Table 1 Common impediments to implementation and decision making

1	Ineffective or defective strategy or vision
2	Ineffective decision making processes
3	Poor or ineffective leadership at top of the firm
4	Internal policies
5	The firm's disparate (heterogeneous) culture
6	Ambiguous or woolly governance structures
7	Inconsistencies over what everyone values or believes is important
8	Individual partner autonomies or vetoes
9	Ineffective management/administration resources
10	Lack of defined management roles
11	Lack of defined management reporting lines
12	Lack of partner involvement or commitment
13	Lack of partner effort
14	Insufficient high performing partners in the firm
15	Constant undermining and subversion of decisions
16	Lack of investment resources
17	Inefficiencies in project management

Implementing strategic goals can sometimes be a painful process. **Nick Jarrett-Kerr** examines how a combination of effective leadership, structure, systems and discipline can help you realise your development goals and avoid the obstacles preventing the proper execution of strategy

*Exec*uting Strategy

Not many organisations (and even fewer law firms) would claim excellence in implementing strategic plans or achieving strategic goals. The industrial globe seems littered with abandoned plans, half-completed projects and unrealised strategies. Where strategic success has been achieved, it has often taken longer to realise than planned, or has proved more expensive than anticipated. Even where the plan has been successfully implemented, it sometimes results in less return on investment than expected. In short, the grand plan often turns out to be a major disappointment. The reasons for poor implementation are manifold – some of which are listed in table 1. Here we address the three major impediments to effective strategy execution.

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Three defects

The first, and possibly most obvious, reason is that the plan is in some way defective – this could be because it is badly researched, lacks vision, is hopelessly unrealistic, or is ambiguous and vague. The second is that the firm is somehow unable or unwilling to make – and more importantly stick to – the tough decisions and choices that are needed to bring the plan into effect. Decision-making is only effective if those decisions are seen through. Tough decisions become pointless in firms where partners are able to ignore, undermine or subvert the implementation project. This is linked with the third main culprit in strategic implementation, that of poor leadership at the top of the firm – not just the managing partner or chief executive, but the whole of the leadership group.

Getting the planning right

It is easy to think of examples of firms that have prepared a strategic plan only to find that it has been filed away in a drawer, never again to see the light of day. One problem is that strategic planning is often somewhat of a delegated task. As the best strategy plans can rarely be created by the whole partnership, firms often expect a small body of the firm to take the major responsibility for overseeing the process. A planning committee is either formed or the strategic task is given to the firm's management committee. Alternatively, the firm's managing partner goes into a period of seclusion and begins drafting away. However well organised and delegated, the effect can often be that many partners never engage with the plan or fully commit to the objectives that are required from them. Recently, I interviewed a cross-section of a large international law firm which had recently completed and unveiled a strategic plan. To my surprise, around a quarter of the partners had never even read the plan, despite attending meetings where it had been discussed. In mitigation, the plan was well over 100-pages long and was not an easy read. It is not, however, easy to execute a plan when the

Table 2 Clarifying decision-making rights via RASCIP

RESPONSIBILITY – the person responsible for delivering the project
ACCOUNTABILITY/APPROVAL – Those from whom approval is needed
SUPPORTS "R" in making it happen; accountable to "R" for agreed-upon work
CONSULTED by "R" before plans are finalised or decisions are made; can influence plans
INFORM – after the fact is ok
PROMOTE – make the suggestion

Typical steps:

- Identify and list all the activities, processes, projects and problem areas
- Identify and list all the roles
- Identify who has R, A, S, C and I for each process or activity
- Each process to have preferably only one R
- Resolve gaps – a gap occurs when a process exists without an R
- Resolve overlaps – an overlap occurs when multiple roles exist for R of a given process. In such a situation, break it down further with unique R

owners of the business have neither absorbed nor committed to its contents, vision and goals. Further, in the past few years I have read and analysed more than 100 law firm strategy plans and a number of them were woolly, vague and wishy-washy. Others were hopelessly and unrealistically over-ambitious. Still more lacked vision as to what sort of firm they wanted to be or how they might achieve a competitive edge – or even how they would define and measure success. A few have had no plan at all, and relied on repeating existing and past business recipes.

