

# How To Make Digital Transformation a Strategic Priority



digital-transformation-priority feature image for Bill4Time blog post

It's something your clients want.

They want your firm to make the leap with digital transformation. They aren't asking for this explicitly, of course. It's an implicit request that's based on the pressures and changes that have been imposed *on them*.

It makes sense.

Yet, 8 out of 10 firms aren't ready for a digital transformation. As we've seen [previously](#), 77 percent of these firms haven't even *begun* to make the transition.

## Remember the definition of digital transformation?

Here's how Greg Verdino, a leading thinker on digital transformation defines it:

*“Digital transformation closes the gap between what digital customers already expect and what analog businesses actually deliver.”*

In my [previous post](#), I outlined the steps firms would need to make in order to implement a digital transformation successfully and why these steps are important. Here’s a quick recap.

1. Identify explicit and implicit client expectations
2. Assess whether your firm is an analog, digital or hybrid firm
3. Outline what an analog firm delivers to clients
4. Outline the kind of service a digital firm provides to clients
5. Outline the kind of service **your firm** delivers to clients
6. Determine whether you’re aware of these required changes

A recent PwC found 80 percent of firms believe digital transformation is vital for future success.

Which is true.

Today law firms are in an innovate or die cycle. Clients, as a whole, are dissatisfied with the traditional law firm model they’ve experienced in the past. Clients of today are focused on three things: Value, communication and flexibility.

So, why aren’t firms changing to accommodate their client’s needs?

### **Resistance.**

Law firm leadership has been, historically, resistant to change. On the surface, this seems unreasonable. Why can’t partners and firm leadership simply do what’s best for the firm? Dig a bit deeper and you’ll find a compelling motivator.

Transitional pain.

Whenever firms try something new – a new software tool, billing model, process, etc. – there’s always a transition period where firms shift from the old to the new. This transition period is painful (hence the name) because the “*problem*” that’s supposed to be alleviated will actually **get worse**.

That’s right.

If firm leadership attempts to fix **any problem**, that problem will most likely, get worse in the short term. Here’s the sobering part.

They’re usually right.

The worst part? In the hands of an unskilled professional, these problems *often continue* to get worse. If partners are paid based on the overall performance of the firm and they've been required to buy into that partnership, they aren't all that eager to rock the boat.

Can you blame them?

In the wrong hands, a change could have a devastating impact on the hard-earned rewards they receive. The risks to the firm, to firm leadership, could be astronomical.

So, they *resist*.

This is a large part of the reason why partners at firms resist change so stridently. They hear the part about their current problems and frustrations. Sure, they also hear the portion about how digital transformation will double profits, boost client rosters and help firms survive.

But they don't hear about transitional pain.

So what?

Why is that a big deal to partners in a law firm? It's a big deal because attorneys are experts at assessing risk! These partners see the transitional pain, even if (especially when) it's omitted.

## **Making digital transformation a priority**

If you're pushing for a digital transformation you'll need to see the transition for what it is.

Selling.

Honestly selling the idea to firm leadership. It's the only way digital transformation will become a strategic priority for firm leadership. This isn't complicated, it's just frightening and hard.

Here's how you do it.

1. **Study firm leadership.** You take the time to look at the specific desires, goals, fears and frustrations of the partners in your firm. You chat with their associates and support teams, you analyze the bottlenecks in their day-to-day work.

