Market Positioning – A diagnostic guide for law firm development

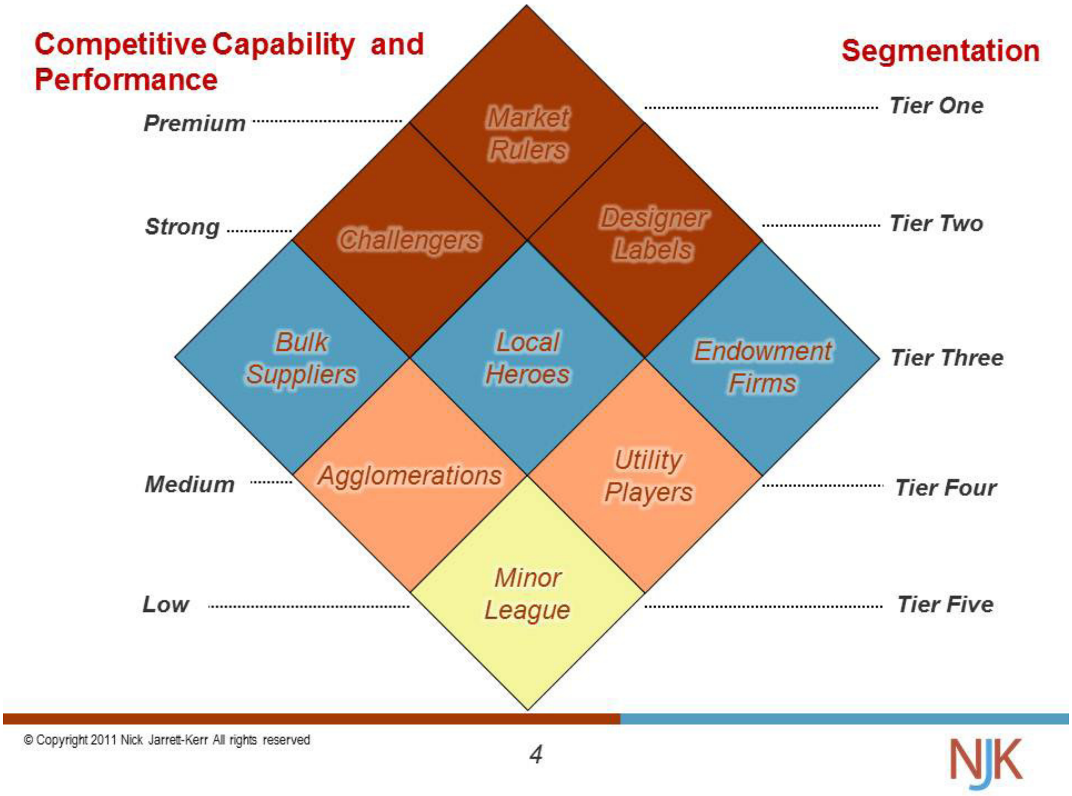
By Nick Jarrett-Kerr

At first sight, a recession may not seem the best time to overhaul radically a law firm's strategy. It seems more intuitive to batten down the hatches, trim overheads, tighten up the operation and wait until the recessional storm clouds recede before attempting any dramatic change of direction. If, however, past recessions are anything to go by, this is just the moment for bold and agile firms to make any move which can perhaps give them some sort of advantage over their competitors. There are three possible attacking moves which a firm might want to consider during a recession. In the first category, some firms may feel that their survival strategy is best served by going for further growth or by becoming part of a bigger enterprise where the advantages of scale, critical mass, and deep teams will allow them to maintain or improve their financial and competitive positions. For the second type of move a firm may elect to follow a strategy that allows them to avoid all the disadvantages of growth and to remain niche (or at least small) by competing in a restricted set of markets or services and specialisations, and by occupying specific strategic positions relative to competitor firms in terms of quality, or cost, or client focus. This strategy is not as easy as it sounds as it may require the firm to discard irrelevant or unprofitable offices, departments and partners. These two attacking moves have at their heart a desire to improve or change the firm's competitive positioning in the market-place. Similarly, a third category of move means a firm might therefore seek dramatically and radically to change the firm's market position in other ways, and this article examines what this might mean and how such a venture might be approached.