The creation of a successful plan is the subject of many books and articles, but however it is created and whatever the form and length, it is vital to ensure that it is understood and "owned" by the partners. It is imperative that its future implementation is clearly identified in action plans, and for which individual partners are firmly held responsible and accountable for appropriate sections. In addition, plans which are bold and ambitious command more excitement and are therefore easier to implement than those that are vague. Activity-based language, using direct and straightforward words and reducing evasive words, such as "aspire", "develop" and "consider" is also helpful.

> Lawyers are infamous for the glacial speed of their decision-making. Analysis can often result in paralysis

Effective decision making

Law firms have huge problems with their decision-making processes. Lawyers are infamous for the glacial speed of their decision-making. Analysis can often result in paralysis. Caution and a tendency to be risk averse can often mean that decisions are continually delayed until everyone is totally satisfied that there are no further avenues to explore, no more analysis to be done.

Additionally, the lawyer's desire for perfection leads him or her to seek the perfect solution. Even when decisions have made, they are often reversed on further reflection or when a vital constituency raises objections.

The third problem is that even when a decision is reached there is often no clarity or accountability for implementing the decision. The RASCIP process, outlined in table 2, can be used to identify how decisions can be made. It helps to confirm who is responsible for the project, those from whom approval is necessary, those who support the initiative, those who need to be consulted, and those who need to be informed.

Although this may appear to be a somewhat cumbersome and bureaucratic process, it really does help to clarify information and decisions across the organisation. Even then, not everyone in the firm will get the plot. There are examples where law firm professional managers take only a few weeks to discover that the partners of the firm have not the slightest intention of allowing them to exercise the decision rights and authority explicitly given to them in their job description. This sort of opposition is not uncommon. The reasons vary from the extreme of outright subversion (from partners who are determined to undermine anything that threatens their autonomies and comfort zones) to the indifference and inertia of partners who are immersed in client work and have therefore given insufficient time and commitment to engage in the necessary thought processes needed to work out how the firm is going to become successfully run as a commercial business.

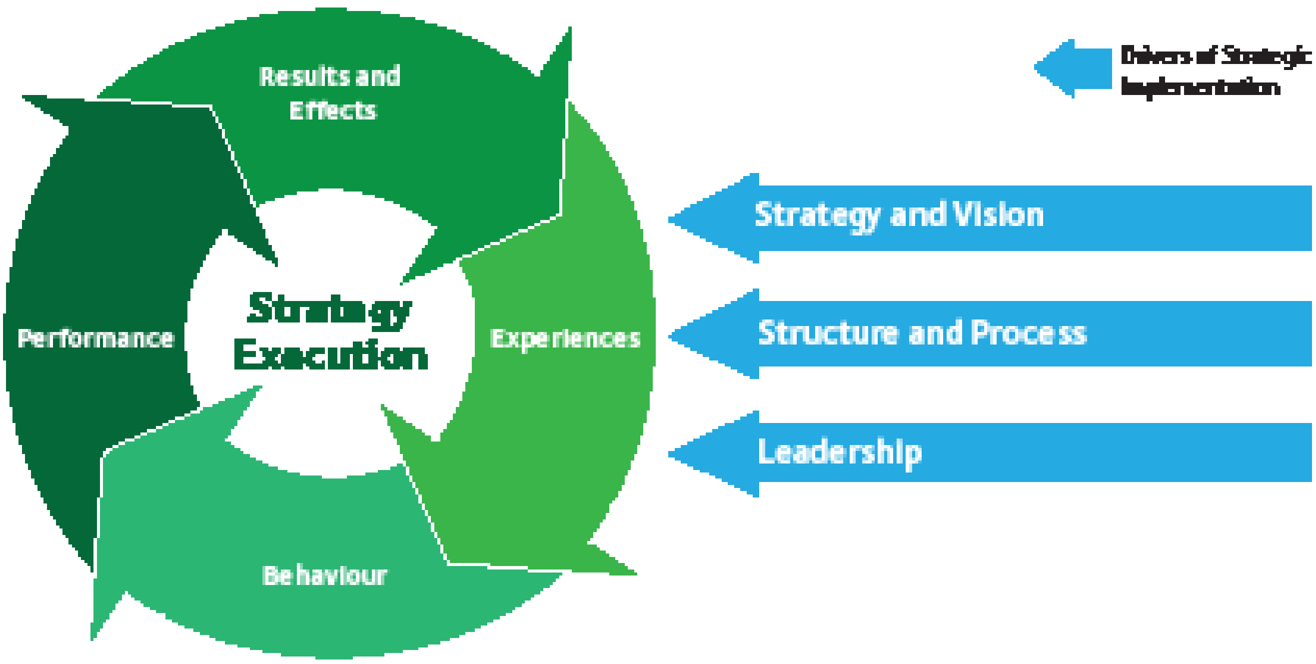
The culture and acceptable behavioural norms of a firm can either assist or hinder this connection. Some continue to operate as highly individualistic "motels for lawyers" and in such firms, it is hard to achieve a unified decision-making structure. Vetoes abound in order to prevent any decisions being made that go against the personal interests of individual partner. The self comes before the firm in such places.

