

Grass Roots Strategy

By Nick Jarrett-Kerr

In our drive for firm-wide strategic direction are we missing the areas where strategy can be the most effective – the grass roots level? A recent Managing Partners Forum survey conducted by my good friends Andrew Hedley, Bruce MacEwan and Robert Millard, found that nearly three quarters of all law firms surveyed have some kind of written Strategic Plan in place. But one question I wish they had asked is how many such firms have directed any part of their strategic energies in also constructing strategic plans at the level of Practice Groups or Industry Groups – or even at the level of major client teams. I am not decrying for one second the need to decide the overall strategy, direction and competitive positioning of the whole firm – that's vital – but I do feel that it is a mistake to assume that at Practice Group or Industry Group level all you need is an operational short-term business plan, a budget and a set of revenue targets.

Planning at Practice and Industry Group Level

I have been recently working with a number of firms at both Practice Group and Industry Group level to tease out the longer term choices which those groups need to make to become or remain competitive. The advantage is that at this more granular level,

lawyers have an intimate understanding of what they do for clients and can immediately identify the clients for whom they do it. They see their competitors at close hand and are aware of those who hold a competitive advantage in terms of valuable clients, profile in the market and pricing leadership. Groups know their own bench strength, experience sets and capacity. Perhaps more importantly – they see the real live issues which are worrying their clients and are keeping them awake at night. As front line troops, they can also spot both new laws and emerging trends which are likely to affect their practising lives. Armed with this key knowledge set, it should be straightforward to decide and to crystallise the long term direction and positioning for the group. What generally happens, however, is that – in the absence of specific intervention - these Practice and Industry Groups, busy as they are with meeting this year's revenue targets and attending to client work, tend not to spend much (if any) time on their own longer term strategic issues. Instead, they gaze with glazed eyes at the sometimes massive strategic plan produced for the whole firm by the Managing Partner or a committee. Admittedly they will probably have contributed in some way to the planning process on an individual basis but this does not always happen as a group



activity. What I have also noticed is that it then becomes hard for them to understand its relevance to them at grass roots level, its immediate implications, and what needs to be done to implement it

What works very much better for Practice or Industry Groups – and perhaps other groups such as client teams, offices or age groups - is to take time out to lift their eyes from their every day work and look instead at their own particular horizon. This can be done independently of the firm's overall strategic planning, but works even better if it is done as part of the main strategic planning project. This exercise need not be time consuming – to achieve best results, we have found some level of preparation, data gathering and analysis to be essential. Some level of client feedback is also helpful to add to the hard data and competitive analysis. Given appropriate preparation, a full day or two half days (if facilitated properly with a well thought out agenda) is usually enough to achieve excellent results in setting out the group's long term vision and direction, in harmonising it with the firm's overall strategy and also to do all of that in a way that can readily be implemented.

Rules of Engagement

There are, however, four basic rules of engagement to follow when approaching



strategic planning at Practice Group or Industry Group Level.

1. Focus Wide, not Narrow. Although the planning is being done at Group level, the process should be carried out within the wider context of the firm-wide plan and the plans of other groups. At all costs the temptation must be avoided to become a firm within a firm. I have seen some firms where a group within the firm becomes extremely close-knit, even insular, and if pushed too far, can end up asking for an unhealthy level of independence in matters such as hiring, marketing resources or IT systems. The strategic process at group level can rarely if ever be a substitute for the firm's overall strategic planning project. Strategic Planning at grass roots level must be seen as an extremely useful part of or addition to the firm's strategic planning. As such, it needs to fit in with the firm's overall strategic objectives and synergize with them. Exceptionally, there may be occasions when groups have to act somewhat independently – when the firm-wide plan is non-existent, useless or outdated or when the tension at firm-wide level between groups makes attempts at firm-wide planning counter-productive.

2. Look Outwards not Inwards. I have attended many group meetings where the agenda is directed almost entirely towards internal concerns. Although the Group should examine its own strengths and capabilities, the main focus should be on lifting group members' attentions from their files and matters of internal administration to the key choices which the group will have to make to become competitive or dominant in their area of focus.

3. Reach High not Low. Lawyers are often accused of arrogance, but they are

often cautious, negative and under-confident when it comes to setting out their aspirations and targets. Encouragement is often needed within groups to aim higher and to dare to dream. In the context of financial measures, we often find confusion here in partners' minds between prudent budgets and stretching targets. Groups need to be encouraged to reach for the stars within a framework that is realistic.

4. Plan Long, but Act Short. Most departmental or practice group plans which we see are no more than short term revenue-oriented business plans. A strategic planning initiative forms a golden opportunity to plan for the group's long term future – not just the current financial year. Many groups will take the opportunity to examine both skill deepening and succession planning. Equally, at Industry Group level, it is often clear that it takes more than just a few months to build industry expertise and an enduring sector-specific track record. However, the long term planning needs to be resolved back down into shorter term implementation in terms of action plans and tasks. Strategy can only become real if it is capable of being broken down into bite-size chunks.

