

INSIGHT: Management and Message— Virus Sparks New Firm Playbooks

By Debra Pickett

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During the coronavirus pandemic, many law firm leaders are facing the most difficult decisions of their careers. Page 2 Communications' Debra Pickett explores how the decisions law firm leaders make in this incredibly stressful moment will impact both their business and the messages they send to clients and competitors.

For law firm leaders, normal—new or otherwise—isn't coming anytime soon. They have to lead anyway.

With headlines tracking rounds of firm pay cuts, furloughs and layoffs, and analysts forecasting months of uncertainty, managing partners face some of the most difficult decisions of their careers.

After the health and safety of their employees, law leaders are likely to be most concerned with liquidity, as client companies take steps to address their own cash flow challenges. We know what the pre-Covid playbook would prescribe: dramatic, top-down action.

Business and Messaging Consequences

But the world has changed; managing partners cannot rely on what counted as wisdom in another era. Not only is short-term business at stake, but the long-term value of the firm's brand, built over years of strategic communication, could be undermined by rash decisions that project a counterproductive message. Every leadership decision has business *and* messaging consequences. Here are just a few examples:

Management decision: Batten down the hatches and huddle with the management committee.

Message: When times get tough, innovation and inclusivity stop.

Many law firms still grapple with lingering 2008 shellshock. So it's no surprise that firm leaders are tempted to issue unilateral decisions about next steps right now—deciding on blanket cuts to “overhead” in VIP meetings that will mostly exclude women and minority attorneys.

But a closed-door process and the myopic decisions that tend to come from it are counterproductive. And to GC clients keeping a close eye on diversity and inclusion, this fearful response looks like a giant step backward.

Management decision: Assemble a multigenerational dream team to triage practice groups and identify potential new offerings.

Message: We are confident in our deep bench of talent and the value of our work.

Obviously, leadership can and should take a hard look at partner draws—as all responsible business owners are—and handle the cash crunch created by the lockdowns. Yet instead of holding secretive conversations on strategy, firm leaders should invite emerging and next-generation partners, whose fresh perspective may yield creative ideas for generating revenue and guarding existing business.

For example, while large-scale deal-making and complex litigation work has largely ground to a halt, practice areas like health care regulatory work around the Affordable Care Act and digital privacy consultancies and interventions informed by GDPR and CCPA rules are booming.

The attorneys doing this work, many younger and more diverse than the leadership of their firms, have much to say about delivering high-value work to business clients in these times. The people who are busiest right now—taking calls from clients and offering real-time advice on how to handle the crises of the moment—should help guide your firm's strategy.

Management decision: Embrace austerity measures and make across-the-board cuts.

Message: We are short-sighted and worried about money.

Many firm leaders will say that they must cut pay and lay off staff to make the bottom line more tolerable for senior partners, and that austerity will preserve jobs and value in the long term. But their remaining employees will understand very well that leaders are really asking them to do more with less.

While cuts may offer some fiscal relief in the near term, they will cause lasting damage to morale, productivity and work quality. Just as important, they will undermine client confidence. A panicked firm that puts its own financials ahead of client service is a firm that loses clients.

Management decision: Reassign associates and staff to innovative and revenue-generating service offerings.

Message: Client service is at the center of our business model.

Instead of making sweeping cuts, firm leaders should carefully assess their resources and re-deploy associates and staff across practices to maximize efficiency and innovation.

Empower these enhanced teams to create targeted interventions, productizing offerings like compliance checklists and apps, and delivering value-added services such as legal workflow software. Initiatives like these improve financial performance *and* build long-term strength and resilience in the client relationship.

Management decision: Crank out a tidal wave of generic Covid-19 content.

Message: We are too panicked to think strategically for our clients.

While some firms are signaling their expectations that business will contract, others are seemingly re-launching themselves overnight as Covid-19 specialists ready to conquer the changed world.

They have unleashed a deluge of webinars and white papers delivered to clients in aggressive email campaigns. Corporate clients and in-house counsel who are desperately looking for *better* information but receiving only *more* will need to keep looking.

Management decision: Survey key clients on specific needs and craft targeted, pragmatic resources to help them.

Message: Now more than ever, our clients can rely on us for wise counsel.

Once again, the impulse to take sweeping action drowns out what we know is true about providing excellent client service: clients need customized answers to their specific questions. One size does not fit all.

Nimble firms are supporting individual attorneys in crafting personal outreach to key clients. Fifty simple one-pagers crafted for fifty individual clients are infinitely more valuable than a single fifty-page reference guide with generic suggestions. The key to crafting a customized response (and the positive impact it will have on your firm's brand)? *Listening* to clients before you communicate.

Clinging to the standard playbook in the face of roiling global uncertainty is a completely understandable response. But it is also a mistake. Unprecedented crisis demands unprecedented response. The management decisions firm leaders make now will shape the way attorneys serve clients under these extraordinary circumstances. And, just as important, these decisions will tell clients, prospects and competitors the story of who your firm is and who it aspires to be. What message do you want to send?

This column does not necessarily reflect the opinion of The Bureau of National Affairs, Inc. or its owners.

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