Even in better organised firms, a lack of overall cohesion often results in multiple and conflicting goals. More enlightened firms have managed to develop an environment where individual partners identify themselves as part of a group in which they have pride, feel a sense of belonging and demonstrate in-group loyalty. In such firms, positive group behaviours can be engendered and can result in the needs of the firm coming before the rights of the individual. Partners in these types of firms, even if not in favour of a particular decision, are nevertheless prepared to support the feelings of the majority or accept a decision that has been made in a responsible manner.

The leadership gap

The third area in which some firms fall down in is poor or ineffective leadership ability at the top. Poor leadership can lead to many ills, but here the focus is on the impact on both decision-making and strategy execution. Law firms that have proved to be successful at strategy implementation invariably have

Diagram 1 **The drivers of strategic implementation**



strong leadership, not necessarily from an individual but from a leadership group. There are usually three leadership ingredients for this.

Defined roles

Effective firms put in place well defined roles and responsibilities. Managing partners, senior managers and boards are clear on the extent of their mandates. Partners who are not involved in management are ready to cooperate and act in supportive roles. They are willing to accept that the firm needs to be managed and that partners cannot be involved in every decision. Whilst it is necessary for partners to support those in management roles, it is not inevitable that this should result in blind acceptance. Partners should not be sheep. They are ultimately responsible for a large level of autonomy in their client work and team responsibilities. They will always have an important role as watchdog of the leadership. However, if strategy is to be implemented, a "one-firm" approach in which roles and accountabilities are well coordinated and understood is necessary.

Management style

High execution firms decide on or evolve a set of leadership and management styles and approaches that suit them. There is a wide selection of acceptable leadership styles and governance approaches and the choice between them depends on the size, tradition and ethos of each firm.

At one extreme, some successful firms have a leadership that rules with a heavy degree of control. In these firms, those in power operate (hopefully) as a benign dictatorship, with authority and control centralised into the hands of a small group or, in some cases, an individual. The danger with this extreme style of management is that firms can degenerate quite quickly into unpleasant and malign dictatorships where partners feel that they are nothing more than unprotected employees on short-term contracts.

At the other extreme, some firms operate a softer management policy. In the successful examples of light-touch firms, empowerment is a well protected value and decentralised management control is an important feature. Partners understand the "rules of the club" perfectly and the firm's tradition and culture assures high standards without the need for volumes of written rules. There is no room for underperformers. The leadership style is facilitative, informative and open. Partners are encouraged and expected to perform well, but there is little use of the big stick. This form of leadership is particularly suited to firms with a preponderance of high performing partners but tends to work less well in firms that operate mainly in commoditised markets where the emphasis is on efficiency, systems and well disciplined teamwork.

The problem here is that the firm can, unless monitored carefully, quickly descend into an ill-disciplined anarchy where every partner feels free to do exactly as they please without any accountability for poor performance, low standards and laziness.

Far from having determined an appropriate management and leadership style, the poor-execution firm often contains an unhappy cocktail of poor leadership behaviours, inconsistent control of standards and a culture of blame. Selfishness pervades the firm. Internal politics and cliques often assume more importance than any agreed management processes.

