

Strategy and why it is important

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Perhaps not an instinctive thought in many sets of barristers' chambers but in a fast-changing and complex environment it makes little sense to operate without strategic planning. Nicholas Luckman's guidance reflects his standing and experience in law practice direction, as he makes a call for action from forward-looking practitioners and practice managers.

Introduction

The unprecedented change that the legal profession has seen over the past 10 years is only set to continue, and arguably at a much greater pace. The growth of digital technology, the forces of consolidation imposed by purchasers of legal services reducing panels, the breaking down of barriers to entry, and increased client power all serve to create more competition in an already highly competitive legal environment.

As the legal market becomes more distressed, only those with a strategy that creates value will be able to justify their place in the market and at the same time increase their prospects of survival. Barristers' chambers need to adapt to the changes in the way legal services are being supplied to meet the demands of the evolving legal market, and it may well be that simply relying on a high-quality, cost-effective legal resource is no longer sufficient on its own to guarantee success.

This article looks at why it is important to develop a vision and strategy, and considers how the chambers' business structure can achieve this, and at the same time add value and create sustainable competitive advantage. The focus of this article is on specialist commercial and chancery chambers, although the content is equally relevant to all chambers.

What is strategy and why does it matter?

The concept of strategy evolved from the Greek word '*strategia*' meaning the 'art of generalship or command', and has been taken from the military and adapted for business. There has been much discussion about what strategy actually means, and for those looking for an unambiguous 'one strategy fits all' definition to solve their business issues, they will be disappointed.

Michael Porter and Henry Mintzberg are two academics who have had the most influence in the study of strategy. Their contrasting views and

approaches emphasise the different interpretations that strategy can have. Michael Porter¹ takes a more deliberate strategic approach, looking at cost leadership, market segmentation and differentiation to achieve strategic advantage, whereas Henry Mintzberg presents an emergent strategy where patterns in behaviour and learning what works in practice are central to creating strategic flexibility that can adapt to market variables to achieve strategic advantage. Both strategic approaches work, and indeed there are many more adaptations such as the popular model of 'Logical Incrementalism' introduced by James Quinn,² who suggests that strategy is developed logically through the unique needs of a business and managed incrementally to experiment and learn what works. The key is to choose a strategic approach that supports the culture of your business and fits the environment you operate in.

The legal environment gives chambers their means of survival, and whether it is in the context of the private or public sector, meeting clients' expectations and adding value should be central to the vision statement of any chambers. As can be seen from the approaches of Michael Porter and Henry Mintzberg, strategy does not set this vision of what a chambers wants to achieve or be; it is simply the means by which this vision or objective is met. Strategy for a chambers should therefore be a plan and a pattern of actions over time to achieve identifiable aims and objectives set out in its vision statement.

To help a chambers articulate its vision statement of business objectives and a plan of how to achieve them, a process of analysis, planning and implementation should be adopted. This is often referred to as a 'strategic management process' and identifies several areas that need to be addressed when working out what sort of chambers you want to be and then formulating a strategy to meet this vision. These areas are:

- understanding where you are as a chambers;

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