The nature of market positioning in the legal profession

Put at its very simplest, strategic choices can be distilled into two basic parts. The first is the firm's choice as to where it should compete (positioning) and the second is the firm's strategies to address how it should compete (gaining and sustaining competitive advantage).

A law firm derives its ability to compete from a number of different factors – its tradition and history, the market-place it is trying to serve, both in terms of geography and client types, where it fits into that market-place, what services it is offering and in what industry and market sectors, and its credibility in offering those services. To a large extent, most firms' market



position – where the firm chooses to compete - is the result both of choices made by its partners many years before and evolution since then, as opposed to a recent decision to make a radical shift in strategic choices. In assessing a firm's ongoing strategy, it important to understand where it is now and what realistic decisions the firm can make to address a profitable future. Radical changes to a firm's current market position can only be made with enormous effort and large-scale investment. A firm's positioning also is aligned with its approach to market segmentation – the groups or segments of clients and potential clients who have broadly similar needs and perceptions of value

At the same time, we are beginning to see a number of generic market positions arising in the legal profession both nationally and throughout the world. Although most firms will fall into one of nine generic types shown on Table 1, an important point must immediately be made. This is, that every firm has its own unique history, tradition and culture and may well enjoy features from more than one generic type.

The table – or diamond matrix - is therefore offered as a diagnostic planning guide rather than a set of prescriptive 'pigeon-holes.' The table's nine different generic types of market position, is also divided vertically into five segments of client demand. The description of each generic type and its unique features helps to understand where firms might stand and how firms can develop their strategic choices.

The table is contextual and applies to the relevant market for any firm, which will usually mean the domestic market within which the firm is practising. Whilst the table can also be used to consider the global market-place, it is perhaps most relevant to think of it in terms of the market in England and Wales – the market to which the Legal Services Act will immediately or imminently apply. The diamond shows five different layers or divisions of law firm working from top to bottom. The first layer – Market Rulers – contains the premier division of law firms. The second layer contains two types of firm which I have described as Challengers and

Designer Labels and forms the first division just behind the premier division. The third layer or division is made up of three different generic types of law firms – Bulk Suppliers, Local Heroes, and firms which I have described as Endowment Firms. The fourth layer contains Agglomerations and Utility Players whilst the fifth division contains a large number of Minor League firms. The typical profile of each generic type demonstrates their positions in terms of sustainable competitive capability, dominance characteristics (if any) as well as comparative performance and profitability.

These five layers or divisions more or less match the segmentation of the legal profession, with the Top Tier work (complex transactions, financings etc) going mainly to Market Rulers and the top end firms in Tier Two, and the purely local and low grade work going to the lower tiers of firm.

Each segment in the diamond describes a typical market position for a law firm. The diamond does not, however, seek to define the number of law firms in each segment, nor their relative sizes. There will, for example, be very few Market Rulers and it is likely that they will all be very large law firms. There will also be large numbers of Minor League firms but they will all be small in size. There will also be large numbers of Utility Players of varying sizes.

Market Rulers

are the major national and global players. They are often to be found as magic circle players in most capital cities and amongst the global leaders. These firms apply the laws of dominance to attain huge critical mass. This means that they can field deep teams across all or the majority of the heavy-lifting areas of corporate and commercial work and can resource major transactions and matters at a moment's notice. It also means that they can provide leverage to all their transactions and matters by producing expert teams led by highly competent and leading specialists. They also have a strong brand and name in their jurisdictions which command respect and credibility. They tend to get the high profile mandates from an impressive list of top clients. They also tend to be the pricing leaders in any area and they often have clout in government relationships and the corridors of judicial and regulatory power. Because of their resources and their investment capability they are often at the leading edge of unique new flexible capabilities. Hence they are able to ward off or defend against attack by always being one step ahead of the competition. Market Rulers are also preeminent in terms of superior profitability and performance. Their profitability is based on three main profit drivers. First, they tend to be involved with the high value deals and the 'bet the firm' issues where premium pricing can be applied. Second, they tend to be efficient in the management both of overheads where they gain huge economies of scale and the maximisation of productivity. Finally, the application of leverage through the building of deep teams helps build and sustain an enviable profit model.