The problem with many firms is that partners waste a huge amount of energy in partnership squabbles, leaving little or no resources to fight external battles. The implementation of agreed strategy becomes sidelined and de-prioritised in favour of in-fighting. The brutal truth is that while there is a huge amount of room for differing leadership styles, chaotically managed and badly organised leadership does not deliver to capable and effective strategy execution. At the same time, firms with a brutally controlling environment do not usually enjoy enduring success.

Determination

The third leadership ingredient for effective decision-making and successful strategy implementation is the ability and determination of the leadership group to see the project through. This is allied with the courage to make difficult decisions and the professionalism to not allow diversions, hijacking attempts or unforeseen circumstances to ruin strategic projects. This is easier to theorise than achieve. As Peter Drucker once observed, "wherever you see a successful business, someone once made a courageous decision."

It takes courage to be an effective leader. It is much easier to aim for the popularity vote by making only those decisions that show the leader in the best possible light and are likely to attract instant affection and admiration, but it is usually a matter of luck if those prove to be the right long-term steps for the firm. To make the tricky judgment calls is harder – those that seem counter-intuitive, are largely unsupported or where all the analysis in the world can only skew the failure/success equation from 50/50 to 60/40. Crafting and gaining partner commitment to a long-term vision and strategy when all that the partners seem to want is to do legal work for today's clients in pursuit of this year's profits is a lonely job. It is never easy to confront arrogant partners with adverse feedback or evidence of shortcomings.

A great deal of strategic implementation needs to be done at practice group and team levels and requires a large amount of consistent and concerted follow-up. Nobody likes someone who constantly reminds others of their undelivered action points. Even the best crafted plan needs to be flexed and adjusted in light of changed circumstances and this requires leaders to display adaptive and innovative skills. Leadership requires emotional intelligence to see beyond the obvious, to listen to and assimilate constructive and negative comments, and to make adjustments in the light of experience.

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Leadership in law firms needs to have a subtle combination of competencies and characteristics – part visionary, part organisational psychologist, and part slave driver – to enable the firm to face its challenges in its own unique context. These attributes can be learned, but they are best acquired on the job. Be warned however, the learning curve is often longer than the average term of a managing partner.

Effective strategic leadership

- Well defined roles and responsibilities and clarity of the extent of mandate.
- Evolved management style and approach suited to the firm.
- Determination to see implementation of strategy to the end of the project.

Driving implementation

Strategy, structure and leadership are the main drivers of strategic implementation. The strategy and vision of a firm should drive and influence the structure, systems and processes within that organisation. A combination of effective leadership and the firm's structure, systems and disciplines (including its decision-making processes) drive the behaviour of partners, and that behaviour drives performance and results. The diagram on the previous page however shows a further critical element in the importance of day-to-day experience to see through strategy.

Effective strategic implementation is far from being a paper exercise. The clever strategic plan and the carefully crafted governance structure of the firm can easily be consigned to a drawer in the filing cabinet unless it is lived out in the day-to-day experience of both the leadership team and the various constituent partners and members within the firm. Partners are quick to pick up the way things realistically work in any firm and these practical working practices, together with the values and norms in evidence on a daily basis, may be very different from what is written down in the plans and structures.

Like the best orchestral conductor, the leadership of the firm has a vital part to play in ensuring that the words (the written plans, structures and systems) match the music (the way things are actually done). If, for example, a partner – or indeed a practice group – is trying to work towards some agreed strategic development objectives, but sees that what is actually valued in the firm is financial performance, the agreed objectives will soon be forgotten and the partners will quickly default back into short-term performance behaviours.

The leadership needs both to keep their partners and groups focussed on the agreed strategy and to support reinforce and reassure wary and sensitive partners that the expected new behaviours are safe for them to embrace.

Above all, the leadership needs the tenacity to rise above everyday distractions and crises in order, flexibly, to pursue the firm's long-term objectives.

Nick Jarrett-Kerr (*nick@jarrett-kerr.com*) is a leading UK and international advisor to law firms on leadership, management and strategy. He is also a module leader for the Nottingham Law School strategy modules and a core MBA faculty member

Further reading:

"Market Positioning - A Diagnostic Planning Guide for Law Firm Development," *Law Business Review*, Summer 2009

Strategy for Law Firms – After the Legal Services Act, Law Society Publishing, November 2009.