

PETER SCOTT CONSULTING

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Strategic clarity and focus – the keys to profitable growth

The ability to focus means we can see things more clearly and so developing strategic clarity and adopting a clear and distinct strategic intent are arguably the most important business imperatives law firms should be thinking about when planning and implementing profitable growth.

As business imperatives, strategic clarity and focus should be embedded into every critical stage of building a greater competitive advantage -

- The law firm's **strategic direction**;
- The **capabilities** needed to achieve the firm's clear strategic goals;
- The **recruitment** strategies to be adopted to build those necessary capabilities;
- The **Learning and development** needed to enhance peoples' capabilities; and
- A **business development** message which clearly and distinctively defines the firm.

Doing this well will concentrate and optimise a firm's investment in time and other resources and will achieve maximum owner value and competitive advantage, while unnecessary effort will be reduced.

There has rarely been a time when law firms have faced more competitive challenges than now. The critical need if law firms are to achieve profitable growth is to futureproof themselves by ensuring they will be **in the right place** strategically for the future. This will require them to adapt rapidly to changing conditions and to see clearly their future direction and capabilities.

To achieve this, the dominant law firm mantra should become

We will always ensure we provide our clients with what they will need.

It is clear from client surveys that clients now more than ever require specialisms – **the right firm for the right advice (and result).**

Resources though will always be scarce and so law firms cannot be (and should not try to be) *all things to all men*. However, law firms continue to boldly proclaim on their websites '*We are a full-service law firm*' which not only blurs and dilutes the message but worse, damages credibility.

Instead, having a strategic focus on a limited number of services and types of clients will create the clarity needed to build a more competitive platform for profitable growth. This will require research, analysis, planning and decision-making – and will need to be **client driven**.

The most valuable input into this process will be a firm's key clients, prospects and referrers as they will have the clearest perspective on what they value and need. Client-related research will help to clarify and to define the choices on which a law firm should focus if it is to secure its competitive future growth.

The next stage – to create the capability to deliver the clear strategic direction needed for profitable growth can be the most difficult to achieve. It will require a firm's people to be both willing and able to deliver what clients will want from the firm in the future. However if client satisfaction is to be consistently achieved and a firm is to become **the law firm of choice** in its chosen market then this is likely to require not only that capability gaps are filled but also that attitudes to client service are changed so that delivery of **value** to clients become paramount.

This raises the most critical question of all –

Do we now have the right people on board who will provide clients with what they want?

To achieve this will require law firms to focus effort strongly on change management, have quick response times to threats and strategic opportunities, have streamlined decision-making and have people who are open-minded, flexible and prepared to learn new skills and ways of delivering value to clients.

Above all, to embed strategic clarity and focus into a law firm to help it achieve its ambitions will require effective **leadership**, which is visionary, which is prepared to challenge everything about a firm, is inspirational and has a determination to implement the changes needed to succeed.

How do you plan to build strategic clarity and focus into your law firm?

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