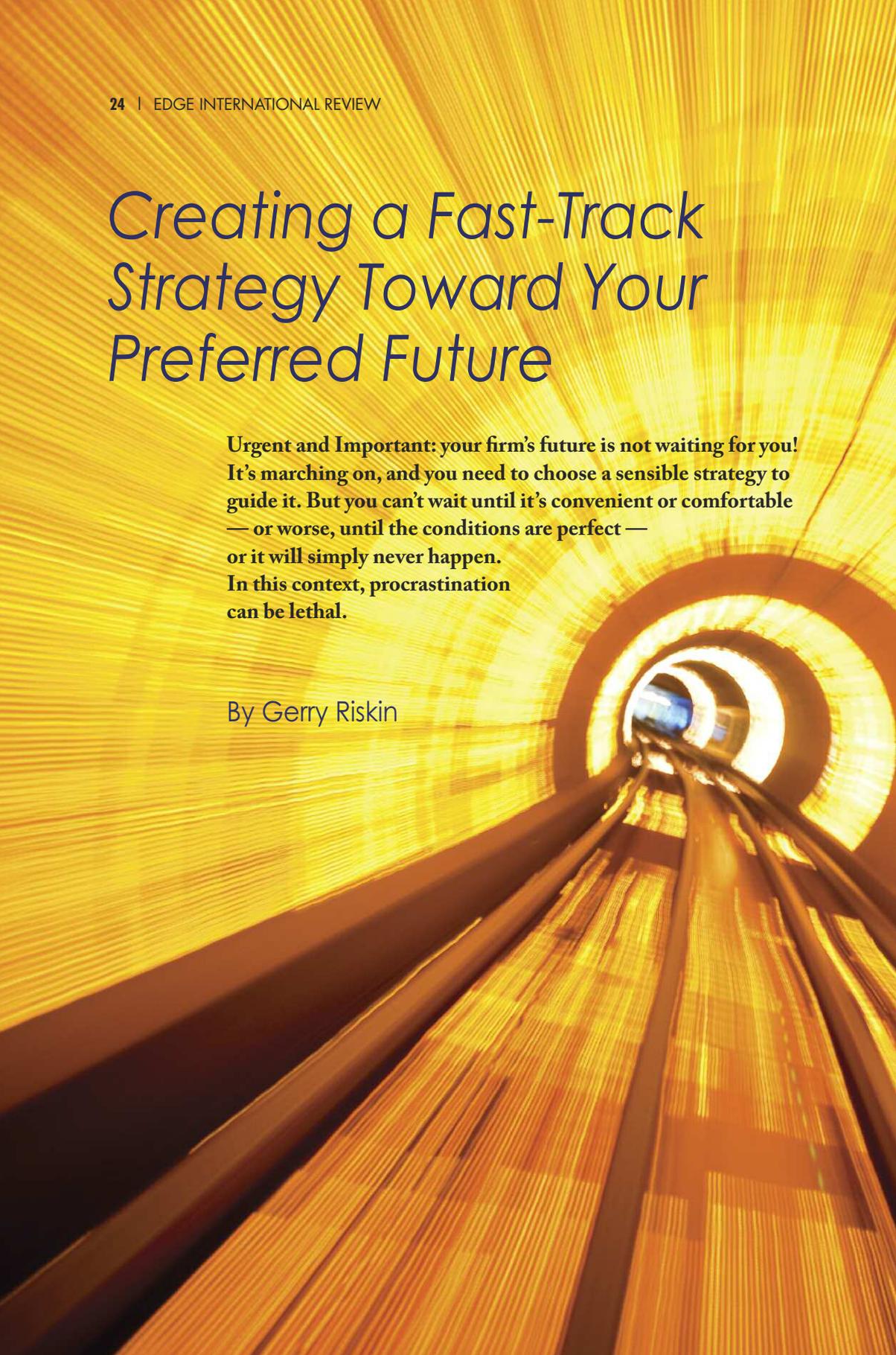


Creating a *Fast-Track* Strategy Toward Your Preferred Future

Urgent and Important: your firm's future is not waiting for you! It's marching on, and you need to choose a sensible strategy to guide it. But you can't wait until it's convenient or comfortable — or worse, until the conditions are perfect — or it will simply never happen. In this context, procrastination can be lethal.

