

LAW FIRM GOVERNANCE:
INTERNAL COMMUNICATIONS

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CAPITAL DE RISCO E FINANCIAMENTO BANCÁRIO:
CUSTOS E BENEFÍCIOS JURÍDICO-ECONÓMICOS
PARA AS EMPRESAS PORTUGUESAS

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NO ÂMBITO DAS PME

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Law Firm Governance: Internal Communications*

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A dissertação consiste num estudo sobre a relação existente entre a comunicação interna e a sua importância para o governo de uma sociedade de advogados no século XXI, independentemente da dimensão e do mercado em que opere. Nomeadamente sobre como é que a comunicação interna é utilizada como ferramenta de governo e de alinhamento de uma sociedade de advogados e respectivos colaboradores – no século XXI – tendo presente que as sociedades de advogados são sociedades compostas por pessoas e que prestam serviços a outras pessoas. Neste estudo participaram 48 sociedades de advogados de seis países: Portugal (20), Angola (1), Brasil (8), Moçambique

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(2), São Tomé e Príncipe (1) e Reino Unido (16). O contributo dos participantes (maioritariamente *managing-partners*) foi decisivo e inspirador para o presente estudo. A adesão e o interesse que demonstraram desde o primeiro momento permitiram concluir que o tema era uma preocupação comum a todos, e que, nesse sentido, fora bem escolhido.

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Executive Summary

Anyone familiar with law firms knows that lawyers typically spend a substantial part of their “professional time” focused on client issues. Regardless of the implications resulting from outside investment, the size of the market within which law firms operate and the size of the firms themselves, law firms are a people business. And they deliver services to other people.

This is the core of the issue I would like to address. I am interested in whether there is a “right way” to communicate within a contemporary law firm: if internal communication should be aligned with the firms’ strategy; if contemporary law firms should have a communication planning process; if they recognize the importance of an internal communication policy; if effective internal communication enhance a climate of trust and if contemporary law firms recognize the need to use internal communication as a tool for their governance.

The aim of this project is to demonstrate that effective communication within the governance of a contemporary firm is vitally important. In order to achieve that purpose it is necessary to attempt to answer the following questions:

- Should internal (institutional) communication be aligned with the law firm’s strategy?
- Is it important for law firms to have an internal communication policy?
- Does effective (institutional and internal) communication contribute to a climate of trust within the firm?
- What is the average frequency of internal institutional communication within a law firm?
- Which initiatives promoted within a firm might have a direct impact on the motivation level of staff?
- Which initiatives promoted within a firm might have a direct impact on the level of business?

To answer these questions, a review of the relevant literature was undertaken. I also conducted a survey with forty eight law firm managing partners

and senior partners (or their equivalent) that mostly had many years of law firm management experience.

Those managing and senior partners are a part of law firms from the United Kingdom, Portugal, Brazil, Angola, Mozambique and São Tomé and Príncipe, which operate on a worldwide scale and from three different continents: Europe, America and Africa.

The research carried out suggests that effective internal communication plays a central role in the governance of contemporary law firms.

The research concludes that one of the key factors is the need for internal communication to be present and within the daily business of the firm. Another key factor is that such internal communication should be effective. Another still is that effective internal communication can assist in reinforcing the culture – or the culture to be – of a contemporary law firm through its governance.

I confirm my dissertation complies with the terms of the research ethics approval.

Introduction

The first fourteen years of the 21st century have proven to be of extraordinary change for both law firms and their markets. The globalization of business has resulted in an increased of multijurisdictional work, the positioning of competition as a dominant factor and an elevation in client expectations with regards to not only professional ability, but also of fees and service delivery standards. Furthermore, there is a marked trend among clients to demand more for less.

As a result, 21st century law firms have had to develop “new” ways to organize both lawyers and staff, as it is no longer possible to run a law firm within this changing reality without a governance model. Although those who (ultimately) control the governance of a law firm are its partners, it is not feasible to involve every partner in every decision. For better or worse, law firm managers, whether or not they are partners, must be equipped with the power and courage necessary to face up to these new challenges.

As a people's business whose work is becoming more virtual and global as compared to a few years ago, I also believe that law firms face a new inherent threat which is "disconnection".

Having been head of communications and being manager of the ISO 9001 management system of the firm I have worked for the last fourteen years, I have observed from an insider's perspective how managers (whether partners or not) so often fail to communicate "adequately, consistently or even at all" (Jarrett-Kerr, 2009: 169).

For these reasons, my view is that managers and partners need to communicate effectively within the firm and listen to lawyers and staff carefully and consistently in order to survive as an integrated firm.

This research was carried out due to the absence of specific guidelines for the establishment of internal communication processes within a law firm, as a tool for gaining competitive advantage for its governance, with the challenges inherent to the present (global) world.

The purpose of this research is to better understand the "importance" of internal communication as a competitive advantage in the governance of a present day law firm and also to better understand the "power" of internal communication as a governance tool of a 21st century firm.

I reviewed the literature on management communication and on competitive advantage before moving on to reviewing organisational culture generally.

The contribution of the research participants was decisive to the achieved outcome.

Their willingness and enthusiasm in sharing their experiences, knowledge and major concerns are the basis for the outcome of this research. A vast majority expressed a desire to gain access to the results of my research in this sensitive area, which has confirmed my belief in its importance and relevance.

Section 1 Literature Review

1. Culture

Regarding the culture of an organization, Mayson (1997:340) states that the “*most famous*” and “*succinct*” description of culture is Marvin Bower’s when he said it’s “*the way we do things around here*”.

In his opinion, this definition of culture by Marvin Bower embodies an environment (“*here*”), a group of people (“*we*”) and a behaviour and processes (“*way*” of doing “*things*”) and that organisational culture in that sense is therefore a way of “*influencing behavior*” (ibid.).

Similarly, Handy (1993:191) says that a culture cannot be precisely defined, for it is something that is “*perceived, something felt*” and adds that it is the result of the influence of various factors that influences a “*choice of culture and structure for an organization*” (192).

Handy identifies the following as the main factors, which would “*influence a choice of culture and structure for an organization*”: “*History and ownership*”, “*size*”, “*technology*”, “*goals and objectives*”, “*the environment*” and “*the people*”.

From his point of view, individual orientations of the “*key people*” in an organisation that will have a “*large say in determining what the dominant culture is*” irrespective of what it “*should be*” (199), which leads him to the conclusion that “*you decide in large part, on your culture when you decide on your people*” (ibid.).

Like Handy, Kotter & Heskett (1992:3) state that when the cultures are “*our own, they often go unnoticed*”, but that this characteristic (that of going unnoticed) will only be present until you try to implement a new strategy or program that is “*incompatible with their central norms and values*” and that it will then be possible to observe the power of a culture, by saying that “*then we observe, first hand, the power of culture*” (ibid.).

Similarly, Schein (2010:13) defines culture as an “*empirically based abstraction*” and describes it by saying that “*culture is to a group what personality or character is to an individual*” due to the fact that “*we can see the behavior that results, but we often cannot see the forces underneath that cause certain kinds of behavior*”.

He concludes explaining that “*yet, just as our personality and character guide and constrain our behavior, so does culture guide and constrain the behavior of members of a group through the shared norms that are held in that group*” (14).

Mayson (1997:340) further states that culture may be “*visible*” or “*tangible* (e.g. the size, location or furnishings of partners’ offices, separate dining facilities, or work ethic)” or “*abstract* (e.g. sets of values, beliefs or norms, the exercise of authority – the use of power and influence, the “us and them” syndrome)” and that it may be “*part of the firm’s ‘rituals’* (e.g. opening or signing the post)” (341).

Taylor (2005:7) says that “*culture is about messages*” and also that “*culture is about messages sent*” and adds that “*these messages demonstrate what is valued, what is important, what people do around here to fit in, to be accepted, and to be rewarded*”.

1.1 Diversity

Handy states that anyone who has spent time with any variety of organisations, or worked in more than two or three “*will have been struck by the differing atmospheres, the differing ways of doing things, the differing levels of energy, of individual freedom, of kinds of personality*” (Handy, 1993:180).

And he explains that the culture of one organisation is different from the culture of another, that cultures are affected by a wide array of factors and therefore those diverse cultures are reflected in “*diverse structures and systems*” (ibid.).

On the other hand, Mayson (1997:340) adds that, using Marvin Bower’s definition, it is possible to observe the cultural diversity that exists within a law firm, insofar as “*different offices, departments, and groups may have a different ‘here’* (for example, contentious and non-contentious; commercial and private client; lawyers and support staff”.

In his opinion, law firms “*should not*” therefore “*be afraid*” to “*differentiate their cultures and structures*” according to the “*dominant kind of activity in each part of its business*” and that we should not try to force a “*single organisational culture*” on every part of the business”. He concludes by saying that “*managing cultural diversity*” brings its “*own challenges*” (ibid.).

1.2 Humanity

A metaphor used by Handy is insightful in showing just how much culture is based on the individual person:

“Vines don’t grow where the sunshine doesn’t fall in the right proportions with the rain – nor has anyone yet found a more effective technology for tending the vines than the human hand” (1993: 181).

1.3 “The” meaning of organisational culture?

Handy (1993:183) states that cultures are “*founded*” and “*built*” over the years by the “*dominant groups in an organization*”.

Kotter & Heskett (1992:3), on the other hand, refer that they encounter “*organizational cultures all the time*” and add that they find it helpful to think of organizational culture as having “*two levels*” which differ in terms of their “*visibility*” and “*resistance to change*”:

A “deeper and less visible level” where culture refers to “values that are shared by the people in a group and that tend to persist over time even when group membership changes” and a “more visible level” where culture represents the “behavior patterns or style of an organization that new employees are automatically encouraged to follow by their fellow employees” (4).

Schein (2010:18) defines group culture (organisational) as a “*pattern of shared basic assumptions learned by a group as it solved its problems of external adaptation and internal integration, which has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems*”.

He argues that for this concept to be useful, we have to focus on “*those things that are the product of our human need for stability, consistency and meaning*”, since we all know “*groups, organisations and societies*” where there are beliefs and values that work “*at cross purposes with other beliefs and values*” leading to situations full of “*conflict and ambiguity*” (ibid.).

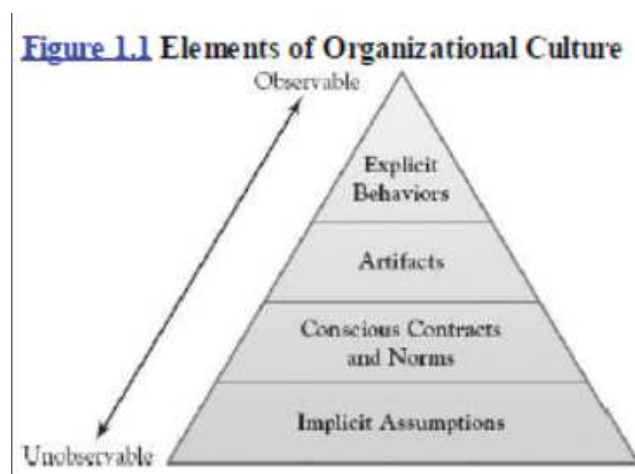
And he concludes that “*culture formation, therefore, is always, by definition, a striving toward patterning and integration, even though in many groups, their actual history of experiences prevents them from ever achieving a clear-cut unambiguous paradigm*” (ibid.).

According to Stanford (2010:23) “*organisational culture*” is an “*organisationally specific ‘experience’ felt both subjectively and individually by insiders and outsiders*”.

As for levels of culture of an organisation, Schein (2010:24) identifies three major levels:

- “1. *Artifacts*” as the
 - “*Visible and feelable structures and processes*”
 - “*Observed behavior (difficult to decipher)*”;
- “2. *Espoused Beliefs and Values*” as the
 - “*Ideals, goals, values, aspirations*”
 - “*Ideologies and Rationalizations (may or may not be congruent with behavior and other artifacts)*”; and
- “3. *Basic Underlying Assumptions*” as the
 - “*Unconscious, taken-for-granted beliefs and values (determine behavior, perception, thought, and feeling)*” (24).

Cameron and Quinn (2011: Figure 1.1¹) in turn:



¹ E-book (without page numbers): Cameron, K.S., Quinn, R.E. (2011) **Diagnosing and Changing Organizational Culture** (Jossey-Bass, San Francisco).

In their opinion – and regardless of the more than 150 definitions of “*culture*” (Kluckhohn, Kroeber and Meyer, 1952) – the two main disciplinary “*foundations of organization culture*” are sociological (*organizations have cultures*) and anthropological (*organizations are cultures*): Cameron and Quinn (2011).

Cameron and Quinn supplement Schein’s “*three major levels of culture*” with the identification of a fourth element – *Explicit Behaviours* – and list their elements of organisational culture as follows:

1. Implicit assumptions – the organisation’s assumptions about how to enable successful performance, how to coordinate work or even how to reward staff;
2. Conscious contracts and norms – what derives from assumptions: contracts and norms as being the rules and procedures that govern human interaction, such as policies in force within the organisation;
3. Artifacts – these are more overt and observable and pertain to image because they are shown by the buildings where we work, the size and shape of offices and are typically exemplified by logos, mission statements, formal goals and types of recognition that the organisations use;
4. Explicit behaviours – this is the more observable of the identified elements and the most obvious manifestation of culture.

Cameron and Quinn call the “*explicit behaviours*” of members of the culture as being the way “*in which people interact, the amount of the ‘whole self’ invested in the organization*” and the “*extent to which innovative or activity is tolerated or encouraged*”.

Kotter & Heskett (1992:5) add that although we usually talk about organizational culture in the singular “*all firms have multiple cultures – usually associated with different functional groupings*” or “*geographic locations*”.

1.4 Demystifying culture

Is organisational culture a mere survival strategy?

According to Schein (2010:21) *“not every collection of people develops a culture, and, in fact, we tend to use the terms ‘group’, ‘team’ or ‘community’ rather than ‘crowd’ or ‘collection of people’ only when there has been enough of a shared history so that some degree of culture formation has taken place”*.

Taylor states that *“humans are tribal animals”* (2005:5) and that a culture develops among any community of people that spend time together, that are connected by routine, necessity, beliefs or values.

She goes further than the view expressed by Schein, in saying that culture exists in any social group, religious community, family, sports club, etc.

Taylor’s stance is that as we adapt to each new type of tribe, we understand the signals about *“what it takes to fit in”* and adapt our behaviour accordingly.

In her opinion, this is nothing more than a *“survival strategy”*. If this *“survival strategy”* is not successful *“we either leave the tribe”* or *“the tribe ejects us”*.

She adds that this behaviour of ours is a *“process”*. And that this *“process”* is supported by *“peer pressure”*.