The second layer is made up of Challengers and what I have described as Designer Labels. Whilst these firms differ widely from each other, they do share some common characteristics with each other and the Market Rulers.

Designer Labels.

This genus describes three distinctive types of firms who have some broadly similar positioning and competitive characteristics. Two of these types have also been described by commentators as Focus Firms and Portfolio Firms. The focus firms – also and perhaps better known as niche firms - are usually highly differentiated with narrow scope. They tend to either specialise in one or a few particular areas of law or in carefully defined sectors of client types or industries. In relation to a niche firm's chosen markets, they share many of the same features as demonstrated by Market Rulers and may indeed be market rulers in their areas of fame. They do not however enjoy the same spread of services offered, sectors served, nor do they usually have the same global geographical reach as Market Rulers.
The third type of Designer Label firm describes firms which may be relatively full service but who exploit some other distinctive characteristic which appeals to certain types of clients – such as a range of unusual but strategically placed locations or an accentuated brand image – which helps to define them and give them a competitive edge.

Designer Labels are usually extremely profitable and their specialist core focus makes them highly competitive. They often have an impressive base of clients who value their extreme efficiency and their sector knowledge. Niche firms with a client sector based approach include firms specialising in the Public Sector, Media, Shipping, Aeronautics, and Pharmaceuticals. Examples of firms with specialist areas of law include firms focusing on such areas as employment law, IT, tax, white collar crime and personal injury. These firms have made a distinctive choice to avoid the temptation to become a full service jack of all trades but master of none. They will seek instead their own areas of fame within some specifically defined areas. Within those areas Designer Firms share some of the characteristics of Market Rulers. The question becomes whether or not their competitive capabilities are sustainable over a long period of time. The problem is that in legal firms no competitive capability can ever be permanent. The more that a firm restricts its services or its sectors, the less chance of adaptability, diversification and innovation it has.

Challengers.

Challengers are firms who traditionally have been a bit behind the Market Rulers but are making a strong bid to climb into the elite club of law firms. In short they are firms who are seeking to attack the position of the dominant firms by a combination of smart strategies, huge investment and driven leadership. Often firms such as these operate from a traditional position of strength as they are usually highly profitable and often enjoy excellent client bases and heavy-hitting business development capability. DLA Piper falls into this category. Firms such as Eversheds and Berwin Leighton Paisner are also firms who would like to see themselves as challenging for elitedom. Challengers also enjoy a lot of the same features as Market Rulers but their brands do not carry the same level of client assurance and credibility. Their areas of core competence may also be similar but the experience base is often not as strong, and the development of experts with deep 'guru' status is not as pronounced. Alternatively, a firm falls into this category if it is dominant in its own national market but, whilst having some international offices, cannot be described as a true global heavy-weight. Challenger firms are often also the first movers in trying to 'break the mould' so as to be at the leading edge of new law, new service methodologies and new trends. Pioneering firms therefore include firms who are using innovation and new methods of service delivery (such as the outsourcing of back office IT and accountancy processes) as ways of breaking new ground. Challenger firms can also be pioneers in developing services in emerging or growing areas and in time these developments can lead to the gaining of a strong or dominant market position.

Firms in the Challenger category are likely to include a number of organisations which would be keen to use the possibilities of the LSA to obtain external funding in order to fuel expansion and development.

The table then descends to a third layer, comprising three generic types of law firm.

Bulk Suppliers.

The Bulk Supplier is a fairly new phenomenon. The philosophy is that the best way of making large amounts of profit out of commoditised work in the legal professions is to pile it high and sell it cheap, making use of technology and low cost employees. In order to achieve a high volume low margin profitable position, such firms have to grow quickly to become big and to obtain much of their work by large amounts of marketing and selling in individual markets within one or more jurisdictions. Thus the profit drivers of such firms are systems and leverage to take advantage of high volumes albeit at low margins. The differentiating features of such firms are pricing and branding. The problem with using pricing as a differentiator is two-fold. First it is difficult to sustain a position of being the cheapest in a sector where somebody else will always try to undercut you. There can be only one cost leader at any time in any profession or industry. The second issue is that most buyers of legal services tend in the long-term to purchase on value rather than price.