By Gerry Riskin



Strategy is all about focus and direction; often, it's about what your firm does not want to do as much as what it would love to do. Without a strategy, even good law firm leaders find themselves steering around the icebergs without a clear destination, while more strategic competitors are striking out into the deep.

So if a strategy can create competitive advantage, why do so many firms wander around directionless? I believe that as lawyers, it's precisely our intelligence and practice experience that get squarely in our way. Here are six examples of the lawyer-specific propensities that work against us when selecting our strategy — I'll wager that more than one of these will resonate with you.

- 1. We don't want to exclude anything.** "What if a global circus owner asks us to do a huge elephant acquisition? We'd better list 'circus law' among our practice areas."
- 2. We are constrained by precedent.** "Which other law firms have done it this way before — how did it work for them? The ABC firm? We would never emulate them. Has XYZ done it? We revere XYZ."
- 3. We are perfectionists.** We must explore every option thoroughly until we have vetted every combination and permutation. "Maybe we'd better defer our strategy pending a global study on how general counsel in high-tech companies prefer their eggs in the morning."

4. We require consensus. “Partner X won’t go along with this. Yes, we know he’s unreasonable and ill-equipped to assess a decision of this nature. But he can be difficult and rude when he doesn’t get his way. It just isn’t worth doing without his support and especially not over his objections.”

5. We despise being wrong. We hate risk, and we won’t move until we have a bullet-proof action plan that is certain to succeed. “How do we know this will work for sure? We don’t want to be embarrassed by making a big mistake.”

6. We’re resting on our laurels. Our past success has made us complacent. “We’re making a nice living now and working very hard — we don’t want to spend more time even on high-quality non-billable initiatives. Leave us alone.”

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One traditional answer to these problems is to throw excessive amounts of money at an elaborate process that involves surveys and research and meetings and assessments and heaven knows what else. “No one can criticize the leadership team if we spend a million dollars to have McKinsey study us and tell us what to do.” But although these elaborate processes can hypothetically work, they’re slow and can easily polarize factions within the firm.

Sounds discouraging, doesn’t it? But forming a strategy for your firm isn’t impossible, and it doesn’t have to be the strategic equivalent of brain surgery. In fact, there’s much to be said for a stripped-down, get-it-done-now, fast-track strategy that gets your firm off and running in the right direction. There is no substitute for actually doing something!

(This may be an appropriate point to insert a disclaimer. If yours is a global firm, with more than a thousand lawyers in more than a dozen offices in more than three countries, and you have not articulated a strategy that has been reduced to writing in over five years, then you need a more robust approach than I am describing here. But if you are revisiting a strategy or creating a new one for a firm of a few hundred lawyers or less, then breathe easy. There is an elegant strategic process that will take you only a day and a half and get you off to a great start.)

THE STRATEGY OF ADJUSTMENT

We want to avoid the error of overbuilding the strategy. By way of analogy: if you commute from your home to your office in your own car, following the same route each day, why not just program your car for every turn and traffic light, so that you can sit back and relax or read while your car drives for you? Because of the three-year-old who might chase a ball into the street right in front of you, or the unfastened cargo from the truck in front of you falling into your path. In a word, “uncertainty” — there are just too many variables.

Many firms make the huge mistake of looking at strategy as the Grand Plan that will withstand all foreseeable changes in the relevant variables. Your firm’s strategy must be flexible enough to assimilate information as changes occur and then adapt. If this world promises anything, it is change, much of it unforeseeable.

Hopeless? No more than driving to work. When a bridge is washed out, you change your route. You might even adjust your timing based on whether school is in or out and how many parents and school buses are clogging the lanes. The point is that you do not defer your plan to drive to work until you have achieved perfection. You get underway and trust that you can make the course corrections necessary as circumstances dictate. This is precisely how you should treat your firm strategy.