Taylor states that *“as we adapt to fit in with our new tribe, we in turn reinforce these tribal norms, or accepted behavior, and thus reinforce the culture”* (2005:5).

Regarding the organisational culture itself and its origin, Taylor says that *“behavioural norms become subconscious, they remain long after their original purpose disappears, and eventually may not be particularly useful in relation to the goals the community is seeking to achieve”*.

And concludes by saying that *“this is often the case in organisations”* (2005:6).

1.5 Is it possible to perpetuate a culture?

According to Taylor (2005:6) yes, it is possible to perpetuate a culture *“because established behaviour influences the behaviour of new members”* and *“cultures perpetuate themselves”*.

This explanation pleases me because, in my opinion, this is the only way to perpetuate a culture, meaning:

Even though you can resort to the ongoing support of external consultants for an efficient survey and monitoring of the law firm's core values or to brand gurus to "sell" those values internally and to the best internal communication to transmit them, it is through the adoption of certain behaviours (that reflect the culture existing in the firm) and the respective transmission of those behaviours to new employees – that a law firm's culture perpetuates over time.

I also consider that a personal managerial influence is determining in this regard and that having the discipline to impose consistent behaviours and culture and to perpetuate them (by putting them in practice) is half the battle in generating trust and confidence within the firm.

In addition, it also seems to me that *time, emotional input* and *genuine interest in people* are factors that should be considered if you want to perpetuate a culture, regardless of the type of law firm and culture under analysis.

Similarly, Schein (2010:3) states that culture is "*both a 'here and now' dynamic phenomenon and a coercive background structure that influences us in multiple ways*" and also that culture is "*constantly re-enacted*" and "*created by our interactions with others and shaped by our own behaviour*".

And he also states that culture is "*perpetually evolving*" (193).

In order for cultures to perpetuate on their own, Taylor (2005:6) says "*they require extraordinary strong and focused leadership and/or a coordinated effort from a group of influential members, to change quickly*".

Hofstede, Hofstede & Minkov (2010:6) state that culture is "*always a collective phenomenon*" because it is at least "*partly shared with people who live or lived within the same social environment, which is where it was learned*",

and conclude that, for that reason, culture is "*learned, not innate*".

As for the continuity of an organisational culture and the ability of that culture to be perpetuated, they say there is "*normally continuity in culture*" (11) and that culture becomes the survival strategy of a group to which "*no group can escape culture*" given that "*creating shared rules, even if they are never written down, is a precondition for group survival*" (12).

Also in the opinion of Hofstede, Hofstede & Minkov, the mentioned survival strategy (also referenced in 1.4) is stated as an assumption of organisational culture.

As for perpetuating a culture, Hofstede, Hofstede & Minkov show preference for the term *reproduce* when they state that “*once the culture is set*” that culture will “*reproduce itself*”.

Kotter & Heskett (1992:7) share the same opinion when they state that organizational cultures “*once established, often perpetuate themselves in a number of ways*”.

As regards *ways*, they provide the following examples:

- “*Potential group members may be screened according to how well their values and behaviour fit in*”;
- “*Newly selected members may be explicitly taught the group’s style*”;
- “*Historical stories or legends may be told again and again to remind every one of the group’s values and what they mean*”;
- “*Managers may explicitly try to act in ways that exemplify the culture and its ideals*”;
- “*Senior members of the group may communicate key values over and over in their daily conversations or through special rituals and ceremonies*”;
- “*People who successfully achieve the ideals inherent in the culture may be recognized and made into heroes*”;
- “*The natural process of identification between younger and older members may encourage the younger members to take on the values and styles of their mentors*”.

And add that perhaps the most fundamental way to perpetuate a culture is through the fact that “*people who follow cultural norms will be rewarded but those who do not will be penalized*”.

Similarly to the other authors, and as for the way to perpetuate a culture, Taylor (2005:6) states that this process takes place as follows:

“*while behavioural norms may be subconscious amongst existing members, new members notice them most acutely, but, if they are to survive, quickly adapt to the prevailing culture*”.

1.6 Contemporary legal services

My research simply encompasses law firms from different countries and, therefore, with different cultures, fairly different sizes and operating in three very distinct continents and doing so on a global scale.

What they have in common is that they are active within the same industry: the rendering of legal services.

After the Clementi Report (December 2004) on the review of regulatory framework for legal services (England and Wales) and the Legal Services Act 2007, UK law firms were allowed to take internal investment and to be owned by non-lawyers for the first time. As a consequence, banks, insurance companies, supermarkets, etc., were now able to participate in the legal market through the concept of Alternative Business Structures, so long as they took on one of the prescribed forms thereof.

Regardless of whether one agrees with it or not, the logic behind this evolution is to allow consumers to select from a wider range of legal service providers.

The context within which contemporary law firms operate have led them to be invaded by a climate of insecurity, despite the fact that the origin of this evolution is in fact freedom of choice for the individual consumer. Furthermore, now public authorities and other organizations that wish to make use of business services can also benefit from having access to a much wider choice of service providers.

“High-Level Group on Business Services” (European Commission)

In April 2014 and in accordance with the same logic of liberalization of service provision, the European Commission published the Final Report of the *“High-Level Group on Business Services”*, where legal services are included².

This report sets out a vision for achieving a thriving business services sector in Europe and highlights the need to ensure an integrated *“European Single Market”* with a *“supportive regulatory and standards framework”*.

² Martin H. Thelle and Katrine E. Nielsen (2013) **Barriers to Productivity Growth in Business Services** (Copenhagen Economics).

In it, *business services* are defined as services provided by businesses to other businesses and typical examples include management consultancies and *legal services*, engineering, design, technical maintenance services, security, recruitment and industrial cleaning.

According to the European Commission's press release IP/14/393³ (9 April) on this issue, business services are "*crucial for keeping Europe's industry fit*" insofar as they are "*an integrated part of our industrial value chains*" and "*essential for European competitiveness, a strong Single Market and an industrial renaissance*".

The work group (*High-Level Group on Business Services*) was created in March 2013 (by Vice-President Tajani and by Commissioner Barnier, during the Presidency of Durão Barroso) in order to study the shortcomings existing in this sector and to help "*policy makers*" better understand current challenges, i. e. to "*help define a European policy agenda for this important sector*".

The publication of the report concluded the mandate of the Group.

The distinctions used in the past between *services* and *industry*, as described in the report, have become "*increasingly blurred*" because firms are "*more and more frequently adding complementary services to their goods*" in order to "*enhance the value for customers*".

It is also mentioned that "*service firms carry out tasks that until recently were performed by manufacturers*" and that, in that sense, the cooperation "*between providers of services and goods in the value chain is intensifying*".

As for this cooperation between *services* and *industry* and given that we are "*in the midst of a 4th industrial revolution*", the report references that this trend is to a large extent "*underpinned by the digitalisation of the economy*" and that it will most probably "*deepen in the coming years, resulting in much stronger networking and interconnectedness of industry and services*".

It concludes that from here stems the need to provide the "*best framework that will allow Europe's companies*" to benefit from these "*transformative changes whilst continuing to contribute to jobs and growth*".

³ See http://europa.eu/rapid/press-release_IP-14-393_en.htm.

The report also states that *business services* will play a “central role” in the reindustrialization of Europe, both through the provision of “*innovative and productive services to other firms*” and through the “*servitization of manufacturing*”⁴.

In terms of data, this report states that “*the global business services market is estimated to exceed € 3.5 trillion and to have doubled in size in the last decade*”, indicating that in Europe alone “*business services account for € 1.5 trillion gross value added and provide jobs for 20 million people, across more than 4 million enterprises*” and that even “*tightly*” defined “*business services account for 11.7% of the EU economy*” while in Brazil they “*account for 6%*”⁵.

My research includes Brazilian law firms and that is why I refer to both realities.

Three factors are earmarked as those that “*will drive this growth*” (of *business services* where *legal services* are included):

- “*Continued outsourcing by firms*” (law firms included) as they seek to focus on their core competencies;
- “*The servitization of manufacturing*” given the tendency for manufacturing firms to sell services and solutions, rather than products and goods;
- “*General economic trends*” where levels of employment in services tend to increase relative to manufacturing and agriculture, because of increased automation and productivity.

In addition to prioritising business services in the *Europe 2020 Strategy*, the report also sets out a series of recommendations to the European Commission – including the need to

- (i) complete the European Single Market for business services and to
- (ii) develop effective and efficient policies (regional, national and European level).

⁴ European Competitiveness Report (2013) “**Towards Knowledge Driven Reindustrialisation**”, Commission Staff Working Document SWD (2013) 347.

⁵ Herbert, R. and Paraskevas, C. (2012) **The Business Services Sector: Calculating the Market Size** (Lloyds Bank).

The High Level Group also identified a wide range of detailed policy messages to support European Business Services (which will require coordinated effort and engagement across European firms) encapsulated in seven key action items:

1. *Europe 2020 Strategy* – A major initiative for Business Services is “*required*”, meaning that the Commission “*must*” consider how best to support European Business Services (legal services included) as they seek to capture a significant proportion of the global Business Services market and also that, Business Services must form a “*core element*” in the 2015 revision to the EU 2020 Strategy. *Horizon 2020*⁶ (The EU Framework Programme for Research and Innovation) offers significant opportunities, but is still perceived to “favour” product and technology development “[by 2015]”;
2. *Seize the International Opportunity* – The Commission “*should*” proactively support firms by, for example, “*focus (ing) on identifying the key barriers to international trade in Business Services*”, making sure that international markets for Business Services in third countries are “*open and accessible*” to European service providers (law firms included);
3. *Complete the Internal Market for Business Services* – The Commission “*should*” complete the internal market for Business Services. This major task will require the “*optimization of the regulatory framework*” and “*standards conditions*” for the sector.

More specifically, the Commission “*needs to address issues*” of lack of information on procedures needed for going cross-border, excessive bureaucracy and fragmented legislation, barriers to entry and also taxation and insurance regimes that inhibit cross-border trade.

The idea here is to encourage the creation of European rather than national service standards “*(were appropriate)*”, as well as to promote “*best practice use of standards*”. These standards should be developed with the “*full involvement*” of relevant stakeholders (law firms included);

⁶ See <http://ec.europa.eu/programmes/horizon2020/en/what-horizon-2020>.

4. *Focus on Public Procurement* – EU Member States, with the support of the European Commission, need to “ensure” the implementation of the new public procurement directives, focusing on outcomes, through life cost, value for society, quality and innovation, rather than lowest cost;
5. *Developing and Up Skilling the Workforce* – The Commission “should” proactively develop a future *Skills Strategy* ensuring that “today’s education systems” are “equipping people” with the “skills” our Business Services will need tomorrow. This key action is to be developed in “partnership with Member States” to ensure that “today’s secondary level school children” are developing the “right skills for the workforce of the future”;
6. *Creating the Technological Infrastructure for Future Business Services* – To fully realize the potential for an industrial renaissance through a 4th industrial revolution (“enabled by the internet of things/web 4.0”), the Commission “should create an initiative” of common European interest that brings together “manufacturing and services firms” to create a shared technological infrastructure that will “enable much easier and more open sharing of the data and information” that facilitates “innovation and productivity gains” in Business Services”. In its “pilot phase” this programme should focus on creating a “shared virtual services marketplace” for Europe for a few key sectors;
7. *Follow Up and Implementation* – The Commission “should” establish a partnership with stakeholders in order to support the “implementation of the recommendations of the High Level Group” and ensure the development of a Business Services “scorecard” to monitor the contribution of European Business Services; the Commission should also “seek mechanisms” to create greater coherence for Business Services. Mechanisms might include “Commission organization and structure – a single DG for Business Services” and “industry representation – creation of an inclusive European partnership for Business Services”. This *European partnership* would cover the entire range of organisations involved in offering Business Services “[by 2015]” and in which legal services are represented.

It is noteworthy that despite their “importance” business services (were legal services are included) do not feature “explicitly” in the current *Europe 2020 Strategy*.

For this reason, the High Level Group further recommended that those “*seven action items*” form a “*key part*” of the incoming “*Commissioners’ agenda through to 2020*”.

1.7 Standardisation – a future need?

In this changing context – in terms of the future application and integration with the legal services industry – as mentioned in section 1.6, I highlight the following two key actions:

The first will be “*Complete the internal market for business services*”. This will require the optimization of the regulatory framework and standard conditions for the sector. The Commission needs to specifically address the “*lack*” of information on the required procedures for going cross-border, fragmented legislation and excessive bureaucracy, barriers to entry and taxation and insurance regimes that inhibit cross-border trade.

And the way to bring about this key action is by encouraging the creation of European service standards and also by promoting a best practice use of standards.

The second key action will be “*Creating the technological infrastructure for future business services*”. This will require that the Commission creates an initiative of common European interest that brings together “*manufacturing and services firms*” across Europe to create a “*shared, single, open platform that will enable much easier and more open sharing of the data and information that facilitates innovation and productivity gains in Business Services throughout the EU*”.

And the way to bring about this key action is by taking a lead to develop mechanisms to “*promote accessibility and standardisation of data – technologically enabled Business Services are constrained by the lack of interoperable data standards (by 2020)*”.

In my opinion – and given my experience in managing a *standard-meeting* management system (ISO 9001) – I consider the standards provide accepted and clearly defined approaches and also mechanisms that reinforce client confidence in a law firm’s capability (in this case, the law firm I work for).

In this regard and without wishing to underestimate the business know-how of a traditional law firm, I find it important to highlight that a contemporary law firm will have to follow the evolution of this strategy and the possible integration of legal services in the *European Single Market*, since such integration may very probably be undertaken through the development and adoption of voluntary standards at European level, in order to get the best out of standardisation added value.

I think that the majority of lawyers are still very reluctant to embrace standardisation in their services (e.g. implementing standardized tools that speed up and replicate their work), because, above all, they fear a loss of professionalism.

But since we face a new reality where clients want instant delivery of work, real-time updates (e.g. via client portals), after-hour services, etc., I think that by making basic things simpler (e.g. standardized documents) we will then be able to open up more room for service and for specialization and, at the same time, for manage risk.

I also believe that standardisation is a future need in the way law firms share information with clients (e.g. through a more integrated model) in order to evolve from the current newsletters, podcasts, etc..

As for the channels of communication between lawyers and clients, I also think that standardisation is (also) a future need insofar as a standard communication tool can be adopted.

In this sense, I believe a reflection on the possible adoption of standardised practices for the rendering of legal services may create added value with resulting competitive advantages in order for a law firm to compete in the present global market. On the other hand, the standardisation and (possible) adoption of globally used standardised practices will become a “communication tool” at a global or, for now, at a European level.