It also has to be remembered that the power of advertising and branding has only become evident in the legal profession in England and Wales within the last twenty-five years, and due to the large number of law firms in being and the relative fragmentation of the profession, we have not yet seen the sort of branding phenomenon experienced in the financial services sector. In the short-term, however, the advent of a small number of heavily marketed bulk suppliers has already proved to be a massive challenge for the High Street practices and these challenges are likely to grow stronger and to threaten to a more worrying extent. The advent of the LSA will affect the market in two ways. First deregulation could well see non-legal organisations such as Tesco and the Coop making a bid for volume work by establishing their own law firms. These firms have no particular uniqueness in their sales proposition and rely on their assurances to clients that they can do the job quicker, cheaper and with the minimum of fuss. Hence, they rely on efficiency, systems and processes to enable them to take cost out of each matter. The second threat is from the existing leading Bulk Supplier law firms. In the field of personal injury litigation, a number of firms such as Irwin Mitchell, Russell Jones and Walker and Lyons Davidson have grown enormously and by implementing systems, processes and the features of commercially run businesses have begun to erode the ability of the Utility players and Minor League firms to compete. Yet none of these firms seems to have more than a 5% share of the available market for such work. The advent of the LSA will enable these firms to introduce external finance in order dramatically to build market share and further to dominate the market for personal injury services.

Local Heroes.

Almost every country, city and town has a firm which has achieved national, regional or local fame and even dominance. Examples in the UK include Wragges in Birmingham, Walker Morris in Leeds and Burges Salmon in Bristol.

Local heroes also share many of the features of Market Rulers. Indeed they are usually Market Rulers in their own fiefdoms. Their client bases are strong and the depths of their teams and strength of their specialised core competencies is usually huge. Their profitability is also good, although not as high as the Market Ruler firms, because of their inability to charge premium rates.

The drivers of profitability for these firms are usually a combination of factors which place them in a strong position of profitability relative to their local competitors. Thus pricing, though lower than the premium pricing obtainable by Market Rulers, and leverage, can be applied to their strong local client bases. Whilst these firms might not be able to aspire to the very top tier of complex global transaction, they nevertheless enjoy a good selection of high value work. Some Local Heroes also have Designer Label status in such areas as private client and public sector, and some have niches to rival higher tier firms in corporate law, commercial property and commercial litigation.

Local Heroes however suffer from their lack of geographic reach. They will not often have strong offices in more than one jurisdiction and indeed within the United Kingdom are very often to be found in only one major city. The question for these firms in terms of their own positioning is where they go next. The options for them are to stay as they are or to try to challenge for the next tier by becoming a Challenger Firm or even Designer Label Firm.

Endowment Firms

The final type of firm in this third tier of firms is what I have described as the Endowment Firm. Whilst almost every law firm depends to a greater or lesser extent on the client bases and traditions which they have inherited from the past, the generic Endowment Firm type relies predominantly or exclusively on history and inheritance for their competitive position and profitability. They are often yesterday’s Market Rulers. Whilst their position remains strong, it is in danger of waning. The strategy of the Endowment Firm is largely to continue doing what they have always done. Such firms rely on the loyalty and inertia of their established client base. Although it can be relatively easy and inexpensive to switch suppliers of legal services, clients will often continue to tolerate their existing lawyers rather than go to the trouble and risk of changing to a new firm. Much of their client base is 'old money' individual clients and old-established corporate clients. Endowment firms are often slow to move and averse to change. The culture and routines of the Endowment Firm tend to be hierarchical, bureaucratic and risk averse making such firms slow to react to market changes. Innovations are largely client driven, and the development of new services, new clients and new markets tends to be reactive rather than proactive. Such firms tend to be pillars of the establishment which helps them to be listened to in the corridors of power and to retain premier tier clients and partners. Hence their competitive positions are based on their status as known quantities and client perceptions that they remain thoroughly safe hands.

Utility Firms.

