

Strategy and Law Firms: From Development to Execution

By Patrick Bignon

Although strategic planning does not come naturally to lawyers, it is becoming more widespread in law firms. Much too often though, it is between the development and execution phase that the shoe pinches.

It is a well-known fact: development of strategy in law firms does not come as naturally as it does in companies. As lawyers are trained first and foremost to be experts in their areas of practice, they often find it hard to get out of the technical mode of thinking that is characteristic of their profession, in order to focus on the strategic and management aspects. Furthermore, as they are highly influenced by an individualistic approach inherent to their profession, they are naturally less inclined to engage in a collective project for the benefit of a shared future. Lastly, as lawyers are always in the front line, they simply do not take the time to reflect on the development of their firm.

Visible Progress in Terms of Defining the Position Sought

Nevertheless, strategic thinking is becoming more widespread among lawyers. More and more firms are reflecting on their future and are setting up their development projects based on strategic plans. Significant progress has been made in this area. Firms now know how to define their objectives and ask the right questions – the reputation the partners would like to have, the operations on which the firm wishes to position itself, the nature of clientele targeted by their services, the level and balance of skills and qualifications. Most firms now want to adopt an overall vision to guide them in their development process.

Difficulties Encountered During the Execution Phase

But lawyers still continue to find it difficult to put their ideas into execution. Very often, the strategic plans of firms do not go beyond the phase of defining general objectives, without clearly stating the different stages and means to be implemented in order to achieve them. Yet a strategy that is not carried out is no use to anyone. It may even prove to be a threat to the balance of the firm as it may lead to frustration among the partners. Implementing a strategy requires a good command of specific skills.

The Keys to Success: Breaking down the Strategy and Measuring Progress

A strategic plan must go beyond the simple act of stating a vision. It must include an action plan with quantitative and qualitative objectives for the short, middle and long-term, as well as the measures to be implemented in order to achieve them:

- ***Taking Stock of the Situation***

Every strategic plan must first include an objective analysis of the firm's situation. A detailed description of the situation, an essential basis for any realistic projection, makes it possible for the firm to get to know its resources, its strengths and also its weaknesses. The analysis should take a number of elements into account: the makeup of the client base, key figures, evolution in terms of headcount, financial capacity, existing facilities, etc.

- ***Understanding the Firm's Position on the Market***

The analysis of the firm's situation should also take into account its position and reputation in the market. Who are its main competitors? How prominent are the partners in their respective areas of practice? What are the distinguishing features that are its main strengths?

- ***Setting Milestones***

The strategic plan should then establish specific milestones to be attained for the next few years, for the firm as a whole and for each of its specific areas of practice. Milestones are quantitative and qualitative objectives that are established based on an evolution time frame set by the firm. They break down into stages, the progress that the firm will have to make in order to

achieve its overall vision: increasing headcount, progressing in the various law firm rankings, increasing revenues, improving staff retention, improving the firm's facilities, etc. These objectives contribute to motivating the partners as they are assigned actual targets for results to be achieved.

- ***Defining the Necessary Measures to be Undertaken***

The strategic plan should also define and provide for the necessary means in order to attain the objectives set. A variety of means could be used: recruiting, marketing efforts, forming links with other organisations, developing partnerships, etc.

- ***Establishing a Follow-up Process for the Strategic Plan***

Lastly, a thorough follow-up process for the strategic plan should be established. The progress made by the firm and the partners should be measured regularly, based on the time frame set in the plan. This follow-up phase is fundamental as it makes it possible to adjust the strategy according to the results recorded and focus everyone's energy on a common goal. A strategic plan will only yield results when the implementation phase is strictly monitored.