1.8 Service life cycle

David “*Maister’s 3 E’s*” (Maister, 1993: 21-30) is a life cycle model which classifies professional services of a firm in order to track the maturity and the type of the service that is being provided (according to its complexity).

He identifies three key benefits that clients seek in any professional service and labels those services provided by firms along a spectrum of practice – three “ideal” (and different) practice types – which runs from Expertise (practice) through Experience to Efficiency.

According to Maister, “*The Expertise Practice*” focusses essentially on serving the “*client’s need for frontier expertise*” (1993:21).

“*The Experience-Based Practice*” serves clients that want a firm with “*accumulated experience in handling certain types of problems*” and that do not want “*expensive ‘start with a blank sheet of paper’ approach to the problem*” (24).

And the third practice type “*The Efficiency-Based Practice*” is characterized by a “*high preponderance of clients who were mostly interested in the efficiency with which the firm dealt with low-risk, familiar types of problems*” (26).

In addition to the existing differences in management practices of “Maister’s 3 E’s” practice types, Maister says that it is possible to identify “*different location strategies across the spectrum of practice types*” by saying that “*Expertise-based practices, as a generalization, tend to be based in a single location relying on the development of a national or regional reputation to attract clients*” (27).

He adds that as the practice matures “*through experience to efficiency-based practices, it is more common to find multiple-location firms, frequently organized into profit centers*” and

concludes by saying that “*this evolution is to be expected since the essence of a multiple-location strategy is to enhance the ability of the individual office to serve clients by drawing upon the experience base and systems of the network*” (ibid.).

Mayson (1997:27) considers that *service life cycle* is based on *industry life cycle* by saying that “*there is as much an industry of providing legal services as there are industries providing other products and services to common customers, competitors and suppliers*”.

In his opinion, Grant’s “*industry life cycle*” is based on the assumption that the industries follow a life cycle that “*comprises a number of evolutionary characteristics that are common to different industries*” and that those characteristics which are common to other industries can be applied to the “*industry*” of legal services, given that “*legal services are supplied in an environment of common clients, competitors and suppliers*” (ibid.).

He further considers that Grant's "*industry life cycle*" can also be used in the life cycle of a product or a service by saying that "*the industry life cycle can also be used to give some idea of a product or service life cycle*" (35).

In this context, Mayson considers the model for the "*life cycle of a professional firm*" (Maister's 3 E's) can be applied to law firms explaining that "*this model can in fact be applied to the firm, to different practice areas, and to individual's know-how*" meaning that "*it relates to the services provided by professionals, and is based on three key benefits that clients want from professional services: expertise, experience and efficiency*" (36).

Regarding "*Maister's 3 E's*", Mayson states that "*this model is, in my view, one of the most powerful in the analysis of professional services*" (ibid.).

Regarding the "*life cycle*", he explains that "*the model represents a life cycle because of the tendency for any expertise to become diffused and performed by more people who are developed by the original innovators to handle that sort of work: it becomes experience. And as experience becomes standardized and proceduralised (and possibly even computerized), it evolves into providing efficiency*" (37).

He adds that, over time, the "*expertise practice*" and the "*experience practice*" evolve and become routine "*over time, therefore, expertise and experience are rationalized and become routine; there is a shift from the left to the right. Indeed, it is possible to imagine the service moving off the model to the right as the clients become self-sufficient or find alternative suppliers*" (ibid.).

Furthermore, in this last situation, Mayson identifies a "*fourth E*" whose meaning would be the "*extinction of that type of work for lawyers*" (ibid.).

Maister (1993:28) points out two trends in law firms that make understanding the distinctions between expertise, experience and efficiency practices "*critical to the success of the professional service firm*".

The first is "*greater sophistication of clients*" meaning that "*they are increasingly able to analyze their true needs in different types of engagements and distinguish between firms whose style of practice matches the specific benefit they seek*" (ibid.).

The second is "*the evolution of practice areas through the stages of the spectrum*" that "*is becoming very rapid*" (ibid.).

As regards the management of law firms, Maister defends that "*every aspect of a practice group's affairs, from practice development to hiring, from economic structure to governance, will be affected by its relative positioning on this spectrum*",

stating that law firms will evermore have to decide what type of client need they want to address, in order to organize their firm management according to that practice type (22).

In his opinion, each of these practice types requires a different approach to structure, recruitment, economics and marketing.

And he adds that: *“increasingly, firms will have to decide which type of client need they are attempting to serve, and organize their affairs appropriately”* (23).

Mayson (1997:37) develops this further and says that *“the strategic dilemma for law firms”* is on the one hand,

“whether they adapt the structure, marketing and organisation of their practices to reflect the evolution of the services they provide” – what Maister refers to as *“the life cycle of the practice becomes a life cycle for the firm”* (1993:28) – or if,

on the other hand,

“whether they try to retain the structural components in place and seek new services that are suited to that structure (which would require frequent innovation in services” (Mayson, 1997:37).

Under this second option, Maister (1993:29) says that maturing practice areas would be abandoned *“in order to maintain stability in firm culture and management, requiring them to move into new practice areas that more closely match the basic approach of the firm”*.

Mayson (1997:37) considers that the conservative nature of most lawyers *“does not suit them or their practices for constant innovation”* and that, as a result *“there is a danger that they keep the same structure and approach which then become inappropriate to the type of service that the client wants”*.

According to Maister’s (1993:29) opinion, the third *“available (and most frequently) selected option – maintaining a firm with diverse practices at various stages of the life-cycle spectrum – is a challenging managerial task”*, because the establishment of *“firm wide management philosophies”* to *“accommodate the diverse needs”* of the *“different practice areas”* with *“conflicting economic, behavioral, and managerial requirements”* creates *“severe internal tensions and stress”*.

He references, however, that the most common and successful solution to resolve these tensions is *“through the use of departments and divisions”* by establishing *“Chinese walls”* between *“operating groups, allowing each to evolve its own management approaches, appropriate to the market –place it serves”*.

As regards “*Chinese walls*” he states that “*as potentially divisive as it may sound*”, it is frequently a “*more sensible solution than the attempt to impose increasingly inappropriate management practices on a firm wide basis*”. And adds that it is possible to observe “*elements of this approach*” inside law firms where “*litigation, corporate, tax, mergers & acquisitions groups, and others appear to be run (appropriately) on very different bases*”.

In the case of law firms that take this *Chinese walls* approach, he states that it is important to “*ensure that the mix of practice area “maturities” remains reasonably stable, and evolves gradually*” and also that “*there nevertheless remain certain aspects of firm management that must be addressed*” at the “*firm level*”.

He points out that for many firms the “*greater course of wisdom*” may be to reach for some “*internal consistency between and amongst its practice areas*” in order to a “*single approach to management practice can be devised*”.

In his opinion, such internal consistency would provide “*not only internal benefits*” but also a “*common identity in the marketplace*”.

Furthermore, he argues that given the “*broad array*” and “*diversity*” of client needs, there is “*plenty of room*” for “*firms*” and “*practices*” of “*all types*” by saying that “*there will always be a need for expertise-based firms, experience-based firms, and efficiency-based firms, any one of which, if managed appropriately, can be as successful as any other*” (30).

Regarding the way in which a professional services firm should be managed and regardless of its industry and the “E” which applies to it, Maister further states that the message to retain is the following: “*match management practices to the practice*”.

1.9 Nature

Mayson (1997:41) states that law firms are a “*know-how*” business by nature, insofar as “*the key to a successful and sustainable future is the organisation and development of shared knowledge and experience*”.

To characterize the nature of law firms, he starts from the “*need for dual expertise*” according to Sveiby and Lloyd (1987:14), for whom “*successful know-how business distinguish two types of know-how*:

- *Professional know-how (the “product”),*
- *Managerial know-how (the production and distribution)” (Mayson, 1997:43).*

Mayson highlights the importance of “*understanding the nature of law firms as know-how business*” and of “*understanding of the influences of both the exogenous and endogenous components of growth*” (43).

Nature and Culture

Mayson further explains that understanding the nature and growth of law firms is “*important*”, “*not just in making sense of law firms as business organisations*” but also in “*beginning to see and assess strategic opportunities*” (55).

1.10 Culture and climate

Exploring the concept of *normative environment*, Mayson (2007:56) explains that a normative environment is the “*sum of all those influences on the ways in which shared meaning is developed and transmitted within the firm and in which commonly acceptable behaviour is framed and enacted*”.

He states that “*acceptable attitudes and behaviour*” result from many influences and that the way people behave will not necessarily be consistent with “*how they are expected to behave*”.

He further explains that the normative environment of a firm encompasses both culture and climate. In the broad sense, culture is what *ought* to happen and climate is what *does* happen.

He defines culture as “*a firm’s shared assumptions, norms, values and beliefs and its processes*”. And adds that a dominant “*culture*” of a law firm describes what “*ought*” to happen, meaning “*what is prescribed and what is proscribed, what is shared and held in common*”.

On the other hand, Mayson describes climate as the result of “*what is, what actually happens*”.

Mayson also states that climate might not be consistent with the “*firm’s dominant culture*” because it arises from values and beliefs that are not necessarily shared, which might result from the “*influence of counter-cultures*”.

Taylor (2005:5) defines culture as “*what is created from the messages that are received about how people are expected to behave*”.

In her opinion – culture results from *communication* – evidenced by the messages sent, which come from “*three broad areas*:

- *Behaviours – the behaviour of others, especially those who appear to be important;*
- *Symbols – observable events, artefacts and decisions to which people attribute meaning;*
- *Systems – mechanisms for managing people and tasks”.*

Taylor does not distinguish “*climate*” from “*culture*” as Mayson does.

She values culture by stating that “*culture is about what is really valued*” and demonstrated through “*what people do*” rather than “*what they say*”.

She concludes by saying that when “*the “walk” and the “talk” do not line up, it is the “walk” that shapes the culture*” (8).

For Schein (2010:24) culture is “*enduring, slow to change*” and a “*core characteristic*”.

Also for Schein, climate is “*temporary attitudes, feelings and perceptions of individuals*” and “*a manifestation of the culture*” that can “*change quickly and dramatically*”.

Regarding culture, Cameron and Quinn (2011⁷) state that “*the most obvious manifestation of culture is the explicit behavior of members of the culture*”.

In their opinion, culture in an organisation is the way in which “*people interact, the amount of the whole self*” invested in the organisation and also the “*extent to which innovative or activity is tolerated or encouraged*”.

They point out that “*it is also important to note*” that the concept of “*organization culture*” is distinct from the concept of “*organization climate*”.

In their opinion, culture is “*enduring, slow-to-change, core characteristics of organizations*” and refers to “*implicit, often indiscernible aspects of organizations*” and includes “*core values and consensual interpretations about how things are*”.

⁷ *E-book* (without page numbers): Cameron, K.S., Quinn, R.E. (2011) **Diagnosing and Changing Organizational Culture** (Jossey-Bass, San Francisco).

Climate is described as being based on attitudes and because of that “*climate can change quickly and dramatically; refers to “more overt, observable attributes of organizations” and includes “individualistic perspectives that are modified frequently as situations change and new information is encountered”.*

As regards “climate” and quoting Schneider (Schneider, 1990), they say that “*climate consists of temporary attitudes, feelings, and perceptions of individuals”.*

1.11 Purpose

Mayson (2007:56) describes purpose as “*the fundamental basis on which the owners of the firm have chosen to be in business together*” (Mayson, 2007:56) and that, although “*purpose*” in this sense is only one component of that environment (along with culture and climate), it often encapsulates and drives the others” (65).

In his “**3 Cs spectrum**”, Mayson suggests three reasons (or purpose) for law firm owners to be in business together:

for “*convenience*” (owners are not in fact together to do anything), to “*complement each other*” (partners recognizing that their clients have different legal needs that partners cannot satisfy on their own) and to “*combine together*” (partners “*are in business together to build a lasting institution, capable of serving a wide variety of client needs*”) (67).

Adding that a “*firm’s normative environment*” is the “*sum*” of “*culture*”, “*climate*” and “*purpose*” (76).

I believe Mike Pedler, John Burgoyne and Tom Boydell (see Jarrett-Kerr (2009:193)) also provide an excellent explanation for the concept of *purpose*, comparing it with the concept of *vision*, when they describe “*a sense of purpose runs deeper than the popular notion of vision*”, because “*it builds on the foundation of established values and thereby honours the past in looking to future aspirations*”.

In their opinion a key element in purpose is the “*sheer force of will, the determination and persistence without which visions are mere dreams*” (ibid.).

In my opinion it is fundamental that law firm partners define and share – from the very beginning – a common *purpose*, which means that, on the one

hand, they will communicate it outside the firm, thereby becoming ambassadors of their own project; on the other hand, they will transmit it internally to the entire Firm, thereby showing the reasons for the existence of that project, i.e., the firm's purpose.

I also believe that the common purpose should also be a *common commitment to a cause* and that it is very important that it exists in practice, because at the Firm management level it allows greater ease in decision-making (at all levels of the Firm). This means that, if on the one hand it functions as a guideline to put that same decision-making in context (of the organisation's purpose), on the other hand it makes that decision-making more efficient.

In my opinion, I further believe that the purpose of a functioning law firm should be based on the foundation of established values of the firm. It should be simple and should be put in place through leadership (and such leaders should always act in accordance with it).

From my experience, I consider that the purpose of a law firm will only become real if the people inside the firm truly believe that all decisions are actually made (or should be) according to that purpose.

On the other hand, I consider that – regardless of the owners' purpose or the reasons for being in business together – it is paramount that there be consistency on the part of the law firm partners, insofar as they will have to stick to the firm's purpose. Because, in my opinion, only in this way will be possible to obtain commitment, collaboration and dedication from the people that work with the law firm.

The idea of “Glue”

Mayson (1997:538) developed the idea of glue to illustrate what holds a firm and its lawyers together and why are they in the market together.

According to him the “glue” can be described as “*one or more of five “M’s”*”:

“*Mission*” as the vision or purpose of the firm;

“*Mates*” or “*Mentors*” as the people in it;

“*Matters*” as the work it does;

“*Method*” as the structure, systems and procedures for doing the work and

“*Money*” as the rewards of doing it.

The “*full picture*” of Mayson’s glue is shown in Appendix 1.

He draws attention to some conclusions that might be worth bearing in mind, by stating that: “*firms may draw their glue from different sources at different times*” and that it is not necessarily a “*bad thing for the source to change*”;

and also by stating that “*the clearer the agreement between partners about what the glue is, the stronger the partnership*”.

Similarly, Martin (1992) states that there are three perspectives to organisational culture and that it is precisely this Mayson’s “glue” – shared by the lawyers – that characterized its *integration perspective* (see Section 1.13).

