the power in the profession. Law firms no longer call the shots in the client relationship. Corporate legal departments are headed by savvy, business-focused and bottom-line driven general counsels. They want responsive, reliable, knowledgeable and cost effective counsel, and they are more

willing to shop around for it than ever before. Clients view many outside business lawyers more like traditional suppliers who must compete for the business and must manage their costs effectively.

This, in turn, has altered the practice of law in a number of ways. First, there is great pressure to secure and keep clients. No longer can a firm count on a steady pen of clients handed down from prior generations of partners. Lawyers must market their firms and themselves (just like everyone else does). Many law firms have added professional marketing people and are spending vast sums on marketing efforts that not long ago would have seemed unseemly, if not a violation of ethics rules.

A second consequence is that compensation within a firm is going to those lawyers who are most successful at bringing in and keeping the business or who have a highly developed specialty that other lawyers have trouble replicating. This has led to greater mobility of lawyers between firms as they take their book of business or special expertise to another firm for a better cut of the financial pie. The idea of partners moving between firms like professional athletes is relatively new. As we know, the loss of firm loyalty has moved down the chain and young associates are constantly solicited to move to a new firm for a larger pay package.

The darker side of this is that a partnership in a firm rarely has the same meaning it once did. It is no longer an effective right of a substantial lifelong income. In the early 1990s, underperforming partners were released by their lifelong firms. Security is a thing of the past.

While some decry these changes as a "loss of professionalism" in our field, I tend to see them as positive for the most part. Far too often a claim of a "loss of professionalism" is really a statement that the market is more competitive and "I do not like that." Our students have many more opportunities, both immediately after law school and all during their careers, than did the students of my day. The profession is now far more open to different career paths and rewards those who are entrepreneurial.

Moreover, a "one size" career no longer fits all. The traditional path, from college to law school to a law firm job to a partnership in that law firm to retiring to be of counsel in that same firm, has ceased to be the standard. People are able to move to find what they enjoy and what they do best. Far too often before these changes, a lawyer would wake up in his 50s having toiled at the same job since law school to realize that he might really have preferred to do something else. Today, young lawyers have far more flexibility and options because the profession has opened up and become more competitive.

### *C. Legal Education*

These changes have contributed in part to how students entering law school view their education and their profession. At Northwestern, we have an ever-increasing percentage of students who have two or more years of work experience before entering law school (currently almost 60% of the entering class). They have seen more of the world that law serves. These students look at a law degree much differently than students of even ten years ago.

Unlike their predecessors, they do not envision making a lifelong commitment to one law firm with the only concern being whether they make partner in seven, eight or nine years. Although some will go that route, even those who join the mainline big firms view their first job as the opportunity to continue to learn, to develop skills, and to network as they determine their true calling.

They look at a legal education as a springboard to a wide variety of opportunities. Young lawyers today face the prospect of a multi-job career where they can readily move between firms and corporations or government and public service, depending on the challenge of the position, its compensation or lifestyle opportunities.

The increased intertwining of law and business has made it incumbent on a lawyer to develop a good working knowledge of the client's business. He or she must fit into the business culture, must be a team player, and must build relationships and work well with other members of management to advance the business. Just like the marketer or product development person on a project team, the lawyer contributes by assessing the risks of proposed plans, counseling on various structures of deals and negotiating on behalf of the team.

The legal profession has been wrestling with these changes for years, but law schools have remained behind. They have not responded to the challenges or opportunities these changes create. Many law schools continue to train lawyers to be judges or professors or to be part of the cadre of lawyers who rotate in and out of the revolving door of government service. That's the Yale model, and it still probably works pretty well for Yale. However, it doesn't work very well for the 175 law schools that aren't Yale and may do a disservice to the graduates being produced.

Coming out of law school, lawyers are often inadequately prepared for this new reality. They may be ill equipped to work in a business or teamwork setting and do not have the tools, like presentation or counseling skills, to help them succeed in the new environment.

As part of our planning process at Northwestern, we spent much time analyzing and understanding these changes and determining how we could best leverage our strengths—small student body, collegial community, great location, a distinguished faculty, and excellent ties to a great university.

