

Strategic Planning

Strategy in action for the modern legal function



Introduction

Why does a legal department need a strategy? Is it not one of these “nice to have” fluffy tools? How can it really help position the legal function as an efficient business partner? We have operated without one so far and it hasn’t prevented us from doing our job well.

If nothing else, you should consider that, without a strategy – acting as a framework to help you prioritise – it becomes all too easy to fall into the pattern of “fighting fires” and being reactive to the demands of other business units (all of which will have a plan).

In our 2020 Legal Operations Health Check benchmark study, we found that 50% of legal departments use well-defined metrics to review their progress and only 48% conduct any annual planning that incorporates legal strategy and budgeting!

In this article, we will run through the main questions to ask yourself when weighing up which strategic aims are best for your legal department, and how to effectively plan the optimisation of a legal function.

Corporate strategy vs legal strategy

It is important to first be cognizant of the corporate strategy. How can Legal help the business to tackle these issues? Are Legal's aims aligned with the business strategy? How will Legal act as a strategic enabler?



1. Level

Does the company's strategy have a global, regional or department-specific focus? Can Legal offer increased support to business units in other regions or departments? Do the in-house lawyers have sufficient language capabilities in growing regions?



2. Focus

Strategic aims may centre around growth, differentiation, cost or improvement, for example. Some will reduce costs, whereas others may increase revenue. They could focus on any area from diversity and inclusion, to operations and technology. Legal's objectives should mirror those of the business, including appropriate budget allocation toward meeting those targets.



3. Time

What is the three year or five year timeline of the company's strategy? Are the strategic aims long-term or short-term? The legal strategy timeline should reflect and feed into the company's strategic roadmap, appropriate budget allocation toward meeting those targets.

Then, consider the legal department. Where are they currently at and where do they want to get to? As a starting point, this is a list of initial questions to consider:

- What is Legal's vision?
- Is Legal currently meeting the company's legal needs? If so, what are the existing legal needs? Make sure you ask your key stakeholders!
- How will the company's legal needs change in the future?
- Do they have yearly goals and legal KPIs? If yes, what are these?
- Which tasks take the most of Legal's time and workload?

- Has Legal identified pain points, inefficiencies and areas for improvement?
- What do the C-suite and other executives think Legal's strategic aims should be?
- What do the in-house lawyers think Legal's strategic aims should be?
- What do other business units think Legal's strategic aims should be?
- Is there a plan for succession of key roles in Legal, such as the General Counsel?

Once the legal department has determined answers to these questions, it will start to become apparent what should be prioritised. Highlight areas that crop up in more than one answer – these are the main aims to zone in on. Find the sticking points – what are the obstacles and risks?

How to successfully plan ahead



1. Ensure alignment

Interview stakeholders to check Legal is aligned with the company's idea of what Legal should do, through one-to-one interviews with stakeholders from all parts of the business. After finishing these interviews, it may be helpful to create a one-pager or central document to collate the findings and remind everyone of the agreed goals. This can be used as a reference point in future management meetings or shared with your department.



2. Make an action plan

Map out what is needed to meet these targets. Determine the steps involved and who is required at each stage. Set measurable metrics to track your progress. Success does not necessarily need to be defined as something quantitative, like you would in other business areas. Metrics could include budget targets, building a great team or prioritising strategic work, for example.

Decide your timeline. Plan checkpoints and regular reviews to stay on track. For instance, the legal department could hold biannual strategic planning sessions with senior management and company executives to focus on identifying objectives for risk mitigation and bringing strategic opportunities to fruition. Your strategy will deliver benefit if, and only if, it is translated into a plan.



3. Communicate changes – and successes!

Whether it's to build trust, emphasise why a change is important, or to gain awareness, communicating the "why" to the legal department and business users who will be impacted - and maintaining a dialogue throughout the process - is instrumental to any successful strategy implementation. Stakeholders need to buy-in to the idea. Legal can get the business on board by electing a project sponsor to champion the idea. Or the legal department can release comms backed up by concrete evidence i.e. hard data to demonstrate the need for the change and/or the success of previous initiatives.

Understanding stakeholders' needs and showing them the value of your strategy takes time. Change management is most successful when people feel heard, when the message has been communicated clearly (and repeatedly) to build the requisite trust, and when they have an element of control over the final decision. Through collaboration, and engaging others when there is a win, business users and in-house lawyers will be intrinsically linked to the strategy plan and vested in its success. Not only will everyone know what the legal department wants to achieve and why, but they will be more likely to help them achieve it!

Of course, this is just a starter for ten. Many more tips could be shared, but remember that a strategic plan is the best way to ensure that your legal department is positioned to tackle the evolving challenges of COVID-19 and be ready for the future.



Stéphanie Hamon

Head of Legal Operations Consulting

+44 20 7444 3899 | +44 7935 085945

stephanie.hamon@nortonrosefulbright.com

Stéphanie Hamon is the Head of Legal Operations Consulting at Norton Rose Fulbright, a new and unique offering to clients. She was formerly Managing Director, Head of External Engagement, Legal for Barclays. She has extensive experience of both setting and delivering commercial management strategies for in-house legal departments as well as broader legal operations strategies and implementation.

Stéphanie Hamon led the Barclays team that was named "Legal operations team of the year" at the 2019 UK Legal 500 Awards, mostly due to her work around a new panel approach. She also developed new model for Barclays' law firm panel and relationship model, including the development of customised legal project management and pricing approaches. Stéphanie brings with her more than 19 years' experience working across an extensive range of legal and financial institutions, in markets including the UK, Europe and Asia Pacific. Stéphanie has extensive expertise in senior stakeholder management, business development, strategy formulation and execution and client-focused relationship management.

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