

Defining The Right Strategy & Avoiding Revenue Loss

The Firm

The Firm is a major regional law firm with a track record of success. It has recognised strengths both in general Commercial work and in its well regarded Insurance Law division.

The Business Problem

Major changes are taking place in the Insurance market, in respect of claims handling and litigation. Changes in legislation, allied to insurers looking to reduce the complexity of their supplier relationships, represent significant risks to firms in this market.

Additionally, the firm had experienced some loss of business as a result of clients deciding to bring some of the processes in-house, and as a result of some areas of business becoming commoditised.

The firm recognised this and had embarked on a strategic review, still targeting significant revenue growth over the medium term. However, it was recognised that, in order to make the right strategic choices, the firm needed to get a greater handle on the views of its client base. This included views about the firm's performance, strategic choices, and the likely development of the market. If this did not take place, there was a risk that the strategy chosen would be perceived adversely by clients - leading to potential decline in revenue.

The Solution

A programme of in-depth interviews was held with a number of key clients. The programme also included early communication with the client base, and care was taken to ensure that participating clients saw this as a valuable exercise.

The programme identified that there were indeed risks to the business arising from changes in the market environment, but additionally discovered some clear opportunities. These included specific additional services and areas, which clients said would provide value, but also opportunities to enhance individual relationships and gain more revenue. Clients also identified some development areas which they felt the firm could usefully focus on, to improve its market standing and profile.

Equally importantly, it uncovered that while the firm performed extremely solidly, there was a significant possibility of losing a major client (representing over 25% of the firm's revenue) in the next financial year. The feedback gained provided a clear route map to the firm of specific steps to take to dramatically reduce this risk.

The firm also received extremely useful information to help it review the strategic options under consideration.

The Benefits

The insight provided by the programme has provided clear direction to the strategic review, and has given management critical information and confidence to ensure the right options are taken. It has also determined some clear steps to take, not only to maintain current client relationships and revenue, but also to extend them. This includes specific opportunities, as well as general areas in which the firm can improve its capability.

The programme has also provided a platform for further discussions with clients and the firm's senior partners are very pleased that a clear major risk of revenue loss can now be averted. The return on investment is thus likely to be of the order of %000s.

**For more information, please contact us at info@thrivingcompany.co.uk,
or call Robin Dicks on **07940 886677**.**