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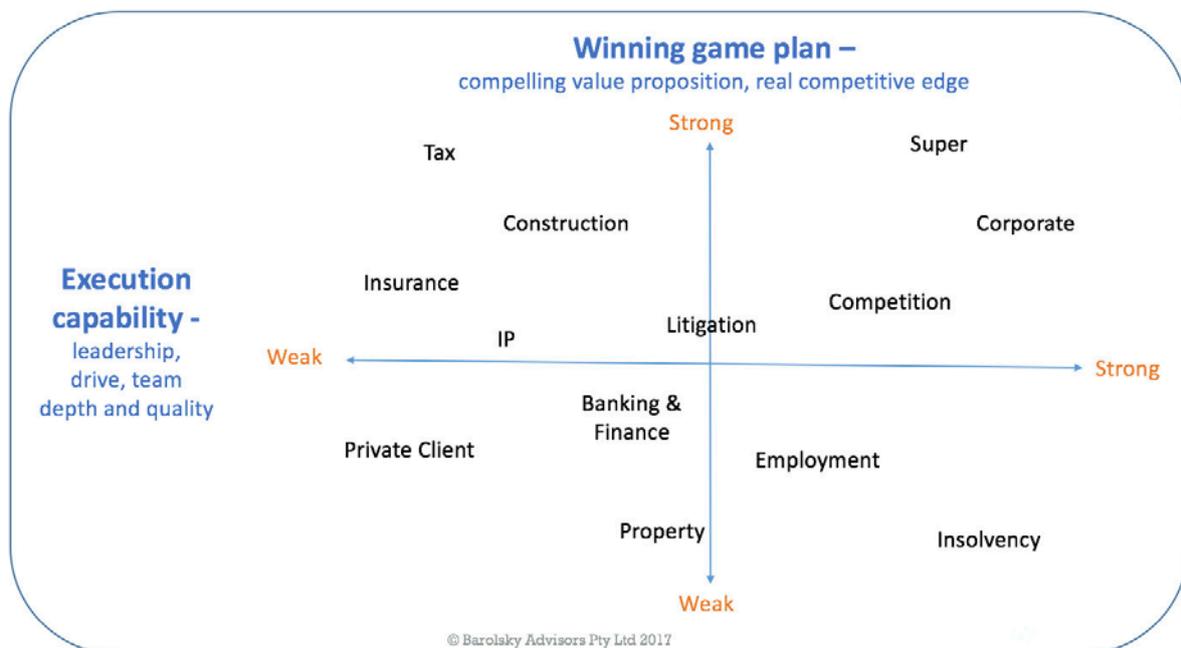
Assessing the competitiveness of practice groups a win-win for firms

Leaders of law firm practice groups must commit to developing a long-term winning strategy and then ensure it has the skills, resources and systems to implement it, writes Joel Barolsky.

If each of your practice groups is primed to win, then there is a pretty good chance your firm will win as well.

With this in mind, there is considerable benefit to be derived from assessing all your practice groups on two dimensions (see the illustration below):

- **A winning strategy** – from strong to weak; and
- **Execution capability** – from strong to weak.



If most of your practice groups are in the weak-weak quadrant, perhaps it is time to take that call from the head-hunter. If all the groups are strong-strong, do not change a thing! If you have a mix of everything, it is time to get to work.

A winning strategy

There is a range of factors to take into consideration to assess whether a practice group has a winning strategy for the next three years. Consider the following questions:

- Does the practice have clear aspirations to win? Is there a stretch intent?
- Are they competing in sizeable, growing and profitable market segments?
- Does the practice have a compelling value proposition; that is, clear reasons why clients should choose them over others?
- Does the practice have a profitable and sustainable business model? (you get bonus points if the model is scalable).
- Is there a Plan B if non-traditional competitors strengthen?
- Are there pilots and experiments in place creating options for future growth?
- Is there a clear implementation roadmap with accountabilities, measures and timing?
- Is it clear what they say 'no' to, and why?

It is important to answer these questions truthfully and to then act on the implications.

Execution capability

On paper, the practice group might have a world-beating strategy, but it may not have the skills, resources and systems to implement it.

The first, and most important, question is whether you have the right practice group leader. Are they a true leader or merely a convenor? Do they lead or just manage? While they might seek to lead, do they have loyal followers? Do they have the ability to inspire and support team members to be their best? Are they strong enough to stand up to the recalcitrants?

Other questions to ask around execution capability include:

- Is the team a real team, or just a loose coalition of colleagues?
- Does the team generally follow through on its commitments?
- Does the team own its strategy and take accountability for it?
- Does the team have the right talent necessary to win, now and in three years' time?
- Does the group have access to the right technology, processes and systems to underpin its business model?
- Is there sufficient open-mindedness to adapt to new inventions and work methods?
- Are there mechanisms in place to regularly review progress and tweak their plans?

Again, these questions can confirm your firm's ability to execute, or expose its weaknesses. Do not ignore them.

The portfolio

While it is important to assess the competitiveness of each practice, there is also a lot of value in assessing the inter-dependencies, synergies and gaps across the portfolio. Another portfolio overlay is the amount of partner equity allocated to each group and expected return on equity.

A review of the portfolio should indicate which practices require investment, divestment or those that should just be maintained. Handling the politics of these decisions is a topic for another article, or three.

In conclusion

While a firm is more than just the sum of its parts, the parts play a critical role in sustaining success. Your firm's strategy needs to reflect firm-wide themes such as overall market positioning, culture, brand, strategic clients, talent, R&D, infrastructure and support. It also needs to deep dive into the practice portfolio, making sure each plays its part and leverages the strengths of the whole.

Joel Barolsky is managing director of Barolsky Advisors, Senior Fellow of the University of Melbourne and creator of the Price High or Low smartphone app designed to help with pricing projects. Visit www.barolskyadvisors.com for more details.