We look at the impact of change not as a challenge, but as an opportunity where as we say in our plan, a law degree is no longer merely an admission ticket to a profession, but a passport to a virtually unlimited set of opportunities.

#### IV. NORTHWESTERN'S STRATEGIC INITIATIVES

Based upon our understanding of the changing environment, our review of our competition, and our analysis of our strengths, we developed five broad initiatives that form the core of our strategic plan.

1. *To attract students with the intellectual and personal capabilities needed to be successful in and contribute to the dramatically changing world. And to place our graduates in challenging and rewarding positions.*

In admissions, we seek to attract a different kind of law student. We believe that, to succeed in law school and in their careers, our students should have more than the highest intellectual capacity. We want them to have the interpersonal skills, ambition, and maturity to meet the challenge of change and excel in their chosen fields.

In order to make this assessment about applicants, Northwestern became the only major law school with a comprehensive interviewing program. By using our staff in Chicago and our alumni throughout the nation, we are able to offer an interview to every applicant who desires one, and our long-term strategic goal is to require interviews of all applicants. We look for applicants who have strong interpersonal abilities, who are motivated to come to law school, and who have begun to develop career focus.

We are also encouraging our applicants not to come to law school right from college, but to work for a time in nonlegal business or governmental positions. Our long-term goal is to admit only students who have had at least two years of such work experience. The purpose behind this initiative is to enroll students who understand how the world of their future clients functions, who have developed their sense of judgment, who are experienced in working in team environments often with people very different from them, and who have developed good leadership and organizational skills. We also want students who are giving up more to come back to law school, such as a decent salary and comfortable life style. We believe that students with such work experience are more focused to succeed in our community and bring different points of view to any discussion.

We initially thought that by establishing these new criteria and the interviewing program, our LSAT scores would drop. That was a calculated risk we took, expecting that in the long run we would be more attractive. In fact, the reverse has happened. Our median LSAT score rose in each of the first three years that we have conducted the program, and our median LSAT and GPA scores are the highest that they have ever been.

In job placement, our immediate goal was to place our students as successfully as our peers were doing. It was an area where we had fallen behind. We have now caught up to the top schools in the country in terms of job placement at graduation (99%) and nine-months out (99%). For the long term, our goal is to empower students to manage and get the most out of the multi-job career they are beginning and to expand the number and variety of first-job opportunities to include, among others, consulting firms, banking and accounting firms, and government and public interest agencies. We also seek to increase the placement of our graduates in clerkships because these positions provide experience for almost any career.

## *2. To develop and retain an internationally recognized faculty.*

Since its founding, Northwestern has maintained a distinguished and highly regarded faculty. Building on this strength, our goal is a faculty that is diverse in background and perspective that will contribute to resolving the leading issues of the day. Law schools must contribute to the understanding of law and legal institutions and faculty must play a leadership role.

In assessing the trends, we concluded that the nature of legal scholarship was likely to continue to change. Thirty years ago, careful doctrinal analyses of case law with armchair policy analysis ruled the day in law schools. Tenure standards were weak, if they existed at all. The law professor was often an excellent lawyer who had moved into the academy and could easily migrate back to the relatively unspecialized practice at any time.

That has all changed. Faculty have been pressured on two fronts. Universities began to question the difference in both research productivity and tenure standards between their law schools and their other departments. Those pressures have led to more academic faculty. From the profession side, much of the doctrinal analysis that was the bread and butter of traditional law faculty is now being done by excellent practitioners, who have the advantage of armies of associates to assist in the laborious research and who generally are closer to the real practice in the doctrinal areas on which they write than any full-time law faculty member could be.

The area in which law faculty have a comparative advantage is in research that illuminates law and legal institutions. That type of work is likely to have a strong interdisciplinary focus, whether it is empirical or normative. A law academic's advantage is in the application of various disciplinary methods to help us understand the empirical operation of law and legal institutions.

Vaguely recognizing these changes, many law schools in the past thirty years have added to their "law and . . ." complement of faculty with some quite mixed results. The danger has been that such a hire can be someone who would have a difficult time getting an appointment in the law school's sister economics or philosophy department and who simply wants a job (at a relatively high salary) to continue to write the material he or she would have written in the department. At other times, the danger has been that the interdisciplinary faculty member is treated as a zoological specimen who adds exoticness to the environment. More traditional faculty may have the view that we already have "our economist," why would we want more?

