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10 takeaway lessons from the World Masters webinar series

In the first of a two-part article, we report on the recent World Masters of Law Firm Management webinar series and the key lessons that emerged for law firms as they start planning for 2021.

The World Masters webinars consisted of five sessions covering:

1. Strategic overview (Joel Barolsky – Barolsky Advisors)
2. Pricing (Colin Jasper – Positive Pricing)
3. Working flexibly (Andrew Peak, CBRE; David Kearney, Wotton Kearney; Stephen Foley, ebrief; and Andrew Douglas, FCW Lawyers)
4. Marketing (Paul Evans, Toro Digital)
5. Integration (Joel Barolsky, Barolsky Advisors; John O’Callaghan, Arnold Bloch Leibler; Pier D’Angelo, Allens; and Rob Patterson, Parkins Lane)

The following points are drawn from the panellists from session 5.

#1 Work out where and how you can grow

Law firms should take time out during COVID-19 to get clarity on their growth agenda for the next two to three years, according to Joel Barolsky. Should they pursue organic growth, work smarter, target different channels, engage in lateral hires, pursue acquisitions or joint ventures? The options are many and varied. “And it might be a combination of those,” Barolsky says. “It’s about thinking quite clearly as to what’s the most appropriate way to grow in the particular direction you’ve chosen.”

Any growth discussions should also factor in how your firm will operate and manage primary-value activities such as building a brand that can command a price premium and encourage people to buy your services. Steps along the journey will include building relationships, converting opportunities through business development initiatives, managing effective pricing, and executing the delivery of services. “Where are you going to put your emphasis in terms of making margin improvements and making productivity gains?” Barolsky asks. “Is it in advising and service delivery around new workflows and process

redesign? Is it around embracing better people management practices, or better brand and relationship building through digital? Is it through better pricing? Or is it around

infrastructure and using your office in a different way given that we might have a work-from-home workforce?”

Regardless of the approach, Barolsky says everyone within the firm should be “on the same page”, otherwise the chances of success decline.

#2 Plan now for your office of the future

The webinar on working flexibly raised the issue of what happens next with expensive law firm office spaces that were often left sitting empty during the pandemic. John O’Callaghan says the case for home-based work has been made, but that firms now need to determine how they will blend traditional office structures with open-plan layouts and the continuing growth of flexible work practices. He says the jury is out on just how much firms will go back to the norm in terms of office use when COVID-19 is brought under control. “That’s unfolding across the whole market and I don’t think we’ll really know the answer to how that’s going to land until sometime later next year.”

What is clear, though, is that firms should start planning now for the new normal. Liaise with staff to check their wishes and how flexible work can best be rolled out. Evaluate long-term leases and, if they cannot be adjusted, make the firm’s next lease deal a pressing issue.

#3 Weigh up lawyer advocacy versus the use of barristers

COVID-19 has forced the courts to reconsider their resistance to the use of technology. “It is really interesting to see how quickly the courts have adapted and adopted technology as a way to operate,” O’Callaghan says. “In the past the pace of change was relatively slow and now it’s been accelerated.”

With courts now embracing digital and virtual technology, Barolsky says there is a view that more lawyers will be prepared to advocate on behalf of their clients, rather than briefing barristers. Why the change? “Because it’s less intimidating being in a Zoom court than physically fronting up in court in front of a judge and the client. The technology provides psychological protection and it is a big opportunity.”

#4 End the standoff between partners and HR departments

In his consulting work with law firm over the past 25 years, Barolsky says he has often witnessed a disconnect between partners and their human resources teams. A common belief has been that HR people lack commercial nous and are too process and compliance driven.

“That’s been their main driver, rather than concentrating on how to create a high-performing culture or really inform key talent decisions and nurture the firm’s talent base,” Barolsky says. “On the other hand, the HR people feel that whenever they say things or do things, or run events, partners don’t show up or are quite dismissive.”

Such a scenario does not serve anyone’s interests. Barolsky is encouraged that COVID-19 has forced partners and HR teams to work better together on a range of engagement and mental health issues. “It’s been a revelation and HR has stepped up.”

#5 Allow leaders to do their jobs

At a leadership level during the pandemic, two big things have happened, according to O’Callaghan. First, the need for law firm leaders to truly take charge and guide the firm has become obvious in 2020. “It was being done in the past, but it’s been elevated to another level around having to lead through a crisis. Most leaders have stepped up to manage their firms really well and the recognition of the role within firms has also changed.”

Second, there is now an opportunity for leaders to crystallise those gains and to entrench their power base for the future. To maintain the momentum, O’Callaghan says continual training and investment in leadership is required within firms.

Barolsky adds that many partners have “fallen into line” and avoided the temptation to second-guess leadership decisions and debate all matters large and small. “Instead, they have just got on with it,” he says. “There’s a sense of ‘let the leaders lead and we’re happy to delegate some of those decisions to them and we’ll focus on our clients and our people where we add the most value – not in another management meeting’.”

[Note: Points 6 to 10 will appear in the second part of this article in the December edition of the *Australasian Law Management Journal* and on the Law Management Hub website.]

The big questions for 2021

Barolsky closed out the webinar with the call for law firm leaders to consider the following questions as they plan for 2021 and beyond.

- I. How are our clients, and potential clients, changing?
- II. What client problems are we seeking to solve, or solve differently?
- III. What’s our growth story over the next two to three years?
- IV. In what ways should the COVID experience impact our firm?

V. How do we get 10 per cent better at engaging our people (without \$\$\$)?

VI. What elements of our firm's culture should we tweak, if any?

VII. What process or workflow change will yield a 10 per cent lift in productivity?

VIII. What change to our pricing will yield a 10 per cent lift in margin?

IV. What's the one big gap I'd love to close between what we state we'll do and what we actually do?