2. **Discussions with leadership.** You ping leadership with touch and go conversations where you ask them about their desires, goals, fears and You listen closely as they describe their circumstances and share their feedback. If you have a basic level of trust and you're listening closely, they'll share their biggest reasons for supporting your ideas.
3. **Amplify their fears.** This isn't arbitrary. You aren't amplifying their fears to provoke a reaction. You're communicating honestly with full transparency. You're laying your cards in the table, outlining the exact amount of transitional pain they'll experience as they move from the old to the new. This converts an *unknown fear* with *unlimited* power to a **known fear** with *limited* (and decreasing) power.
4. **Elaborate on other fears.** Outline the other transitional pains they'll experience as your firm makes the switch from analog to digital (e.g. Initially, it may be more difficult to track associate performance). When you expand on their fears, you reduce the odds that an unexpected fear will derail negotiations later. Again, you convert an unknown fear with unlimited power to a known fear with limited and decreasing power.
5. **Provide compelling evidence.** You'll want to show partners in your firm:  
**(a.)** Transitional pain is a temporary and manageable ordeal with a clear end  
**(b.)** That you provide a solution for the desires, goals, fears and frustrations of each partner and the firm overall and **(c.)** That things will improve *moderately to dramatically* in the long-term for each partner and the firm. This evidence needs to be quantitative. Do the math, create conservative projections and outline (in hard numbers) the value this change will provide. Provide data at the associate, partner and firm levels.

Wait a minute?

Am I suggesting that you share all of the terrifying details with the partners/leaders in your firm?

Absolutely.

[Attorneys are generally risk-averse](#). Ignoring these issues means they retain their power in a partner's mind. Research shows exposing yourself to the things you fear [makes you stronger](#). It decreases the hold a particular fear or belief has over your mind.

This is crucial.

It's also the key to implementing a digital transformation successfully. Digital transformation is a top-down affair. If leaders are willing to adjust to unfamiliar technology their subordinates will follow suit.

What does this mean exactly?

- **Improve communication.** From a client's perspective, communication is still the most important part of the relationship. Use digital transformation to provide clients with an always-on, 24/7 connection to your firm. Find personalized, automated and persistent ways to give clients the communication they need, when they want it.
- **Firm-wide training.** Partners, associates, paralegals and support teams should have the consistent training they need to embrace this digital transformation. This includes: software, security, document, timekeeping and productivity training
- **Embracing mobility.** Your employees should be able to produce the results you need whether in or out of the office. Employees should be able to perform all of the key functions of their role whether they're at their desk or on the road.
- **Embrace AI/machine learning.** If your firm is focused on transformation you need to focus your employees' time and attention on the high-value tasks that matter. Use AI/machine learning to handle data-heavy, repetitive and tedious tasks (e.g. document management, indexing data and routine research). Use AI/machine learning to complement and amplify firm productivity.
- **Immediate collaboration.** Use practice management software and client portals to increase client collaboration in a fashion that's convenient and immediately accessible to clients. Give clients multiple touch points, so they're able to collaborate with their attorney and support teams at a moment's notice.

These are the broad strokes.

If you're looking to make digital transformation a strategic priority for your firm, you'll need to spend some time with your clients. Interviewing and studying your clients gives you the data points you need to identify the key tasks you'll need for your digital transformation. It starts with an answer to this broad question.

## **What do your clients want?**

This is an important question because it requires firms to look at three distinct areas:

1. The types of clients the firm has vs. the type it *wants* (ideal clients)
2. The value (qualitative + quantitative) these clients provide to the firm
3. Firm longevity if the current types of clients are retained vs. ideal clients.

If you're dealing with sophisticated clients who have been forced to adapt themselves, your window for change is smaller. If you're dealing with older legacy clients (e.g. boomers) your window is larger, however your firm may need to make some drastic changes to flourish in the long-term.

## Digital transformation isn't coming

It's here.

The legal landscape is shifting. Firms are in a sink or swim, innovate or die cycle. If you're like most firms, you understand the importance of digital transformation.

Most firms are stuck.

They're not focused on the change, they're focused on tradition. When you observe things from their perspective this actually makes sense. If you've made it this far, you know what to do. Amplify your partner's transitional pain to relieve it. Find their unknown fears, then make them known.

Make digital transformation their priority. Use Greg Verdino's definition as a guide:

*"Digital transformation closes the gap between what digital customers already expect and what analog businesses actually deliver."*

Most firms haven't even *started* the transition process.

This means they're failing to meet client expectations. It's your opportunity, a chance to overtake the competition. With the right approach and a clear goal, you'll have the strategies and tactics you need to make your digital transformation permanent, productive and *profitable*.

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