Mayson also highlights: “*the more glue there is (and the more sources of it) the better*” concluding that: “*the firm will inevitably be stronger for it*” (538).

1.12 Why is culture important (in law firms)?

As I referred to in Section 1.3, more than 150 definitions of culture have been identified and the two main disciplinary foundations of organization culture are:

- Sociological (organisations *have* cultures) and
- Anthropological (organisations *are* cultures).

As regards culture in organisations, a review of the literature on the topic reveals that the sociological perspective – functional – has come to predominate.

This predominating perspective – sociological concept of culture – refers to the “*taken-for-granted values*”, “*underlying assumptions*”, “*expectations*” and also to the definitions that “*characterize organisations and their members*”⁸.

According to this perspective, we might agree that culture is a “*socially constructed attribute of organisations that serves as the social glue binding an organisation together*” (O’Reilly and Chatman, 1996; Schein, 2010), (ibid.).

By reflecting on the “*prevailing ideology that people carry inside their heads*”, providing “*unwritten*” and often “*unspoken*” guidelines for how to get along

⁸ *E-book* (without page numbers): Cameron, K.S., Quinn, R.E. (2011) **Diagnosing and Changing Organizational Culture** (Jossey-Bass, San Francisco).

in an organisation and “*conveying a sense of identity to employees*”, culture helps stabilize the social system that they experience (ibid.).

But why is culture important?

Although undetectable most of the time I believe *culture* is a crucial factor in a contemporary law firm and should be managed professionally because it affects organisational performance. In this sense I think culture should be therefore considered as a competitive advantage within the governance of a contemporary firm.

1.13 Approaches to culture

The performed analysis of the literature allows me to conclude that the cultural power of an organisation or law firm (which is the scope of my research) lies in its ability to bring people together and to lead a law firm towards extraordinary success, while its competitors struggle.

Martin (1992) says regarding organisational culture that there are three possible approaches or perspectives to culture.

The first one – the integration perspective – assumes that culture is the glue (that I refer to in Section 1.11), that is to say that, in this perspective, culture is what people share.

The second one – the differentiation perspective – assumes that culture is manifested by differences among sub-units and that an organisation’s culture is “*fraught with conflicts of interest*”. In this perspective approach “consensus about what common culture exists in fiction”.

The “*fragmentation perspective*” assumes that culture is ambiguous and unknowable and that it describes not an attribute of an organisation, but the inherent nature of the organisation itself.

In this third approach or perspective Martin also says that “*as individuals shift cultures frequently within an organisation, no culture can be identified*”.

She argues that each approach to culture has “*legitimacy*” and must be acknowledged as “*individuals study*” or a “*try to manage culture*”.

1.14 Types of organisational culture

“Organisational culture: The taken-for-granted assumptions and behaviours that make sense of people’s organisational context” by Johnson, Whittington & Scholes (2011:168).

Empson (2007:213): *“Achieving and then maintaining a common culture is a major task for a global law firm and one to which huge effort is applied.*



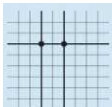
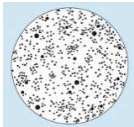
It requires not just the definition of common goals to which all partners in the firm subscribe, but a clearly articulated set of motivations and values”.

Whether perpetuate over time, brand new or “to be changed”, no organisation has one sole culture because organisations – being composed of different people – generate different cultures.

However, although no culture is “culturally pure” and therefore cannot fall within a single cultural description,

Mayson uses “*cultural analysis*” to suggest the existence of “*four types of organisational culture*” (Handy 1993: 181 – 91),

which are usually associated an “*image and a structure*” (Mayson, 1997: 341):

<i>Organisational Culture</i> (four types)	<i>Structure</i>	<i>Image</i> (God)
Power (or Club)	Autocracy/Oligarchy	 Zeus
Role	Democracy	 Apollo
Task	Meritocracy	 Athena
Person (or Existential)	Autonomy	 Dionysus

Handy adds that cultures “are affected by the events of the past and by the climate of the present, by the technology of the type of work, by their aims and the kind of people that work in them” (Handy, 1993, page 180).

And he further states that “experience suggests that a strong culture makes a strong organization” (183).

His concept on the cultural models of organisations can be illustrated as follows,

Cultural fit	(I) Power	(II) Role	(III) Task	(IV) Person
Characteristics	Strong powerful central character	Roles, structures, hierarchies	Adaptable, task focused, flexible	Individualistic
Atmosphere	Competitive	Respect for age and status, secure, predictable	“Product/client all important”, informal working environment	The firm has little meaning, individuals are everything
Control	Few rules	Built on interlocking functions	Pragmatic not particularly structural, self-managing teams	Little structure
Decision making	Unequal, clear	Structured and equal	At team level	Ad hoc and individual
Communications	Personal conversations	Formal	All directions, unstructured, task focused	Nothing formal
Partnership	Offered to favourites	Long road to get there	Offered for achievement	A reward for following
Rewards	Unequal to favourites	Based on status and seniority	Lockstep with bonus and negotiable	Eat what you kill
Appropriateness	Small, entrepreneurial	Stable, predictable climate	Where speed of change critical	Rarely for any length of time

As regards the organisational culture and “group” ideology, Handy points out that a

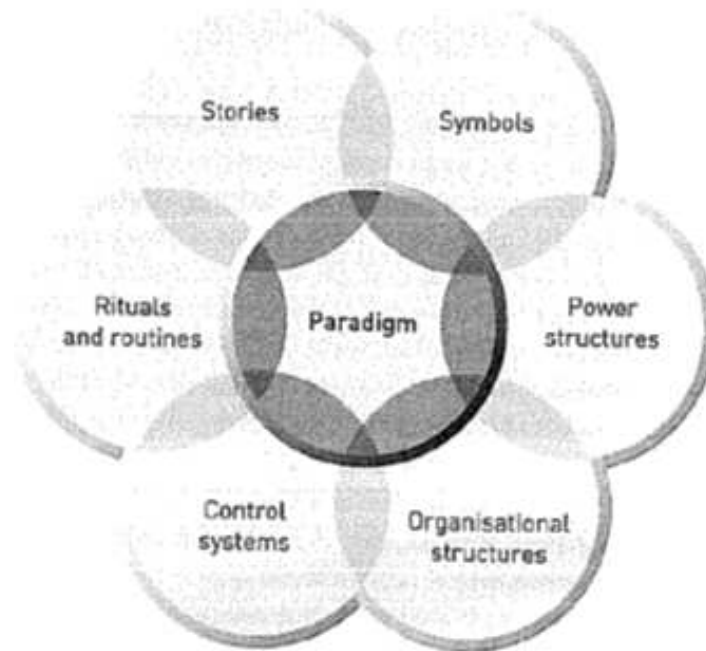
“proper understanding of groups will demonstrate how difficult they are to manage” due to the fact that they can be both “democratic” and “representative”.

And nearly forty years ago (1976) regarding groups, Handy already said “let us pay more attention to their creation and be more realistic about their outcomes” (179).

1.15 Undertaking cultural analysis

Due to the importance of culture within a law firm, it is important to be able to analyse its culture, in order to understand the existing culture and its effects.

By using the “*Cultural Web*” it is possible to analyse the cultural web of a law firm, by identifying its behaviours and also its taken-for-granted assumptions.



The *cultural web* (Johnson, Whittington & Scholes “Exploring Corporate Strategy”)

It is important to note that many elements of the web are symbolic – such as “*symbols*”. “*Routines*”, “*control*” and “*reward*” systems and “*structures*” are not only functional, but also symbolic.

As analysed in the MBA sessions, the upper side of the cultural web (“*Rituals and routines*”, “*Stories*” and “*Symbols*”) are considered “People Stuff”, the lower side of the web (“*Control systems*”, “*Organisational structures*” and “*Power structures*”) are considered “Management Stuff” and

the “*Paradigm*”, almost considered as a secret society within it, is “*the way things actually happen around here*”.

As regards “*People Stuff*” and according to Johnson, Whittington & Scholes (2011: 177), “*routines*” are “*the way we do things around here*” on a “*day-to-day basis*” and “*routines*” may have a long story and may well be common across organisations;

“*Rituals*” are “*particular activities or special events that emphasise, highlight or reinforce what is important in the culture*” (e.g. training programs, coaching sessions, promotion and assessment procedures, etc.);

and “*rituals*” can also be informal activities “*such as drinks in the pub after work*” or “*gossiping around photocopying machines*”.

The “*stories*” are considered the “*heroic commitment to the firm*” which are told by “*members to outsiders, to new recruits and so on*” and may embed the present in its organisational history and also “*flag up*” important events and personalities.

The last element of the cultural web on the “*People Stuff*” is “*Symbols*” defined by Johnson, Whittington & Scholes as “*objects, events, acts or people that convey, maintain or create meaning over and above their functional purpose*” (ibid.).

An example of “*symbols*” is offices and office layout. If all the desks are the same size, this is something that evidences unity, inclusivity and also conformity.

On the lower side of the cultural web (“*Power structures*”, “*Organisational structures*” and “*Control systems*”) we have elements considered as “*Management Stuff*” (Jarrett-Kerr).

Johnson, Whittington & Scholes (2011: 178) describe “*Power structures*” as the “*ability of individuals or groups to persuade, induce or coerce others into following certain courses of action*”;

as regards “*Power structures*” they point out that the most powerful individuals or groups are likely to be closely “*associated with the paradigm*” and also say that in firms that “*experience strategic drift*” it is not unusual to find “*powerful executives*” who have a long association with “*long-established ways of doing things*”;

as “*Organisational structures*”, they identify “*roles*”, “*responsibilities*” and “*reporting relationships*” in the way that they are likely to reflect power structures

and how they manifest themselves emphasizes which roles and relationships really matter in an organisation.

“Control systems” are what they call the “formal” and “informal” ways of “monitoring” and “supporting” people “within and around an organisation”.

They also say that “control systems” tend to emphasize what is seen “to be important in the organisation”, wherein “measurements” and “reward” systems are included (ibid.).

In my opinion, in most cases, typically, even people who know their law firm intimately have difficulty in describing their law firm “culture”. However, it is a “must do” in order to manage a law firm. It is thereby essential, to identify its culture and to make use of that *knowledge* in order to manage.

By using a more recent model called “***The Edge International Law Firm Cultural Assessment***” (2011) it is also possible to identify a law firm culture, through a “cultural assessment”, and to classify its particular profile.

Among law firms, the interrelationships among people working together and the nature of how those people relate to their firm as an institution, differs dramatically, and the details of these interrelationships are the representation of the law firm culture, which define and influence every aspect of a law firm operations, reputation and financial success.

By using four areas to categorize the differences among individual law firms, the “cultural assessment” provides a more precise vocabulary to describe what those differences represent.

According to the “cultural assessment” the differences among individual law firms might be categorized into four specific areas/factors;

Each of these four areas/factors is made up of a number of components. By analysing the mix of this data and their comparative weight in the make-up of a culture it is possible to obtain a valid image of a law firm’s culture:



Edge International Cultural Inventory (Edge International <http://www.edge.ai/>)

Specific areas/factors:

1. ***Collegiality*** as “*the manner in which people within a law firm deal with each other*” and its components are,
 - Group collaboration
 - Individual collaboration
 - Egalitarianism
 - Social interaction
 - Deviation
 - Generationalism.
2. ***Strategic focus*** as “*the degree to which the firm has a clear identity, both to itself and in relation to other firms*” and its components are,
 - Vision
 - Horizon
 - Ambition
 - Execution
 - Self-image
 - Confidence.
3. ***Governance*** as “*the manner in which the firm deals with its people, and the way that it’s lawyers and staff deal with the firm*” and its components are,
 - Decision making
 - Structure

- Risk aversion
 - Communications
 - Expectations
 - Motivation.
- 4 **Values** as “*the belief systems that represent the collective aspirations of the members of the firm*” and its components are,
- Work ethic
 - Meritocracy
 - Responsibility
 - Client focus
 - Continuous improvement
 - Trust.

For the purposes of this “*cultural inventory*” and as a component of “Governance”,

“**Communications**” is defined as “*the degree to which lawyers are informed about the firm’s activities and issues*” and

“**Trust**” as a component of “Values” is defined as “*the degree of confidence by an individual that peers will not take actions adverse to that individual’s interests*”.

This model combines a survey of the law firm partner’s individual viewpoints which are validated by a personal interview’s sample.

Its objective is pointed toward identifying the specific areas in which “*sample law firm*” is unique and assessing “*how*” those specific areas could impact the law firm’s management issues.

I particularly like this cultural assessment because it is simple, clear and very practical to be used in diagnosing the *unique* characteristics of a particular law firm.

In my opinion the use of this model together with appropriate and experienced support, might identify what a (particular) law firm needs most to develop, or to work on, in order to manage that law firm (in a more efficient and effective way).

Undertaking cultural analysis is thereby important to diagnose organisational culture in order to:

- Reflect on the management of performance
- Enhance organisational effectiveness
- Facilitate culture change.

Also by using another more recent framework “**Competing Values Framework (“CVF”)**” (Cameron & Quinn, 2011⁹) it is possible to classify an organisation profile according to four predetermined categories (“*value orientations*”) that characterize organisations culture:

- Clan
- Adhocracy
- Market
- Hierarchy

As regards those “*four core values*” Cameron & Quinn point out that what is “*notable*” about them is that “*they represent opposite or competing assumptions*”, further justifying that “*the competing or opposite values in each quadrant give rise to the name for the model, the ‘Competing Values Framework’*”.

Cameron & Quinn’s “CVF” – “*competing values framework*” – relies on “*organisational culture assessment*” and also on “*organisational culture change*”, or, more specifically, on culture “*diagnosing*” and “*changing*”.

This framework was developed from the major indicators of “*effective organisations*” which were submitted to a statistical analysis, and “*two major dimensions emerged that organized them into four main clusters*”.

Its first dimension differentiates effectiveness criteria that emphasize flexibility, discretion and dynamism from criteria that emphasize stability, order and control.

That is to say “*some organizations are viewed as effective if they are changing, adaptable, and organic*”,

⁹ *E-book* (without page numbers): Cameron, K.S., Quinn, R.E. (2011) **Diagnosing and Changing Organizational Culture** (Jossey-Bass, San Francisco).

others “are viewed as effective if they are stable, predictable, and mechanistic” and “the continuum ranges from organizational versatility and pliability on one end” to “organizational steadiness and durability on the other end”.

Its second dimension differentiates “effectiveness criteria that emphasize an internal orientation, integration, and unity” from criteria that “emphasize an external orientation, differentiation, and rivalry”.