Every geographical market contains a host of small and medium sized and even quite large firms which are general practices offering a broad range of services to a broad range of clients. These firms have few differentiating features except for their relationships with their clients and convenience of location. Utility Firms have also been described as 'Vanilla Firms' to describe somewhat ordinary firms who are simply part of the pack. Utility Firms rely on conformist copycat strategies to ensure they do not fall too far behind their competitors in terms of specialisms, services and processes. Profitability is largely based on maintaining high productivity and efficiency with a carefully controlled overheads base. The existence of a few loyal star partners and staff often help to carve out a niche or degree of fame and expertise in particular sectors or specialisms. Utility Firms share some of the characteristics of the next tier up. They will often have a department or niche dealing with bulk commoditised services, or they may have some niche specialisms which are characteristic of Designer Label Firms. In their particular locality, they may be one of the firms challenging for Local Hero status.

Agglomerations

tend to be consolidations of firms nationally or regionally whose strategy is to create bulk and critical mass in order to challenge for their market position. Such firms are often created by unrelated acquisitions and consolidations and spend significant periods of time trying to shed old inefficiencies and unprofitable clients and are guilty of over-partnering and inefficient working practices. Hence their profitability is often unremarkable and their specialist areas can often be wide rather than deep. Many agglomerate firms remain large but mediocre and rather amorphous. Increasing size as such is not a strategy as it is based on the theory that you have to be big to be credible, and because by getting bigger, the firm will be able to compete. There is no doubt that in the minds of clients, a large firm provides a greater comfort factor than a small firm. To clients, size can be a proxy for excellence, deep resources, expert teams and tough punching power. The point here is that an agglomeration can only give a temporary competitive advantage and should therefore be seen as a launching pad for swift transition into a higher bracket. These firms will usually therefore make their way into one of the other higher profitability brackets. If they fail to achieve such an upward move, they will generally see contraction in size as partners leave or are pruned, and will often slip back into their former market positions.

Minor League players form the majority of small and medium sized firms throughout the country who are struggling both to provide something unique to the market and to provide profitable performance. The competitive characteristics of a Minor League firm tend therefore to become factors like convenience (locality of office), local knowledge and price. The competitive disadvantages are however formidable – lack of investment capacity, low profitability, succession issues and competitive pressures from above. The Minor League firm cannot compete on price with the Bulk Suppliers nor does it often enjoy the specialised experiences and resources of the Local Heroes with whom it is usually trying to compete for the better value work. For the minor league player the positioning opportunities are restricted. It is not easy on any part of the diamond to move directly or diagonally up. Exploiting any particular strengths the firm may have may enable the firm to become a Utility Player, but whilst this might improve the firm's position a bit in terms of performance and profitability, the firm is still exposed to an uncertain existence in an increasingly competitive market. In the face of these issues, it is not surprising that many Minor League firms are taking refuge by becoming subsumed – where they can – into larger firms.

Choosing the right firm to join

The diamond matrix can be a useful diagnostic tool for a lawyer choosing to join a new firm. A number of research projects over the past few years have demonstrated again and again the importance of work quality for the young lawyer, as well as career prospects. Clearly, the quality of work available to a lawyer is likely to be higher towards the top of the diamond, whilst the early prospect of partnership is more likely at the lower end. Extreme specialists in any discipline are likely to choose firms which at least have Local Hero or Designer Label status, whilst all rounders may find life more comfortable in a Utility Player Firm.

The first challenge is to try to identify in which segments any short-listed firms actually are placed, and then to decide whether the firm's position and characteristics match the individual's ambitions and aspirations. In the second place, the matrix can help frame the questions which need to be asked about the firm's current position and prospects – whether the firm is on the rise or the wane, and whether it has a firm grip on its direction and future. Warning lights should flash if the firm appears to be in more segment than one. Although it is possible for a firm to overlap segments, nevertheless the business recipe, culture, structure and pricing models vary enormously in different parts of the matrix. Firms have, for instance, found it somewhat hard at the same time to operate high volume low margin services and low volume, highly priced services within the same firm. Finally, and maybe most important, the matrix can help candidates to consider whether the firm which seeks to recruit them has a competitive future in which it appears well placed to beat its rivals.