THE MAKING OF A STRATEGY

So let’s get down to choosing an overall destination for your firm, with sub-destinations for your sub-groups. To achieve this, we need your leaders to gather together for a day and a half. To start the process, we would benefit from the collective knowledge of your partners by asking them a few survey questions, possibly along these lines:

1. Describe the prospects for the future of your practice.
2. Identify your firm’s highest priority over next few years.
3. Evaluate (or add to) a list of threats and opportunities the firm faces.
4. Describe your firm’s greatest strengths.
5. Identify your firm’s endangered practice areas and industries.
6. Identify, from a list, your firm’s top goals.
7. Get input on work/life balance priorities.
8. Establish the perception of prominence of your firm’s brand.
9. Identify your top competitors and their greatest strengths.
10. Identify areas where your firm can dominate (*i.e.*, rank among the top three).

The data gathered from a simple survey can be organized and presented to the leadership team and discussed for a couple of hours. This is extremely helpful, because it is credible and allows leaders to be responsive to the partners whom the strategy will affect.

THE ART OF EXCLUSION

The next segment is a tightly facilitated discussion about where the firm's few best opportunities lie. The tight facilitation is to avoid digressions and overly critical and analytical discussion: the group must stay on track!

The toughest part of the process is to exclude areas from the strategy. There are two kinds of exclusion. One is for the areas you decide to exclude from your practice, while the other is identifying an area that will receive what might be called standard support.

Let's imagine a business-oriented firm that also does matrimonial work. Let's further imagine that the nature of the business clientele suggests that the firm must be able to serve a much larger geographical area — perhaps by expanding, merging, joining a global association, selecting “best friends,” or some combination thereof. Further, the firm may see the importance of beefing up its intellectual property capabilities. In all events, the matrimonial area is not perceived to be part of the firm's growth engine.

If the firm decides that the matrimonial practice is inconsistent and counterproductive to the strategy, the firm may decide to jettison the practice area altogether. In such a situation, the firm might assist the departing partners and feed them referrals. Equally, the firm might decide that it is perfectly fine to keep the matrimonial group inside the firm and support it with the firm's overall infrastructure, but not to invest in the group to the same degree as the identified strategic areas (geographic expansion and IP capabilities).

This part is tough, because many leaders are reluctant to communicate to a group that while it's an important part of the firm, it is not in the strategic “sweet spot” that will receive extra attention. It's like explaining to one child why the other child, a gifted musician, gets to travel to perform in a concert. Not fair, perhaps — but realistic, and a necessary sacrifice where resources are limited.

This process, which I have described in a skeletal way, sees the leadership team making decisions within one to one-and-a-half days. The result must be a specific action plan and a process whereby that plan remains illuminated and measured. It is critical that the plan not fade into oblivion — that would be worse than not having conceived the plan at all.

THE NEVER-ENDING STORY

In summary, we gather input, simply and quickly. Then we decide on a focus. Then we accept that areas outside the strategic focus still need support, but not the special attention of the strategic areas.

From that point on, the plan requires continued scrutiny and adaptation. Suppose, for example, that while IP is part of the strategy, an M&A practice team becomes available from a respected competitor or in a desirable growth jurisdiction. The leadership team might decide to exploit that opportunity, so long as it complements and is not inconsistent with the plan, and so long as it will not so tax the firm's resources as to unduly delay execution of the primary strategy.

In other words, when the day-long session ends, your process is not over. Senior firm leaders should ensure that subgroups follow similar processes for their groups. That's what practice group meetings are for.

For those partners who are never satisfied with the quality or the quantity of the information available, there are two answers. The first is that corporations make billion-dollar decisions every day with much less information than we are accustomed to as lawyers. The second is that in the most vital areas, the acquisition of information can proceed continuously and be evaluated frequently without holding up the journey at the start.

The best firms don't have the best strategic plans. The best firms know how to plan, and then frequently adapt those plans to their rapidly changing world.

[For a complimentary set of survey questions and a process outline, you are welcome to contact the author.]



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