That is to say that “some organizations are viewed as effective if they have harmonious internal characteristics”

others

“are judged to be effective if they are focused on interacting or competing with others outside their boundaries”

and

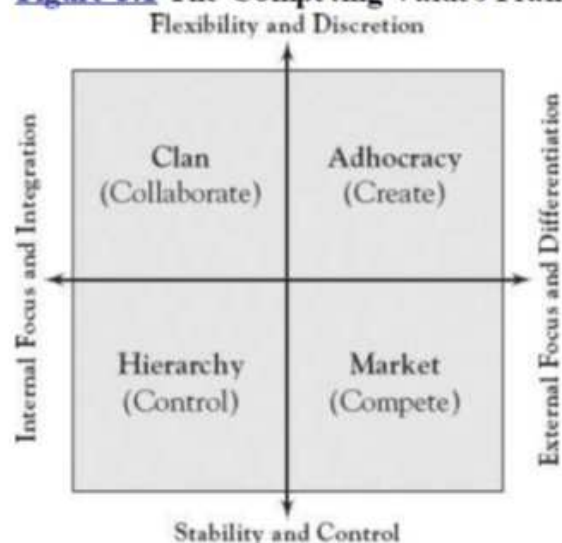
“the continuum ranges from organizational cohesion and consonance on the one end to organizational separation and independence on the other”.

Together the two referred dimensions of this framework form four **quadrants** and

each *quadrant* represents a distinct set of organizational effectiveness indicators (as illustrated bellow) which define the “core values on which judgments about organizations are made”.

Each *quadrant* has been given a “label” to distinguish its most notable characteristics – **clan**, **adhocracy**, **market** and **hierarchy**.

Figure 3.1 The Competing Values Framework



The four *core values* of the framework represent “*opposite or competing assumptions*” and each “*continuum*” highlights a core value that is opposite from the value on the other end of the “*continuum*”:

“*Flexibility*” (and discretion) *versus* “*stability*” (and control), “*internal*” (internal focus and integration) *versus* “*external*” (external focus and differentiation).

Cameron & Quinn discovered that their “competing values framework” labels (clan, adhocracy, market and hierarchy) were sometimes confusing when used with “*business executives*” or when used with “*nonacademic audiences*” and because of that they started using *verbs* to brand the main emphasis of each quadrant:

- *Clan* (also labeled the *collaborate* quadrant)
- *Adhocracy* (also labeled the *create* quadrant)
- *Market* (also labeled the *compete* quadrant)
- *Hierarchy* (also labeled the *control* quadrant)

By using Cameron & Quinn’s dimensions and quadrants of the “*competing values framework*” it is possible to identify each quadrant (or core value) as a cultural type because each quadrant represents “*basic assumptions*”, “*orientations*” and “*values*” which are (according to them), the same elements that comprise an organisational culture.

The tool used in Cameron & Quinn’s assessment is called “OCAI” (The Organizational Culture Assessment Instrument) and has been widely used in a big variety of industry sectors.

Cameron and Ettington (1998)¹⁰ state that “OCAI’s” original six items merely describe some of the fundamental manifestations of organizational culture and that those dimensions “*are not comprehensive, of course*”

but that those dimensions

“*address basic assumptions*” such as “*dominant characteristics*” and “*organizational glue*”, interaction patterns such as “*leadership*” and “*management of employees*”

¹⁰ Quoted from Cameron, K.S., Quinn, R.E. (2011) **Diagnosing and Changing Organizational Culture** (Jossey-Bass, San Francisco), *E-book*.

and organizational direction such as “*strategic emphases*” and “*criteria of success*” that typify the fundamentals of culture.

OCAI is therefore used to assess what Cameron & Quinn call “***The Four Major Culture Types***” based on their framework (“the competing values framework”):

1. *The Hierarchy (Control) Culture*

It is an organizational culture type characterized by a “*formalized and structured place to work*” and where “*procedures govern what people do*”. In this culture type effective leaders are “*good coordinators*” and “*organizers*” and maintaining a “*smoothly running organization*” is also important in this type of culture.

The “*long – term concerns*” of this organizational culture type are “*stability*”, “*predictability*” and “*efficiency*”.

“McDonald’s” provides a prototypical example of “*hierarchy (control) culture*”.

This organizational culture type is characterized by an “*internal control*” maintained by rules, specialized jobs and centralized decisions.

2. *The Market (Compete) Culture*

In this organizational culture type the term “*market*” is not “*synonymous with the marketing function*” or “*with consumers in the marketplace*”.

The core values that dominate this organizational culture type are “*competitiveness*” and “*productivity*”.

In this Cameron & Quinn’s culture type “*market*” refers to a type of organisation that functions as a market “*itself*”: it is oriented toward the “*external environment*” instead of internal affairs. It is focused on transactions “*with (mainly) external constituencies*” such as suppliers, customers, contractors, licensees, unions and regulators.

The *market (compete) culture* operates primarily through economic market mechanisms, competitive dynamics and monetary exchange, being most focused in conducting transactions, such as “*sales*”, “*exchanges*” and “*contracts*”, with other constituencies to create “*competitive advantage*”.

The primary objectives of this organizational culture type are “*profitability*”, “*bottom-line results*”, “*strenght in market niches*”, “*stretch targets*” and “*secure custo-*

mer bases". "Competitiveness" and "productivity" in this "market (compete) culture" are achieved through a strong emphasis on "external positioning" and "control".

A "market (compete) culture" is characterized by a "results-oriented" workplace.

In this organizational culture type leaders are "hard-driving producers" and "competitors" who are "tough and demanding".

According to Cameron & Quinn, the glue that holds the organization assessed as a "market (compete) culture" is an emphasis in winning and the "long-term concern" that characterizes this organizational culture type is on "competitive actions" and achieving "stretch goals" and "targets".

For a "market (compete) culture", "success" is defined in terms of "market share" and "penetration" and "outpacing the competition" and "market leadership" are important.

And "Xerox" is an example of a "market (compete) culture".

3. The Clan (Collaborate) Culture

As assessed in the OCAI, a *clan (collaborate) culture* is typified by a friendly place to work where people share a lot of themselves. "Clan" results from its similarity to a family-type organization. It is like an "extended family".

"Shared values" and "goals", "cohesion", "participativeness", "individuality" and a sense of "we-ness" dominate this organizational culture clan-type.

Cameron & Quinn¹¹ state that they seem more like "extended families" than "economic entities".

"Teamwork", "employee involvement programs" and "corporate commitment to employees" are typical characteristics of the *clan (collaborate) culture*.

Leaders of a *clan (collaborate) culture* are thought of as mentors and perhaps even as "parent figures". Some basic assumptions in a clan culture are that the "environment can best be managed" through "teamwork" and "employee development".

"Customers are best thought of as partners, the organization is in the business of developing a humane work environment".

¹¹ E-book (without page numbers): Cameron, K.S., Quinn, R.E. (2011) **Diagnosing and Changing Organizational Culture** (Jossey-Bass, San Francisco).

Another important assumption in this organizational culture type is that the “*major task*” of management is to “*empower employees*” and facilitate their “participation”, “commitment” and “loyalty”.

“Pixar” (animated movies) is an example of a clan-type culture organisation.

In this type of organizational culture type commitment is high and the organisation is held together (glue) by loyalty and tradition.

Finally, the *clan (collaborate) culture* emphasizes the “*long-term benefit*” of “*individual development*”, with high cohesion and morale being important.

“*Success*” is defined in terms of “*internal climate*” and “*concern*” for people.

This *clan culture* places a premium on *teamwork, participation, and consensus*.

I think this is the type of culture (of a law firm or the like) that I consider to characterise a friendly place to work and in which I would fit it well. On the one hand, because it seems to me that there is a high level of corporate commitment (and also corporate responsibility). On the other hand, because this corporate commitment appears to me to arise from effective internal communication that I personally believe to be “the” enabling factor for better and happier performance.

I believe, however, that given my way of being, the main risks of this *clan culture* could be the lack of independence and autonomy in the management of one’s work and the organization of one’s personal life – given the assumption of *teamwork* – and also some lack of privacy as regards personal life – given the *glue* that typically holds this type of culture together.

4. The Adhocracy (Create) Culture

This is the fourth and the last “major culture type” resulting from the assessment made by Cameron & Quinn¹² (through OCAI).

This “*adhocracy (create) culture*” type is an organisational form that is the “*most responsive*” to the “*hyperturbulent*” and “*ever-accelerating*” conditions that increasingly typify the “*organizational world of the 21st century*”.

¹² *E-book* (without page numbers): Cameron, K.S., Quinn, R.E. (2011) **Diagnosing and Changing Organizational Culture** (Jossey-Bass, San Francisco).

It is characterized by having a rapidly decreasing half-life of product and service advantages.

It is also characterized by having developed a different set of assumptions (when compared to the other three Cameron and Quinn's "*four major culture types*") in which "*innovative and pioneering initiatives lead to success*" and organisations are mainly in the "*business of developing new products and services and preparing for the future*".

Cameron & Quinn's "*adhocracy (create) culture*" major task of management is to foster "*entrepreneurship*", "*creativity*" and activity "*on the cutting edge*".

Because it is assumed that "adaptation" and "innovativeness" lead to new resources and profitability, in this type of organisational culture emphasis is placed on "creating a vision of the future", on "organized anarchy" and also on "disciplined imagination".

"Google" is an example of an "*adhocracy (create) culture*" organisation.

The root of the word *adhocracy* is *ad hoc* – that implies something temporary, specialized and dynamic and "adhocracies" are "*similarly temporary*"; a major goal of an adhocracy is to foster "*adaptability*", "*flexibility*", and "*creativity if uncertainty*" and sometimes adhocratic sub-units exist in big organisations that have a dominant culture of a different type.

I consider the three cultural analysis models I described – "*Cultural Web*", "*The Edge International Law Firm Cultural Assessment*" and "*Competing Values Framework (CVF)*" – to be complementary, rather than competing and are in that sense an added value for the "cultural assessment" of a given law firm.

In my opinion, the "*Cultural Web*" and "*The Edge International Law Firm Cultural Assessment*" are very useful to delving deeper into the firm's culture, to which greater creativity is necessarily associated – in addition to freedom in characterization and diagnostic – given they do not assume the existence of *typologies* and *profiles*.

As for "*Competing Values Framework (CVF)*" – as the name itself indicates – it describes the values that are in conflict with each other and is used to describe how the culture operates in a live environment and therefore the cultural solution is how to reconcile them.

Although it is an excellent guideline for a cultural analysis and will thereby provide a high-level view of the broad tendencies of a law firm when compared to many others, I believe this model is simultaneously binding/

limiting, given that the culture of each organization is unique and impossible to include in a *framework*.

According to Schein (2010:158), the advantage of “*typologies*” and “*the theories they permit us to postulate*” is that they attempt to “*order a great variety of different phenomena*”, while the disadvantage and danger is that they are “*so abstract that they do not reflect adequately the reality of a given set of phenomena being observed*”.

Schein – similarly to what I defend as stated above – states that typologies can be *useful* if “*we are trying to compare many organisations*” but adds that typologies can be quite *useless* if “*we are trying to understand one particular organisation*” (ibid.).

1.16 Measuring culture

“Given enough time and money, your competitors can duplicate almost everything you’ve got working for you. They can hire some of your best people. They can reverse engineer your processes. The only thing they can’t duplicate is your culture” (Bradt, 2012).¹³

By using OCAI it is possible to produce a description of the type(s) of culture(s) that are *dominant* in a law firm. And because culture changes over time, it is possible to construct an organizational culture *profile* that reflects a law firm “*overall current*” and “*preferred culture*”¹⁴, also by using OCAI.

The main purpose of developing a culture *profile* is (Cameron & Quinn) “*to help you identify what kind of culture change is most appropriate, if any*” and “*in what ways culture can most profitably be modified*”.

They further state that “*there is nothing magical about a culture profile*” and “*its primary use is preparation for implementing a culture change process*”.

As a result of analyzing a law firm culture *profile* it is possible to, firstly, understand its current culture and its *impact* on the current *performance* of

¹³ See <http://www.forbes.com/sites/georgebradt/2012/02/08/corporate-culture-the-only-truly-sustainable-competitive-advantage/#>.

¹⁴ E-book (without page numbers): Cameron, K.S., Quinn, R.E. (2011) **Diagnosing and Changing Organizational Culture** (Jossey-Bass, San Francisco).

the firm; secondly, describe the culture “to become” and the values which underpin it, and, thirdly, diagnose the *strengths* and *potential* for change and set goals for its achievement.

For a “*culture journey*” (Taylor, 2005:28) and after having described the “*culture you need*”, the next step is to build and implement a strategic plan based on “*behaviours, symbols and systems*”.

And throughout this “culture journey” she further states “*you must have a communication strategy, and ensure the process is managed with discipline and rigour*” (ibid.).

1.17 Reengineering?

Hammer (1993:49) defines reengineering as “*starting over*”.

And he further illustrates the concept by saying:

“Reengineering is about beginning again with a clean sheet of paper. It is about rejecting the conventional wisdom and received assumptions of the past. (...) is about inventing new approaches to process structure that bear little or no resemblance to those of previous eras”.

“Reengineering”, formally defined, is “*the **fundamental** rethinking and **radical** redesign of business **processes** to achieve **dramatic** improvements in critical, contemporary measures of performance, such as cost, quality, service, and speed*” (32).

And it encompasses four key words: “**fundamental**” because in reengineering it is necessary to look at the tacit rules and assumptions that underlie the way businesses are conducted and *rethink* in *what* and *how* should it be; “**radical**” because it is about business *reinvention* (and not about business improvement); “**dramatic**” in the sense that it is about achieving *quantum leaps* in performance (and not about marginal or incremental improvements) and “**processes**” because reengineering is about new approaches to process structure, it “*seeks break-through (not by enhancing existing processes) but by discarding them and replacing them with entirely new ones*” (49).

Ideally, reengineering is one of the tools a law firm must possess and know how to use to acquire the traditional prerequisites to success: strong execu-

tive leadership, intense focus on clients (and their needs) and superior process design and execution.

Hammer (1993:216) describes it as being “*still a new endeavor*” and that all engaged in it are “*pioneers*”.

He further adds “*all that is needed is the will to succeed and the courage to begin*”.

1.18 Change “what”?

The analysis of the culture of a law firm provides a basis for the management of strategic change, since it provides a picture of the existing culture that can be set against a desired strategy so as to give insights as to what may constrain the development of that strategy or *what* needs to be changed in order to achieve it.

As regards “core ideology” as “the” extra dimension of enduring *great* companies, Collins (2001:195) states that

“enduring great companies preserve their core values and purpose while their business strategies and operating practices endlessly adapt to a changing world. This is the magical combination of “preserve the core and stimulate progress”,

and illustrates it like this:

196 Jim Collins



This has led me to reflect on the importance of diagnosing the change context, which is analysed as a key element in managing strategic change.

