



Five Lessons from 2020 for a Stronger Law Firm

Finally, 2020 is ending, and with it comes a glimmer of hope for a brighter New Year. The promise of a vaccine brings a renewed sense of optimism for 2021. However, it is important not to forget the lessons of this year. Firms are not inoculated from the mistakes of the past, and it is critical not to repeat them as clients will be a lot less forgiving. Equally important will be the lessons learned from these mistakes.

The following are five key lessons that firms should learn from going forward:

Lesson#1: Precedent matters in law, not in business

The firms that best weathered the pandemic were those that had adopted technology and leveraged cloud-based applications and had software as a service (“SaaS”) which is software that is licensed on a subscription basis and is centrally hosted. These same firms utilized hardware as a service (HaaS) which is a service provisioning model where a business can get IT equipment on rent from a managed services provider. Firms at the crest of the wave utilized both models in advance of many of their peers in the industry.

Moreover, many firms were paralyzed during the past few months – what are the other law firms in town doing? While there is value in sharing information and in a rich exchange of ideas, business decisions are often

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made with little information and must be made quickly and decisively. No decision is often the worse decision of all.

For instance, the decision to reduce salaries or cut partner draws during a pandemic needs to be based on the unique circumstances of the firm. One strategy does not fit all.

Lesson#2: The old debate of whether law is a business, or a profession is finally over

We are fortunate to work in a profession that is an essential business, and therefore, we faced minimal disruption compared to many other businesses this past year. However, a business it most certainly is.

It is time for law firms to adopt a business governance model whereby firms are led by professionals who are trained in business management. Consensus management, and decisions made by a group of partners with no business training, cannot be made at the speed of business. Nor are consensus decisions the best decision, they are just the most palatable and most often lead to no decision be taken at all.

Business leaders know to focus on the financial health of the business. Financial health, not only to bring good returns to the shareholders (partners) but financial health to weather unknown storms like a pandemic or whatever else may be in store in the coming years. Measuring and managing KPIs and holding lawyers accountable for their performance.

Lesson#3: Trust your employees

Before the pandemic, many law firms would never have allowed staff to work from home (WFH). Employees must be seen. They must work in the same location as the lawyer they are supporting. Well, that thinking has been shattered.

Most firms are reporting increased or stable productivity in this WFH environment. Employees feel valued, trusted, and empowered. As Peter Drucker famously said, "Culture eats strategy for breakfast". Firms with a culture of trust and respect are reaping the rewards.

We predict culture to be an even more important aspect of talent acquisition as employees will flock to the firms that are embracing a personalized work environment with a hybrid of working in the office and at home.

Lesson #4: Agility is key

In the McKinsey article “Agility: It Rhymes with Stability”, they summarize that *“today’s environment is pressing organizations to become more agile; In a rapidly changing commercial and social environment, some organizations are born agile, some achieve agility, and some have agility thrust upon them.”*

Law firms are having agility thrust upon them. However, many are simply waiting for things to go back to “normal” and burying their heads in the sand. Where there is challenge and disruption there is opportunity. The winners in this market will be those who are agile and embrace the opportunity. What is your firm doing to leverage that opportunity? What are you going to do differently in 2021?

Perhaps one of the most overused words this year was the idea of having to “pivot”. People may have tired of the word, but the concept that firms need to be agile to embrace the current and future environment is key. How is your firm going to pivot and thrive in 2021?

Lesson#5: Client-centric model

A customer/client centric organization fosters a positive client experience at every stage of the client journey. For too long firms felt it was enough to say they were “client centric”. Also, for too long law firms have given little thought to what it is like to work with them from the client’s perspective. Not enough thought has been given to the client’s experience as they do business with you.

Why would a client want to drive to your location, or pay for you to fly to their office, when the meeting could be done by video? The past year has taught us that clients are happy with video conferencing and enjoy the efficiencies and savings that come with it.

We need to focus on the client’s journey within our firms. How easy are you to do business with? How responsive are the lawyers on your team? Are you providing value to your clients? Do you communicate clearly about your fees?

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"I believe that nothing is more important to our ability to effectively address our present than understanding the lessons learned from those who have come before us". - Charlie Gonzalez

The pandemic has reinforced that there are no cookie cutter solutions to the challenges faced by your firm. Even though there are common lessons that can be taken from 2020, the response by your firm must be specifically tailored to your business purpose, values, and strengths.



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Mia Hempey, MBA, is the Chief Executive Officer of Nelligan Law. Before joining the firm, Mia was president of ctc TrainCanada, recognized as one of the largest corporate training providers in Canada. She also founded and was president of CTE Solutions, a local technology training company, which she later sold to a national training business. Mia also held various senior management positions at high-tech companies in the region. In 2009, Mia received the "Businesswoman of the Year - Entrepreneur" award from the Women's Business Network of Ottawa, and in 2005 she was the recipient of the Ottawa Business Journal's "40 Under 40" award. Mia graduated from the University of Ottawa with a Master of Business Administration, Telfer, (2007), and a Bachelor of Commerce (1993).

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