Repositioning and Gravitational Pull

It is important to appreciate that a firm can dramatically improve its performance and competitive position within the positioning segment that it already occupies. The increase of competitive capability in no way requires a firm to change its basic positioning or to become a very different type of law firm. Whilst it is difficult to move upwards in the diamond, gravitational forces will tend to pull a firm down by an increase in competition, or by the firm's own default and incompetence. This gravitational pull is usually into one of the three boxes on the south-eastern side of the diamond – the Endowment, Utility and Minor League boxes. Hence a Market Ruler firm can lose its dominance and become an Endowment Firm through complacency. The Utility Firm, long enjoying medium profitability and competitive capability, can find itself elbowed into the Minor League box by Bulk Suppliers, Local Heroes and even by Agglomerations. Here, again, the advent of the LSA produces an extra area of threat through the advent of new competitors and the increase of competitive resources of existing firms through external investment capacity. The strategic response to such competitive responses must be for firms not only to improve performance within their overall existing market positioning, but to consider whether repositioning might be part of their ongoing strategy and aspiration. Thus a Utility Player firm may well build a strategy to become a Local Hero or to try to become a Bulk Supplier. A Local Hero might choose by one means or another to become a Designer Label or to challenge the national elite by trying to take up the position of Challenger. There are at least four steps a firm has to consider in order to address the improvement of its competitive position, either by repositioning or by becoming more competitive or differentiated within an existing competitive positioning.

Repositioning Step One - Understanding the importance (or irrelevance) of geography, location and size

The diamond matrix has some geographical overtones. The Market Rulers at the top of the diamond will certainly be nationally elite and will usually also have international or global capability and profile. At the other extreme, the Minor League firms at the bottom of the diamond will be primarily reliant on their local client bases and markets. There seem to be an increasing number of firms describing themselves as 'regional' or even 'national' and whilst the diamond does not factor in the number of offices, the location of the firm or its size, certain competitive characteristics of so-called 'regional' and 'national' firms will usually bracket them into one of the diamond segments. Regional firms can be defined as a firm either with more than one office in a particular region or one whose reach of services and client base extends across a whole region. Thus a 'regional' firm can be a Local Hero, an Endowment Firm or one of the lower categories depending on its competitive capabilities. In the same way, a 'national' firm is one with national reputation and reach. The three segments at the top of the diamond – Market Rulers, Challengers and Designer Labels - will all have national characteristics. In the same way, Bulk Suppliers can also be national. Agglomerations often aspire to national status due perhaps to a proliferation or network of offices, but unless those networks improve their competitive capability by coordinated and integrated services and nationally organised practice areas, these firms will remain Agglomerations – their national geography is not meaningful to clients.

In the same way, size tends to become a consequence of strategic positioning rather than a cause of it. Market Rulers, for example, will tend to be large, not least because they will have deep teams across many practice areas. In addition, the rules of dominance are predicated upon, amongst other things, an increase in market share in chosen markets. But size is far from being everything. There are some fairly modestly sized Designer Label firms who are extremely famous and competitively eminent. Equally, there are some very large firms who remain mediocre in terms of quality, competitiveness and performance.

Whilst therefore the importance of size can be overstated, scaling up the firm can provide some important advantages and can be part of a repositioning exercise. The question needs to be examined first from the clients' point of view – how important is the issue of size to a firm's chosen client types and sectors. In this context, it is certainly true that size usually means that the firm has critical mass and resources, with the possibility of large specialised teams and strength in depth. Size can also be taken by clients as a proxy for excellence and quality. An internal analysis of the size question should additionally concentrate on the building of resources and capabilities and the firm's investment capability to hire people, diversify into new markets, or improve the value of services to clients. The size question often dominates merger discussions, for example. Here the diamond can help. If the merger of two Utility Player firms is merely likely to lead to either a larger Utility Player firm or a sideways movement into the Agglomeration box, then at first sight the merger is pointless. The rationale for such a merger always has to be that a sideways step into Agglomeration forms an important stepping stone towards becoming a Local Hero. Equally, the merger of two Local Heroes merely creates a larger Local Hero, but may provide a route into becoming a Challenger firm.