As regards diagnosing the “*change context*” and its importance, Johnson, Whittington & Scholes (2011: 464) state that “how change is managed will depend on the magnitude of the challenge faced in trying to effect strategic change”, and conclude: “*it is therefore useful to consider the type of change required, the wider context in which change is to occur, the specific blockages to change that exist and forces that exist to facilitate the change process*”.

I fully agree with the positions of these authors for the following reasons: firstly, because I believe culture exists everywhere in a law firm’s life and is vitally important to a law firm because of its impact on performance. In this respect, I consider it imperative to survey the concrete elements that need to be changed in order to preserve all the others that must be maintained – given that I also believe that no culture is entirely *bad*. For this reason, I believe the initial focus should be on where the performance needs to be improved and that therefore each type of change will require a different approach.

In second place, because I believe that that choice (of which elements to change and which to maintain) must also be put in the context of the law firm’s cultural understanding, given that it must take various factors into consideration, such as: the type of change required, obstructions and strengths to be considered within the change process and the wider context in which change is to occur. In this respect and also because culture evolves permanently, I consider this to be one of the tougher strategic topics that leaders face in managing cultural change.

Finally and regarding the necessary change of *communication systems* Hammer (1996: 223) states: “*management communication systems must also change to encourage learning*”.

1.19 Leading Change

“Structure, systems, practices, and culture have often been more of a drag on change than a facilitator. If environmental volatility continues to increase, as most people now predict, the standard organization of the twentieth century will likely become a dinosaur” (Kotter (2012:169)).

As referenced in section 1.10, Mayson (2007: 56) defines a law firm normative environment as the “*combination of its culture, climate and purpose*” and adds that where the normative environment is made “*explicit*” and the articulation identifies the “*intended environment*”, that articulation may be defined as a “*normative strategy*” (47).

Furthermore, Mayson also states that the failure to implement an agreed strategy is more “*likely to be because of a dissonance between strategy and the firm’s normative environment*” than due to other factors, adding that understanding that environment is therefore vital and “*arguably the most important component of any strategic analysis*” (76) and concluding that sometimes partners will need to agree to “*change their normative environment by adopting a new normative strategy*” in order to achieve a new competitive position for the firm (58).

Similarly, Handy (1993:253) regarding *On the Work of the Organization – and its Design*, states that “*analysis of the ideal, of what should be, when compared with the reality of what is, may be disillusioning, but it is the proper starting point for improvement and for planned change*”.

As also referenced in 1.16, after obtaining the culture *profile* of a law firm (its current culture and impact on the current performance of the firm), a decision has to be made as to the *culture to become* (and the values which underpin it). Thereafter, the strengths and the potential for change must be assessed. Finally, goals must be set for its achievement.

Kotter (2012:23) describes a multistage change process “*The Eight-Stage Change Process*” as coming from eight steps:

1. *Establishing a sense of urgency*
2. *Creating the guiding coalition*
3. *Developing a vision and strategy*
4. *Communicating the change vision*
5. *Empowering broad-based action*
6. *Generating short-term wins*
7. *Consolidating gains and producing more change*
8. *Anchoring new approaches in the culture*

In his opinion the first four steps in the transformation process help “*defrost a hardened status quo*”, arguing that, if change were easy, you “*wouldn’t need*

all that effort”; steps five to seven then “*introduce many new practices*” and, the last stage “*grounds the changes in the corporate culture and helps make them stick*” (24).

In the opinion of Cameron & Green (2012:338) successful cultural change can be achieved through nine guidelines:

1. *Always link to organisational vision, mission and objectives*
2. *Create a sense of urgency and continually reinforce the need to change*
3. *Attend to stakeholder issues*
4. *Remember that the how is as important as the what*
5. *Build on the old, and step into the new*
6. *Generate enabling mechanisms*
7. *Act as role models*
8. *Create a community of focused and flexible leaders*
9. *Insist on collective ownership of the changes*

Campbell (2014:184), on the other hand, lists ten ideas to improve the chances of success in managing organizational change:

1. *Build a constant state of readiness in the business*
2. *Understand and apply change management disciplines*
3. *Make “receiving” as important as “delivering”*
4. *Role-play the change*
5. *Articulate the consequences of not aligning your environment*
6. *No surprises*
7. *Expect and plan for resistance*
8. *Communicate, communicate, communicate*
9. *Use your informal networks*
10. *Monitor and measure everything*

In my opinion and given that what is at stake is a *cultural change* within a *culture journey* of a law firm, I believe Kotter’s “*The Eight-Stage Change Process*” is very complete and is more useful than Cameron & Green’s *guidelines* or Campbell’s *ideas*. The reason for this is because – as a multistage process – it

allows several possible steps to “ensure” that “everyone” gradually overcomes their resistance to change.

In my opinion, in order for the “*culture journey*” of an international 21st century law firm to allow the culture to change more quickly than would naturally occur – because a law firm’s culture is enduring and slow to change – it is pivotal that such change be led.

As for managing or leading the necessary change, Kotter (2012:33) says that “*managing change is important*” and also that without “*competent management*” the transformation process can get “*out of control*”.

He also states, however, that only *leadership* can “*blast through the many sources of corporate inertia*”, “*motivate the actions needed to alter behavior in any significant way*” and get “*change to stick by anchoring it in the very culture of an organization*” (ibid.).

As for implications for the twenty-first century, what he calls “*The Organization of the Future*”, he states that “*Successful*” organisations in the twenty-first century will have to become “*more like incubators of leadership*” (174).

And concludes that this process of organisational change is never employed effectively unless it is “*driven by high quality leadership, not just excellent management – an important distinction that will come up repeatedly as we talk about instituting significant organizational change*” (22).

Kotter (2014:7) also says that “*skilled leaders*” have always tried to improve productivity, but now they are

“*trying to innovate more and faster. When historical organizational cultures – formed over many years or decades – have slowed in action, impatient leaders are trying to change those cultures*” adding that the goal of all this, is, of course, to accelerate “*profitable growth to keep up or get ahead of the competition*”.

In his opinion, today’s strategy is being viewed in some organisations more as a dynamic force “*not one directed by a strategic planning department and put into a yearly planning cycle*” but as a force that “*constantly seeks opportunities, identifies initiatives to capitalize on them, and completes those initiatives swiftly and efficiently*”, arguing that, he thinks of it as an “*ongoing*” process of “*searching, doing, learning, and modifying*” which imparts a kind of “*strategic fitness*” to the organisation: the “*more it exercises its strategy skills, the more adept it becomes at dealing with a hyper-competitive environment and the more those skills become a part of its DNA or culture*” (178).

Also as regards leading the necessary change, Jarrett-Kerr (2009:195) says that the challenge is that “*leadership*” and “*management*” put in place “*the systems, processes and disciplines which are necessary or appropriate to achieve a consistent and coordinated firm*”.

He adds that even with all the best systems in the world it takes “*leadership*” to bring about “*changes in the way partners behave from day to day*” (ibid.), and concludes that a firm with high mutual levels of trust can be “*both creative and effective*” arguing that, at the same time, the leaders “*must have the ability to take tough decisions early*” and to maintain “*levels of trust by acting as role models*” by “*calm and rational decision-making*” and by “*transparency*” and “*integrity*” in “*their communications*” (194).

1.20 The constant battle against disconnection

“Internal communication” has been traditionally defined as the communication with staff internally within an organization and was easily distinguished from external communication.

Today, however, developments in technology and information systems have radically altered not only the way people work, but also the workplace itself. Communication technologies have (thankfully) undergone a massive evolution and it is now commonplace in law firms for lawyers and staff to be interconnected electronically rather than through close physical proximity.

And in 21st century law firms, communication takes place through various channels and face-to-face and verbal communication is now supplemented by email, video conferencing, intranet, podcasting, among others. And as work becomes more virtual and more global, disconnection becomes a threat to be considered and managed.

Furthermore, I think that internal communication in both directions still has a significant impact on organizational identification.

Similarly and as referenced by DeLong, Gabarro & Lees (2007:188), it is up to the leaders of a law firm “*to recognize that professionals want to be included and connected to the soul of the firm*”.

In their opinion, firms incur high financial costs when they are unware of this “*critical dynamic*” and therefore explain that, in this climate of disconnec-

tion, *“the integrated leadership model is extremely useful”*, given that the integrated leaders that give *“direction, secure commitment, ensure execution, and set a strong personal example naturally connect professionals to their firms”*.

Furthermore, they add that if the leaders exhibit this behaviour consistently, they can *“more than offset the disconnecting elements plaguing firms today”*, because *“when professionals understand and commit to the firm’s direction”* they will naturally feel more *“linked”* to the firm than when *“they’re simply following orders”*.

It is precisely for these reasons that these authors defend that is presently absolutely necessary to lead the challenge of connection and to foster connectivity within a firm, describing it as *“the constant battle against disconnection”*.

They also argue that, the integrated leaders who are adept at *“forging this connection”* are especially *“valuable in PSFs¹⁵, where stress levels are high and job changing is frequent”*, because of their ability to *“communicate with professionals and to convince them that the firm cares about their careers”* and *“job satisfaction”* (207).

Although they also reference the emotional and psychological consequences of disconnection, these authors focus mainly on economic costs and defend that firms that lose professionals incur in *“significant costs in terms of economic opportunity”* due to the fact that:

“not only do they waste the investment they made in training people, but they may also lose clients and junior professionals who sometimes follow departing professionals to their next firms” (189).

And they add that managers are often in *“denial about the economic cost of turnover”*, ignoring the fact that they are losing a *“quantifiable value – well-paid recruiters from the organisations among which they shuffle migrating professionals can attest to this value”*.

On the other hand, they also add that due to the fact that the work can be a very *“stressful and lonely endeavor”*,

“connectors” create a safety net to catch those professionals who may be *“ready to leave the system or who are not engaged in the enterprise”* (207).

In this respect, they state that the *“dilemma for most PSFs is that they do not explicitly value or reward those professionals who spend the time and effort focused on the human side of the enterprise”*

¹⁵ Professional Service Firms.

and argue that
“great PSFs need to confront this deficiency”,
concluding by saying that

“the time has come to value the professionals who keep the culture dynamic and supportive through their ability to connect people throughout the firm” (page 206, 207).

This is also my perspective and the reason to have selected this research topic.

I personally believe that as present day law firms experience greater volatility, which tends to increase, it is absolutely necessary to put a stop to this “battle” in order to connect people throughout the firm and thereby develop a sense of connection between them, so that people feel like they are part of the firm.

In order for this to be possible, I believe that it is absolutely essential to develop and lead a transparent, complete, dynamic and effective internal communication culture, so that people feel valued and involved in the spirit of shared identity.

Finally, I think it is necessary to make effective communication choices in order to communicate more strategically.

Section 2 Research

2.1 Methodology

The methodology used in the research was either quantitative (quantitative data) or qualitative (qualitative data).

2.2 Method

A survey was selected as the most appropriate and effective method for conducting my research for the following reasons:

- To expand the number of law firms within the scope of the research in an attempt to obtain more proportionally comprehensive results;
- To obtain a greater number of responses, while also accumulating a greater number of real-life examples and respondent comments;

- As a result of my geographic location and “less strategic” circumstances, given that I live and work in Portugal;
- As a result of the experience I have gained from my fourteen years of sending out numerous client feedback surveys (within the ISO 9001 management system) to clients of the law firm I have been working for. Specifically, new communication channels are typically established between our law firm and the client (respondent) following such surveys thereby allowing us to access additional (highly subjective) information, even if such communication is via email, as opposed to face-to-face.

The survey was combined with a validating sampling of telephone interviews.

2.2.1 Questions

Questions included in the survey were the following:

- (1) In your opinion, should internal (institutional) communication be aligned with the Firm’s strategy?
- (2) Do you consider it important that law firms have an (internal) communication policy?
- (3) In your opinion, does effective (institutional and internal) communication enhance the existence of a climate of trust (in the Firm)?
- (4) On average, how many times a year do you communicate institutional information to the entire Firm (ex. annual objectives, new practice areas and/or markets, new hirings, etc.)?
- (5) Regarding internal communication, is there any initiative/event promoted within your Firm that, in your opinion, has a direct impact on the motivation level of Staff (and on business)?

In drafting this survey questions, my intention was to make simple, easy to answer questions, given that the respondents are very busy individuals with a high level of responsibility due to the positions they hold.

My goal in drafting these survey questions was to incentivize the addressees to participate in my research, on the one hand, and, on the other, to motivate those participating to share their experience and identify “initiatives” and “events” (basically, best practices) that, in their opinion, have a direct impact on the motivation level of staff, and, as a consequence, on the business.

2.2.2 Approach

Both the request for participation in the research and the survey itself were sent by email (Appendix 2).

In the same email (Appendix 2), I also undertook to maintain confidential the information provided.

2.2.3 Sampling frame

The survey was carried out among the following law firm jurisdictions:

- 50 of the higher ranked firms in the “Top 200 UK 2013 Law Firms” (*The Lawyer*);
- All of the Portuguese law firms ranked in “The Legal 500” directory (April 2014)
- 25 of the biggest Brazilian law firms recommended by “*Latin Lawyer 250*” (*Latin Lawyer* | April 2014);
- All of the Lusophone African law firms ranked in the “*The Legal 500*” directory that remain independent and free from exclusive alliances (April 2014).

The sample included law firms from the United Kingdom, Portuguese, Brazilian, Angolan, Mozambican and São Tomé and Príncipe jurisdictions. All of the selected law firms within the sample are referred and recommended by the international law firm directories identified above (April 2014). All of the selected law firms operate worldwide scale and from three different continents: Europe, America and Africa.

2.2.4 Whom to approach

The addressees of the survey were managing partners and senior partners (or their equivalent) of the selected law firms.

2.2.5 Timing

The survey was sent as from 8 April 2014. It was resent only once fifteen days later to the addressees that had not yet replied. The responses to the survey were collected between April 8 2014 and 29 April 2014.

A “last minute” survey response was received on 5 May and has therefore not been taken into account in the report (please see Section 5 “Last minute” survey response).

2.2.6 Ethics

The data collected through the survey has been used to perform a quantitative analysis resulting from measurement. The data collected through the survey has also been used to perform a qualitative analysis, achieved through the information provided by the respondents upon expressing their personal views (resulting from their personal experience). When the respondents shared information regarding what and how they communicate, they are also sharing their culture, values and know-how, while revealing various aspects of their business.