The future, however, lies in truly interdisciplinary work on law and legal institutions, with much of it being empirical. Our plan identifies the need to focus our hiring efforts to bringing in people, preferably J.D.s with top quality Ph.D.s, who are interested in examining law and legal institutions from the access point of a law school.

Northwestern fortunately has had a long tradition of interdisciplinary work and a close relationship with our neighbor, the American Bar Foundation, both of which are assets that give us a comparative advantage. We are also part of a top-flight research university with strong departments that encourages cross-school appointments and other forms of cooperation. (As an adjunct to this, we are focusing our resources on developing the leading J.D./Ph.D. program in the country to produce scholars of the type we believe will dominate in both the law school and departmental markets.) The key is quality. We have hired and continue to look for interdisciplinary scholars who could secure appointments in top-ranked departments, but who choose to work in a law school in order to be in a community of scholars interested in understanding law and legal institutions.

A second decision that came out of the process was the need to build research faculty in the areas in which we have reason to believe we can be the leader. As can

be guessed, this is a contentious issue. We realized, however, that we cannot cover every last possible area of research or every last new trend out there. The investment in a tenure-track research faculty member (who achieves) has a present value cost of about \$3 million. Our plan identifies five specific substantive areas in which we believe we have a comparative advantage to excel. These include public and constitutional law (both domestic and international), where we can build on a strong group of existing scholars who are particularly attuned to constitutional structure issues. Criminal law, both substantive and procedural, is another area; our assets here include not only strong existing research faculty, but also a leading clinical program (particularly strong in the juvenile criminal and wrongful conviction appellate areas) and close ties to the Chicago courts and criminal bar. Related to that is our strength in the litigation and dispute resolution area, again with not only a strong research faculty and close connections to the Chicago practice, but also nationally ranked simulation programs in trial advocacy and in negotiations and dispute resolution, as well as a strong dispute resolution program at our sister business school, Kellogg. Finally, we have a tremendous opportunity and advantage in the area of business and commercial law given our existing research faculty, our close relationship with Kellogg, our Corporate Counsel Center, home to some fifty large public company members, and our strong relationship with the Chicago and national business community.

Finally, being a professional school, we must have faculty who can and who love to teach challenging professional students and who are willing to engage with them and learn from them as well. Again, we have a comparative advantage over many other law schools in terms of our size and extremely low student-faculty ratio. We also have a long tradition in our unique James A. Rahl Owen Coon Senior Research Program of supporting faculty and students working together on producing published research.

3. *To build our educational program to meet the challenges of the changing world.*

Our goal is to build an educational program that (a) provides a strong core foundation in the law and legal reasoning; (b) exposes students to the law, as practiced and in action; (c) builds teamwork and communications skills; (d) reflects the increasing globalization of law and business; and (e) shares an understanding of law and legal institutions with nonlawyers.

All decent law schools provide reasonably sound training in legal analysis and reasoning. It is necessary to maintain the highest standards, but that will not give us an edge over our competitors. Our distinctive model focuses on adding to that core foundation educational opportunities and experiences that build in our students other abilities and skills and that accelerate the development of their judgment.

The plan identifies a number of areas and initiatives, including the following:

- We will build on our strong clinical program and emphasize our distinctive connection between pedagogy and reform of the law and legal institutions.

- We will strengthen our close relationship with Northwestern's Kellogg Graduate School of Management and take advantage of partnering opportunities for educational offerings involving both schools.
  - We will help our students build their teamwork, presentation, and communications skills. This is a direct response to the changes in the marketplace and in what it takes for our students to succeed.
  - We will expand our international programs by focusing on private international law and building on our strengths in human rights. Again, we identified the two international areas in which we see our students playing a major role.
4. *To preserve and support our strong, cooperative learning community.*

One of Northwestern's historic strengths has been its supportive community where law is taught and learned in a cooperative and collegial environment. We made the strategic decision to maintain the size of our entering class at 200 students and established a goal to create additional opportunities for interaction between students and faculty at all levels. We dramatically reduced the size of the first year sections in the required courses to increase the interaction between these students and faculty. We also have empowered our students to participate in their own education and in changes around the Law School. Students, particularly of the type we are now attracting, are tremendous assets that law schools in the past have underutilized. Not only do they pay the tuition, but more importantly, their success is what drives our reputation over the long term.