Repositioning Step Two – Aligning Resources and Capabilities to the firm's Value Drivers

At the simplest of levels, the job of a lawyer is to provide solutions to problems and issues which the client faces. The victim wants redress, the house buyer wants to move, the disputant wants a successful result (or at least a good compromise) and so on. The main challenge for any law firm is to satisfy its clients that it can give them the successful outcomes which they perceive that they require at a cost which the clients feel to be value for money. The diamond helps to establish some of the drivers of value for each segment. Top tier work requires high levels of expertise and specialisation across many areas of legal service as well as deep resources, and sound reputation and credibility. A premium price becomes an inevitable concomitant. Smaller clients may require the convenience and personal attention of a Utility Firm or Minor League player with whom they feel comfortable. Conveyancing and personal injury client may simply require the job to be done cheaply and efficiently. Hence the value-price equation for any law firm is to a large extent determined by its market positioning on the diamond and the perceptions of value formed by the client types in the relevant market segment in the context of the work which those clients require their lawyers to do. It is important to appreciate that the features, functions and processes of law firms that the clients perceive are of value to them can be developed and moulded into capabilities which can be appraised against two key criteria – strategic importance and relative strength (against competitors). The exercise of analysing resources and capabilities - carried out at practice group level - helps each department or group to work out what it is that benefits existing and potential clients and which they find useful in their lawyers. The assessment of competitive strength compared to competitors forces firms to analyse in some depth the competitive environment in which they operate. The resulting blends of organisational capabilities that are both strategically important and which place the firm at a strategic advantage become the main drivers of value for the law firm in its competitive strategy.

Repositioning Step Three – Planning for Action

Much of the work set out in Step Two will be carried out at departmental or practice group level. The outputs from this work need to be brought together to create an overall understanding of the firms current and desired positioning and competitive advantage. By this time, the firm should be fully and sometimes brutally aware of its competitive strengths and weaknesses, the aggressively competitive market-place in which it is operating, where the firm currently stands in that market-place and the resources and capabilities (both tangible and intangible) available to it both to defend existing positions and to attack the competition. There are two further elements which need to be considered. The first is to establish some agreed goals and objectives. The second is to consider implementation. It might at this stage be fairly argued that an agreement over goals and even vision should be the first step in any strategy formulation. The problem is that most partners in most law firms have a very disjointed and vague idea of what a realistic, credible attractive future for the firm might be. They often seem to talk of being a top 50 law firm, or a regional law firm or a firm preeminent in a certain area or a leading commercial firm. While such thoughts may give some basic clues, they do not really help the firm to decide its direction and strategy in ways which will help the firm to be successful. Added to this, many partners of law firms are more focused on their personal career objectives or the goals of their office or practice group than of the whole firm. Hence, by leaving the creation of goals until step three, it is possible to have a discussion which is grounded in analysis, cognitively reached insights and realistic appraisals rather than gut reaction.

What is vital, however, is to achieve some goals which are simple consistent and long term and which reflect the ambitions of the firm and its partners and reinforce the firm's values. In setting goals, it helps to be able to identify the spectrum of conditions and opportunities available to the firm as well as the areas where the firm is best placed to focus its attention and resources in order to develop new clients, new markets and new revenue streams. To accomplish this, the partners need to review, discuss and digest the information and then develop observations about the firm and its environment. The result will be a variety of different pathways for the firm's future which can be developed into strategic objectives

Summary

Changing or maintaining a firm's winning position is hard. It is not enough to do nothing and rely on past traditions and glories to enable a continuance of a successful business recipe, as all market positions tend to erode over time. Competitive advantage is at best temporary and can rarely be sustained indefinitely. Any review and analysis of a firm's competitive positioning should start and finish with an image of the possible and desirable future state for the firm that is in some ways better than what currently exists. This image can then be boiled down into a brief statement – short and simple – that can be used to develop both a shared commitment by the partners to the firm's desired goals, and also as an impetus to a period of sustained and deliberate action plans aimed at enabling the firm to beat its competitors.