As a lawyer myself (registered with the Portuguese Bar Association), I acknowledge the content, value and generosity of the respondents’ contributions. I will analyse and reproduce the data obtained in the most honest, accurate and simple way possible.

2.2.7 Confidentiality

As mentioned in section 2.2.2 my confidentiality undertaking regarding the information obtained for the purpose of the present research was expressly stated by email (Appendix 2) to the survey addressees. “*I will protect my sources wherever possible*” (Bell, 1999).

2.3 Design

As a research tool, the survey was specifically designed to obtain both the intended quantitative and qualitative data. The identification of best practice was always my initial goal, given that the participants in my research – managing partners and senior partners or their equivalent – are key people in their law firm governance and are currently facing the challenges of all present day global law firms.

2.4 Terminology

“Communication” – The original definition according to *The Oxford Universal Dictionary Illustrated* (1965, page 352) is, specifically, “*the imparting, conveying, or exchange of ideas, knowledge, etc. (whether by speech, writing, or signs)*”.

“Effective” – The original definition according to *The Oxford Universal Dictionary Illustrated*, is “*that is concerned in the production*” or “*concerned with*” or still “*that has an effect*”.

“Effective Communication” – “*For our purposes effective communication is sharing information in an easily understandable way. Success is getting the response you desire*” (Adler, 2011:8).

Section 3 Analysis

3.1 Summary

The following analysis is the result of the participation in an email survey conducted in April 2014:

148 surveys were sent out;
48 responses were received;
32% is the response rate.

The responses came from managing partners, senior partners and (one) head of internal communications from 48 top law firms of 6 different countries:

Surveys	Law Firms	Law Firms Countries
Sent out	148	Angola, Brazil, Cape Verde, Mozambique Portugal São Tomé and Príncipe United Kingdom
Received	48	Angola, Brazil, Mozambique Portugal São Tomé and Príncipe United Kingdom
Response rate	32%	Angola, Brazil, Mozambique Portugal São Tomé and Príncipe United Kingdom

3.1.1 Law firms countries

From the 7 countries included in the sampling frame, only 6 participated, as Cape Verde was unresponsive. From the 6 countries that participated, 2 survey recipients declined to respond to the survey: 1 from Mozambique and 1 from Portugal.

Chart 1 | Number of respondents by country

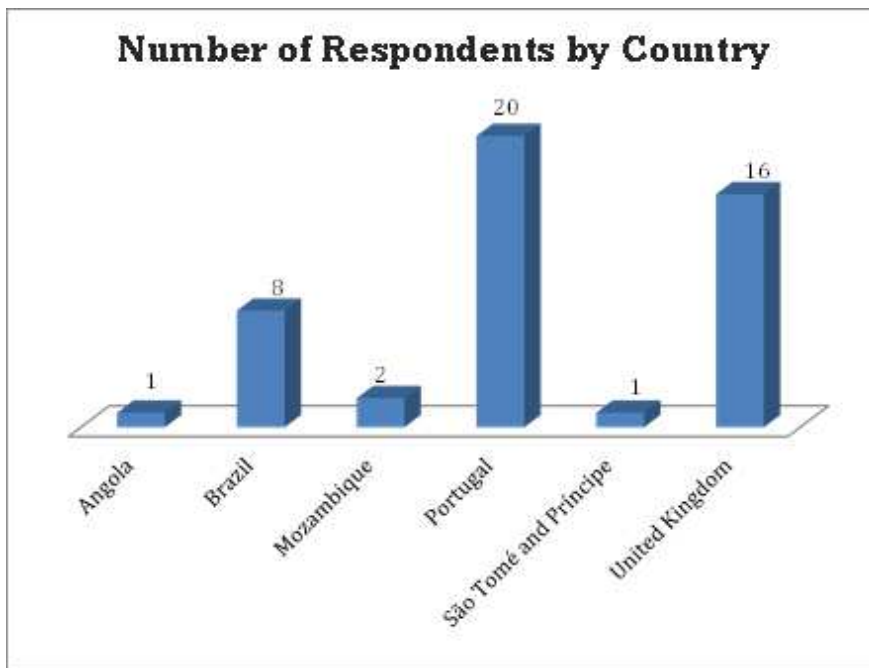


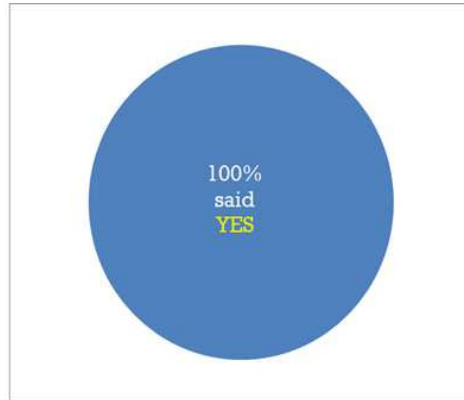
Chart 2 | Number and response rate by country

Number of respondents by country		response rate
countries	respondents	
Angola	1	50%
Brazil	8	32%
Cape Verde	-----	-----
Mozambique	2	66%
Portugal	20	31%
São Tomé and Príncipe	1	100%
United Kingdom	16	32%
TOTAL	48	32%

3.1.2 Reflection on the topic

In your Opinion?	YES	NO
1. Should internal (institutional) communication be aligned with the Firm's strategy?	48	0
2. Do you consider it important that Law Firm's have an (internal) communication policy?	48	0
3. Does effective (internal and institutional) communication enhance the existence of a climate of trust (in the Firm)?	48	0

Regarding the first 3 questions referenced above – concerning the alignment of internal communication with the strategy of the firm, the importance of the existence of an internal communication policy and whether effective communication enhances the existence of a climate of trust within the firm – the response was clear and unanimous:



The statistics reveal that the managing partners, senior partners and a head of internal communications, from 48 top law firms from 6 different countries in 3 different continents – and 32% of the total survey addresses – reflected on the topic of internal communication.

Regarding the “internal communication policy” please see Section 3.1.6.2 (Additional outputs). Regarding the “climate of trust” please see Section 3.1.6.1 (Trust).

3.1.3 Reflection on the frequency

On average,

4. how many times a year do you communicate institutional information to the entire Firm (ex. annual objectives, new practice areas and/or markets, new hirings, etc.)?

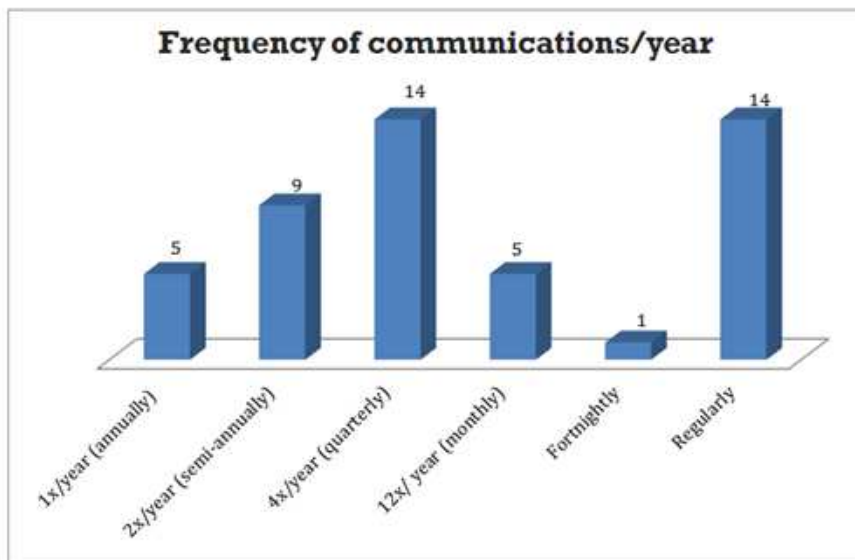


Chart 3 | Frequency of communications/year

Chart 3 | Frequency of communications/year (cont.)

law firm rate	frequency of communications/year	number of law firms
29%	regularly	14
29%	quarterly	14
19%	semi-annually	9
10%	annually	5
10%	monthly	5
2%	fortnightly	1
		48
Law firms' participating countries Angola Brazil Mozambique Portugal São Tomé and Príncipe United Kingdom		

Communication to the whole firm

As regards internal communication to the whole firm, the statistics reveal that the respondents reflected on the theme within the law firm they currently manage, from the point of view and experience associated to their position within the firm.

Frequency

As regards internal communication to the whole firm, 29% (14) of the respondents claimed to do it regularly and another 29% (14) claimed to do it quarterly; 19% (9) claimed to do it semi-annually, 10 % (5) annually, and another 10% (5) monthly.

Only 1 respondent (2%) mentioned fortnight frequency, explaining that it was due to conference calls within the management of the firm (UK).

3.1.4 Best practice

Regarding internal communication,

is there any initiative/event promoted within your Firm that, in your opinion, has a direct impact on the motivation level of Staff (and on the business)?

Examples of impact on motivation level (staff/business)

29 % of survey respondents did not reply to this question. 71% of respondents (the remainder) identified the following:

- annual event, annual awards, annual event (overnight stay), clients cocktail, parties, quarterly presentations and encounters, practice retreats, general fee earners' retreat, office weekends, dinners, happy hours, birthday lunch with the managing partner (for those with a birthday in that month), birthday cake (for each person), weekly breakfasts, bicycle rides;
- group international meetings (via video conference), podcasts, partners meetings, senior lawyers meetings, group meetings, leadership group meetings, "town hall meetings", *ad hoc* meetings, managing partner attending, personal briefings, personal meetings for all the new starters with the managing partner;
- newsletters (from the managing partner, local London newsletter, institutional, departmental).

Purpose

Furthermore, respondent comments (71%) show that such internal communication initiatives/events take place:

- as an alignment exercise;
- as coaching for younger partners;
- to get to know people better;

- to make new achievements and integrated actions that have been promoted public within the firm (to engage the entire team);
- to present progress reports;
- for additional updates on significant matters;
- to take questions;
- to listen.

Content

Furthermore, respondents showed that the content of internal communication initiatives/events are regarding the:

- firm's values (through different media/service units);
- strategy promotion and progress against strategy;
- budget, financial results and relevant case presentations;
- revenue and general objectives of the firm;
- individual performance/objectives/revenue each lawyer;
- on-going update on the progress of business plan implementation;
- internationalisation of the firm's activities in other markets;
- business update and time for questions;
- human resource management (performance review/career);
- established protocols (e.g. health insurance).

3.1.4.1 Charity program

A 2-year firm-wide charity initiative, which was voted on and adopted within a specific firm (presently, "War Child") was highlighted by one respondent as an example of an event that has strong impact on motivation of "staff/business".

In his opinion, impact on motivation of staff/business is also a consequence of the regular publication of events designed to engage staff and partners in fund-raising for that charity.

In my opinion, this example of initiative and institutional communication by a law firm illustrates the existence of a very own culture, as a charity

program or other type of volunteer activity or *probono* boost the development of a common ideology firm (that everyone can understand and adhere – for those who want to) and also a reinforced sense of mission which, of course, is more likely to exist in other projects that this firm develops.

I also think that this firm ideology (of “union”) and communication management are in fact an example of best practices which are based on a strong sense of community and a sharing culture.

3.1.4.2 “High-performance” culture

Another respondent indicated effective internal communications as key to achieving a high-performance culture such as the one found in his law firm. Among the various factors present in the “High Performance Culture” is an increased emphasis on the giving and receiving of feedback.

According to this respondent, internal communications are key to achieving such a culture, insofar as business that internally cross-sell are integrated, have a culture of transparency, are engaged and well informed and will inevitably be of highest quality and success.

In my opinion I think that this example is of utmost importance given that illustrates a culture to which a law firm calls *high-performance culture* and that presupposes the existence of feedback in managing their communications. I think the feedback is almost an “art” – that can be taught – and implicitly assumes the existence of active listening, of good communication and also build rapport.

I also think that being part of a law firm with this feedback culture is much more demanding now than it did a while ago because the speed of communication is completely different. But feedback is so essential to build rapport and establish productive relationships – and these are essential for an effective management – that this *high-performance culture* is also a best practice example.

3.1.4.3 Trust

As regards “trust” and the fact that effective communication enhances a climate of trust (see Section 3.1.2), four of the respondents further supplemented their responses.

Their comments entailed the following broad points:

- If communication is maintained openly, consistently and effectively and if questions are invited and answered openly and honestly, then trust builds-up;
- Transparency is imperative and results from the disclosure of the global remuneration (including bonuses and profit-sharing) that each one receives to all partners and associates, thereby building trust;
- Effective communication enhances not only trust, but also cohesion, motivation and loyalty;
- Disclosure of results with a high degree of transparency is fundamental to staff motivation.

In my opinion I think that a full and effective communication in a law firm makes staff build up their confidence in the leaders – and vice versa – and that this results in strengthened commitment to the firm and also in a mutual *trust culture* through the policy of openness, with obvious consequences in terms of daily work.

I also think that trust, once achieved, is based on credible and effective communication and also on effective communication management. For the latter I think it will always be an ongoing process, in addition to the fact that it must be credible and consistent. The aim is that the actions match the words.

3.1.5 Risk practice

The analysis of the responses also allowed the identification of examples of worse practice resulting from weak communication. Examples expressed as having a negative impact on the motivation level of staff and on the firm’s governance were the following:

- The lack of institutional communication;
- The firm working as “islands”;
- A client (who uses various practice areas within the firm) requesting a report detailing its issues that are currently being handled by the firm and receiving various reports instead of a single global report;
- Partners with inflexible practice areas in the legal, administrative and commercial realms;
- A client receiving different treatment from distinct partners within the same law firm (lawyers).

3.1.5.1 Conflict of interests

A respondent reported an incident of indirect conflict of interests resulting from the contact of a potential client that intended to initiate proceedings against a certain company (in this case, a hospital). As this company is not and was never a client of the law firm, the lawyer received a “green light” from the internal conflict check circulated within his firm. Hours later and during a lunch between the respondent and another lawyer from the same law firm, the latter calls attention to the fact that the mentioned hospital was chaired by a family that is a controlling shareholder of a certain group of companies, which is an important client of the law firm managed by the respondent.

After an albeit overzealous courtesy call to the client via its legal director, the respondent was informed that if his firm had agreed to intervene in the legal proceedings against the hospital, the law firm would have been automatically blacklisted from his group, despite the fact that they had been its service provider for years. In light of this incident, the respondent asks how such an issue should be resolved. He asks is there is some sort of control tool, that he is unaware of, equipped to detect such a sensitive conflict.