5. *To provide the infrastructure necessary to support exceptional research and teaching.*

We established a goal to provide support for scholarship and learning through the library, research assistance, student services, technology, and physical facilities. We made the strategic decision to provide this support at a parity level to our competitors. We did not believe that we could attain a comparative advantage by providing superior technology, for example. However, we also committed that the quality of our support will never be the determining factor in the decision that a prospective student or faculty member makes about coming to Northwestern.

## V. ACCOUNTABILITY AND PROGRESS TO DATE

Our strategic plan sets forth the measures by which we will determine our progress. They include objective criteria relating to student quality, placement success, faculty reputation and quality, as well as our overall reputation, as determined by various sources. We also committed to report back to our alumni and our community on our progress in implementing our plan. We reorganized our visiting committee into the Law Board, which has the mission of overseeing and monitoring the implementation of the Strategic Plan.

This accountability commitment ensured that the plan would serve as the blueprint for Northwestern's future. I am pleased to say that it is used today throughout the Law School to guide our decisions in virtually all major areas. Providing regular reports on our progress to the Law Board, the faculty, alumni, and

students also invites comment and criticism that enables us to refine the plan as we move forward.

## VI. RESULTS

We have achieved great success in the two years since our faculty and alumni approved the plan. Some key examples include the following:

- In admissions, we are attracting the strongest students in our history and almost 80% have at least one year of post-college work experience, compared to only 60-65% at most leading schools. Moreover, about 60% have at least two years of such experience. We have retained our superb record on gender and ethnic diversity while becoming more geographically diverse. This past year, we interviewed more than half of our applicants and are moving toward both an interview and a work experience requirement.
- In placement, we have accomplished our near term goal of placing students at rates equal to that of the top rates of our peer schools, while expanding the number, geographic reach, and type of employers visiting campus. We have not yet made the progress we would have liked on judicial clerkships.
- Faculty recruitment has been one of our top priorities. Over the past two years, we have added distinguished scholars and rising researchers to our faculty, as well as enhanced our diversity. Our faculty remain ever more active in influencing the leading issues of the day. For instance, on the issue of presidential impeachment, Northwestern Law faculty were regularly quoted on both sides of the issue. Our faculty members have played leading roles on the issues of death penalty and juvenile justice reform.
- We have expanded our curriculum in a number of areas in accordance with the plan. We are offering more courses both to regular J.D. and to M.B.A. students with Northwestern's Kellogg Graduate School of Management, and this year we became the first university to offer a three-year program leading to a joint J.D./M.B.A. degree. Presentation and communications skills are now part of our first year "legal writing" curriculum. Team-learning and team-building skills are also a focus of our International Team Project, where students conduct research in Chicago and then go on-site in a number of countries to explore and address legal issues. This program has been extraordinarily well-received as more than eighty students have traveled to Ghana, Singapore, South Africa and Tanzania during the past two years. Our clinical offerings have expanded with, among other additions, our transactional Small Business Opportunity Clinic, which works with Kellogg's Entrepreneurship Program, and our International Human Rights Center.
- Working to foster our close sense of community, we continue to maintain a very favorable faculty-student ratio. We reduced the size of our first year classes to fifty, which resulted in enhanced student participation and interaction.
- We continue to work on our infrastructure and have identified areas where the Law School facility must be modernized to meet the demands of today's teaching and learning.

## VII. CONCLUSION

The strategic planning process has been an extraordinarily positive one for the Northwestern Law community. As can be appreciated, the discussions on the initiatives were spirited and at times rather heated. To me, however, that meant we were focusing on the right issues and establishing priorities. Had we chosen to skirt these issues, neither the plan nor the process would have been very successful.

Some have described our plan and our process as the standard for strategic planning in academia. Indeed, it has been well received both in the Northwestern University community and among my colleagues at other law schools. It is a challenging and often frustrating process, but, at the end of the day, all of us who were involved have found it to be immensely rewarding.