3.1.6 Additional thoughts

The research would not be complete without the following respondents’ outputs:

- “We have just 2 months ago (response from 10 April) launched an internal communication policy” (UK);
- “There are almost no communications to the entire firm. Instead they are directed at particular audiences within the firm: we have ... (..)” (UK);
- “As of a certain size, if there is no such internal communication policy, the manager or the management of the firm ceases to communicate with all its members and the reach of knowledge concerning both problems and merits becomes limited, sometimes to the point that certain managers seem to be managing in a way quite distant from the reality of their firm” (Brazil);
- “Regular assessments are no longer perceived as something interesting, but as a necessity” (Brazil);
- “I would like for us to have better communication, given the number of offices we have throughout the country”; “effective communication makes all the difference” (Brazil);
- “We have a marketing and internal communication department” (Brazil);
- “Use of “Yammer”; “use of “Objective Manager” (UK);
- (an example of internal communication with direct consequences on staff/business motivation) “International expansion of the firm’s business to the Angolan market” (São Tomé and Príncipe).

Section 4 Findings

This research was carried out due to the absence of specific guidelines for the implementation of internal communication processes within a law firm, whose specific differentiating characteristics determine its governance: people, know-how/business.

The survey was conducted with managing partners, senior partners (or their equivalent) and one head of internal communication of top law firms from the jurisdictions of The United Kingdom, Portugal, Brazil, Angola, Mozambique and São Tomé and Príncipe. The great majority had many years of law firm management experience.

The biggest concern I had since the very first beginning is a threat common to all surveys of sample groups: non-responsiveness. Survey design was

indeed helpful and an additional appeal for participation (sent mostly as a reminder and only to the non-respondent addressees) proved effective.

All of the respondents agreed with the scope of the confidentiality undertaking provided for in the survey and only one required further clarification. All of the respondents then gave their informed consent through their participation in the research (and trusted me).

Response rate was 32%. The two addressees that stated they did not intend to participate in the survey due to the fact that I belong to a “competing” law firm, maintained their stance despite my follow-up contact. Such addressees were a minority (2 in 148: 1%) and it therefore seems unlikely to me that their opinions and experiences would have differed widely from those who did respond.

The respondents were fairly supportive and critical in reflecting on the present reality of their firms – I am very grateful to them – and I do not believe bias played a significant part in their participation. Most of them expressed interest in gaining access to the outcome of the research.

This research did not exactly lead to new findings. Surveys were indeed a “success” but the five follow-up interviews (10% of survey respondents) did not lead to new *specific* findings (e.g. a *dominant* culture within a firm).

The literature yielded some cultural aspects of law firms and evidence considered for this research – e.g. identified best and risk practices – support that effective internal communication within a law firm is a valuable tool for its culture (or culture to become), a competitive advantage for its governance structure and therefore a determining factor for its performance.

The identified best and risk practice are evidence of the importance and relevance of the research topic which form therefore an opportunity to learn from the best practices existing in the area.

The findings identified are:

- (i) Internal communication should be aligned with the firms’ strategy: given that the content of the internal communication should describe what it expected from people and increase the likelihood of strategic alignment to the law firm;
- (ii) Contemporary law firms should have a communication planning process: given that effective communication should be planned and mana-

ged in order to be able to assist in reinforcing the firms' culture – and values;

- (iii) Contemporary law firms recognise the importance of an internal communication policy: given that a communication process must be designed to engage people as a pre-requisite to commitment and that a learning culture – which embraces more than *just* technical skills – is created;
- (iv) Effective internal communication enhance a climate of trust: transparency and integrity in a contemporary law firm's ongoing communications makes staff build up confidence in the leaders (and vice versa) and trust becomes a very powerful force to the firms' daily work;
- (v) Contemporary law firms recognise the need to use internal communication as a tool for its governance: given that internal communication should be used by leaders as a “daily” tool to support the overall objectives of the firm on a continuous basis.

In this sense, a communication strategy should be identified to manage alignment within a firm, to help a firm shaping its culture and also to help crossing its “boundaries” – whether internal or geographical.

Due to the identified findings, I believe that it is fair to say that they will apply to most contemporary law firms with the same characteristics as the ones within the scope of the research, i.e.:

- referenced in international directories and
- active in the same jurisdictions.

Section 5 Critique of Methodology

5.1 Quantitative or Quantitative Research?

This research falls under the category of *empirical social science research*.

“*Empiricism*” is defined by Punch (2006:2) and according to Aspin (1995:21) as “*a philosophical term to describe the epistemological theory that regards experience as the foundation or source of knowledge*”.

For this purpose, Punch states that “*Experience*” should be understood as “*to what is received through the senses, to sense-data or to what can be observed*” and concludes that “*Empirical*’ means based on direct experience or observation of the world”, i.e. based on “*data*” (ibid.).

As concerns *empirical research*, he further states that “*the essential idea in empirical research is to use observable data as the way of answering questions, and of developing and testing ideas*” and references also that, although it may not be the only research type, a “*empirical research is the main type in present day social science*” (ibid.).

As for the relationship between the “*data*” and the types of existing research, Punch (2006:4) believes that “*the nature of the data is at the heart of the distinction between quantitative and qualitative research*”.

Meaning that “*quantitative research is empirical research where the data are in the form of numbers*” and that “*qualitative research is empirical research where the data are not in the form of numbers*” (2006:3).

Besides the “*data*” factor, Punch states that the complete definitions of “*quantitative research*” and “*qualitative research*” should also include:

- “*the way of thinking about the social reality being studied, the way of approaching it and conceptualizing it*” and
- “*the designs and methods used to represent that way of thinking, and to collect data*” (2006:4).

And he draws attention to the fact that “*qualitative research is much more diverse than quantitative research, in its ways of thinking, in its methods and also in its data*” (ibid.).

The methodology used in this research according to the nature of the obtained data is either quantitative or qualitative.

5.2 Type and Manner of Research

The research topic is particularly dear to me insofar as (effective) “*internal communication*” is one of the areas that I consider to be more sensitive and of greater importance and urgency in the management of present day law firms.

In this regard, Bell (2010:169) states that “*many factors can result in bias and there are always dangers in research carried out by individual researchers, particularly those who have strong views about the topic they are researching*”, which is precisely the case with me given that I feel a special – almost sentimental – attraction to the topic.

The biggest concern throughout the research was the need to maintain an objective mind frame and (some) distance from the topic at hand.

For these reasons, the law firm of which I am part has been excluded from the research, in order for it to be as exempt and thereby as valid as possible.

Regarding the type and manner of research, Bell states that the data obtained only has significance after being processed, by saying that “*data collected by means of questionnaires, interviews, diaries or any other method mean very little until they are analysed and evaluated*”,

and particularly that, in the case of *new researchers*, it is not advisable to gather lots of information in the hope that something will arise, by saying that “*gathering large amounts of information in the hope that something will emerge is not to be recommended in any small or smallish investigation, but particularly not for new researchers*” (209).

On the other hand, she states that this doesn’t mean that a “*worthwhile study cannot be carried out*”, adding that “*it is all a case of working within your level of expertise, selecting research methods which are suitable for the task and which can be readily analysed, interpreted and presented*”.

I decided to conduct a survey, because I felt it made more sense given the scope of this research and also due to the goal of obtaining the biggest number of participations and real-life examples possible, whose value I always expected would be great. Furthermore, the survey was also combined with a validating sample of telephone interviews.

As Bell (1999:135) states “*questionnaire responses have to be taken at face-value, but a response in an interview can be developed and clarified*”.

In this particular case, I chose to not interview “from the get go” due to my geographic location *versus* that sample I wished to obtain under the research. On the other hand, I also believed this was the best decision – or quasi-necessity – because I am a supporter of internal communication and to thereby deal with the risk of bias.

The risk of bias is also identified by Bell when she refers that “*there is always the danger of bias creeping into interviews*”, “*largely because*” and also as Selltitz et al. (1962:583) point out, “*interviewers are human beings and not machines, and their manner may have an effect on respondents*” (169).

On the other hand, Schein (2010:162) identifies a number of situations in which it makes sense to use surveys when he states that “*there are times when surveys*” (in that case “*culture survey*”) “*might be useful and appropriate*” such as

- “*educating employees about certain important dimensions that management wants to work on*” (ibid.) or as
- “*Determining whether particular dimensions of culture are systematically related to some element of performance*” (161).

In my opinion, Question 1 and the last question in the survey – “*(...) should internal (institutional) communication be aligned with the Firm’s strategy*” and “*(...) internal communication, is there any initiative/event promoted within your Firm that (...) has a direct impact on the motivation level of Staff (and on business)?*” – are examples of questions that can be asked (in a culture survey) for the types of situations that I referenced above and as identified by Schein.

Survey Questions 1, 2 and 3 may seem biased, thereby leading to certain answers, however, as discussed, the survey was designed in this way to extract real-life examples from the respondents and possibly to promote the sharing of the best practice, which are typically the core of the business. The top tips I followed in its design were:

- To draft a very simple cover letter (email)
- To give in this cover letter all the appropriate reassurances (confidentiality)
- To use clear and concise language both for the questions and the instructions
- To built-up to more “sensitive” questions
- To ensure there was “room” for further comments to be made

In light of the information obtained, I believe that the “qualitative evidence” obtained via the qualitative analysis supplemented the quantitative

measurement in giving a full picture of “outcomes”. It is my opinion that I was able to illustrate the strength of the qualitative analysis, which is the one that offers insight into the experiences of lawyers and their effects, in a way quantitative data cannot.

Main threats

- From the beginning my research was dependent on the voluntary participation of the addresses;
- The risk of having no responses at all;
- I was limited by the information given to me and which I cannot produce evidence of, given that social research is different from scientific research;
- It was further hampered by the fact that the contacts were not personal acquaintances and were located in three geographical areas with distinct characteristics.

Main strengths

- The chosen research sample, which provided a broad spectrum (three continents);
- Both the simplicity and transparency of the survey (covering letter);
- The data is reliable insofar as it also identified weaknesses and risk areas (highlight issues not previously considered);
- Given the target group, their participation is a success.

Opportunity

In addition to the obtained data, my research area resulted in seven Skype conference calls (as a courtesy only, given that the surveys had already been answered). In only one of those calls information resulting from the survey was mentioned but, once again, it was mainly a courtesy call.

In almost all of them, “dissertation sharing” was mentioned.

“Last minute” survey response

As mentioned in Section 2.2.5, a “last minute” survey was received on 5 May (UK). Although not taken into account in the statistics, this response confirms the opinion already set forth by the other 48 respondents, insofar as it states that the institutional communication frequency to the entire firm is at least monthly and considers the intranet as “*very important*” as a means to communicate internally with a direct impact on the motivation level of staff (and business).

Section 6 Communication Strategy

“In successful large-scale change, a well-functioning guiding team answers the questions required to produce a clear sense of direction. Good answers ... position an organization to leap into a better future” (Kotter & Cohen, 2002, page 63).

I think that effective communication within a law firm is a competitive advantage for its governance structure and that it should be used to achieve alignment with the formulation and implementation of strategy. And I also see it as a very powerful force to support the overall objectives of the firm on a continuous basis.

Therefore, a communication strategy should be identified to manage alignment with the firm overall objectives, to help shaping the culture and to help a firm crossing its “boundaries” – whether internal or geographical.

And the purpose of it is to increase the likelihood that every message sent is received in the manner it is intended.

Section 7 Strategy Communications Plan

“The key insight: good communications is not just data transfer” (Kotter & Cohen, 2002, page 85).

There are at least three steps that should be applied to almost every type of communications whether written or verbal:

- Analyse the target;
- Plan the approach;
- Deliver the message.

At the same time two other factors should be considered:

- Communication content;
- The importance of engaging people.

Therefore and in order to execute the firm's communication strategy, a plan should be developed to ensure that: the right information is communicated at the right time, that the message is relevant to the intended audience and that the message is delivered through the intended media.

The plan should be periodically assessed (audited). A sample of the "Strategy Communications Plan" is shown in Appendix 3.

Furthermore and because communication has to be effective, every communication (within the plan) has to answer the WIIFM staff question: "What's in it for me"?

And please do not forget: "*Success is about personalities, not policies*" (Maister, 2001:4).

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*Appendix 1***Mayson's Glue¹⁶**

ISSUES	What are you in business for?	Who are you in business with?	What do you do?	How are you doing it?	What are you getting out of it?
CONTENT	Strategy Environment A mix of: clients services geography style	People Leader(s) Partners Fee-earners Support staff Culture	Delivery Specialisation Marketing Training Quality	Management Structure Offices Priorities Systems H. resources Finance Premises Technology	Economics Charging Leverage Profits
GLUE (Source of glue) →	MISSION the vision or purpose of the firm	MENTORS & MATES the people in it	MATTERS the work it does	METHOD the structure, systems and procedures for doing the work	MONEY the rewards of doing it

¹⁶ Figure 40.1, Mayson, S. (1997: page 539) **Making Sense of Law Firms** (Oxford University Press, Oxford).

Appendix 2

Covering Email and Survey

Dear [],

I am drafting my dissertation within the MBA in Legal I am currently enrolled in (at Nottingham Law School <http://www.ntu.ac.uk/nls/>) and regarding which I kindly request your cooperation* – until April 22.

My selected area of research is “*(Internal) Communication Strategy in Law Firms*”.

My goal is to evidence the importance of internal communication (institutional Information) as a competitive advantage for the governance of a present day (global) law firm, with the challenges inherent to the present (global) world.

*** The information provided shall be treated as confidential.**

I therefore request that you answer the questions below (as a response to the present e-mail):

1. In your opinion, should internal (institutional) communication be aligned with the Firm’s strategy?

2. Do you consider it important that Law Firm’s have an (internal) communication policy?

3. In your opinion, does effective (institutional and internal) communication enhance the existence of a Climate of trust (in the Firm)?

4. On average, how many times a year do you communicate institutional Information to the entire Firm (e.g. annual objectives, new practice areas and/or markets, new hirings, etc.)?

Regarding internal communication, is there any Initiative/event promoted within your Firm that, in your opinion, has a direct impact on the motivation level of Staff (and on business)?

Lastly, I thank you for your availability in contributing to my project, which I will be more than happy to share with you in the future.

With my kindest regards,
Melanie Lima Ferreira

Appendix 3**Strategy Communications Plan¹⁷****[May 2014]**

Content	Target	Timing	Purpose	Channel	Media	Feedback	Comments
Strategy promotion	Board	<i>Monthly</i>	Progress against strategy	Board meetings	Meetings, video conference	in meetings	
Business update	Lawyers	<i>Quarterly</i>	Alignment	Practice areas meetings	Meetings, intranet	in meetings, email	
New achievements	Staff	<i>Annually</i>	Alignment	Annual event	Encounter	email	

¹⁷ Using **FAME** (Focus, Articulate, Model, Engage) | © Copyright 2014 Melanie Lima Ferreira All rights reserved