

Lag behind or lead with purpose?

Ingrid Brown explores why accountancy and legal practices are behind the curve when articulating their purpose.

Recent research undertaken by Bright Space Communications reveals that accountancy and legal practices are significantly behind the curve when articulating their purpose. Findings showed that just 26 (52%) of the UK's top 50 accountancy firms and even fewer of the UK's top 50 legal practices (21 out of the top 50 – 42%) have a clearly defined purpose.

Yet whether attracting more clients, acquiring and retaining great talent, or raising capital through investors, articulating a purpose has become vital to corporate success. So, what's stopping professional services from embracing it?

The nature of the beast

"Lawyers and accountants tend to be followers, not leaders across many aspects of their business," comments Simon Slater, a seasoned legal professional and NED, who conducted the research with Bright Space. "As long as I can remember, law firms have been conservative by nature – in the way they always lag behind their clients and how they conduct their business."

To understand why, we need to go back to the very structure of the firms. Many law firms in particular are founded by leading lawyers – they focus on building a collective of individual experts, not the building of a business. "There was a period before legislative changes in our industry when law firms couldn't even advertise at a time when branding, let alone purpose were not considered necessary. It was very much the case of 'tell them we do good work, and they will come'," explains Elliot Moss, partner and



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chief brand officer at Mishcon de Reya.

Clients are changing

But professional services firms need to start catching up, or they are in danger of losing business. More research, this time by KPMG (which practises what it preaches when it comes to purpose) indicates that 64% of larger corporates – companies that drive UK Plc's – have a transcendent purpose. And these same clients of many professional service firms aim to embed their purpose in everything they do.

Could this be the catalyst for change? Elliot believes the increasing pressure and demands from clients and society mean legal and accountancy firms will have to move with the times.

And so are wider expectations

What a business stands for and what makes it different needs to resonate with employees and other stakeholders too, as well as clients. From changing reporting requirements to regulation, companies

are having to embrace the non-financial and examine the true value they create. They all expect more from companies than a commitment to short-term profitability. They believe companies have an obligation to address long-term global environmental and social challenges – the so-called Triple Bottom Line.

Add to this rapid technological change and business model disruption, and today's leaders are facing increasing pressure to demonstrate the inherent value their organisation creates. Its purpose.

Forget the fluff

While this is getting through to many companies, many lawyers and accountants are yet to act. According to Kathy Innes, head of marketing and business development at Ecovis Wingrave Yeats: "The problem can be that leadership teams still consider profit as the main purpose of their organisation and measure their business success by it. There exists cynicism from the top and purpose might be seen to be fluffy."

This out-of-date view is at odds in the wider world. An estimated 90% of executives now recognise the importance of having an aspirational reason for being which inspires and provides a call to action for an organisation... and provides benefit to society, according to a recent EY/Harvard Business Review Analytic Services survey. Or, as Simon puts it, "There has to be something more to life than simply making money."

Leaders and purpose

One law firm that has embraced purpose



is Mishcon de Reya. ‘Shaping the world’s possibilities’ is Mishcon’s purpose, which is supported by values created by its management and partners over 25 years ago. Purpose binds its three operational enablers: people, technology and brand.

Elliot believes that Mishcon’s commitment to its purpose and being true to its core values significantly contributes to the firm’s financial success. “It’s no longer smart to think that purpose is a ‘fluffy’ subject. It’s a business imperative that must be taken seriously if law firms want to lead their people and connect with their clients,” he comments.

For law firms and accountants, which generally deal in absolutes, discussing purpose can be a difficult conversation to initiate. “But this is leadership stuff – it should come from the top,” says Simon. Whether from the Board, or more likely initiated by the marketing and HR departments, it’s time to move the purpose discussion up the list of priorities if your organisation is behind the curve.

Take everyone on the journey

Kathy sits close to the Ecovis leadership team, so she is able to counsel on its own ambitions to be a purpose-led business. She recently rolled out a project to unlock its purpose and create a set of values. Her approach involved many of the stakeholders including the management team, employees, clients, alumni, suppliers even the founder. Taking everyone on the journey was critical to the project’s success in co-creating a genuine purpose. She set about answering three questions and to get everyone in the business to contribute:

- 1 What does the world need?

- 2 What are we good at?
- 3 What do we care about?

The answers enabled Ecovis to articulate the firm’s ‘Why’, and the process has been enlightening and energising for their people and culture. Kathy explains: “The pandemic created a worldwide crisis, which meant a stronger need for purpose especially in uniting people. The increase in remote working makes it all the more challenging for firms to nurture a strong sense of positive culture. Purpose is what inspires people and drives behaviour helping us to attract talent, encourage loyalty and ultimately makes people want to do business with us.”

We don’t really have a purpose – what can we do?

If you’re keen to get started on purpose or you’ve made a start and are struggling to articulate your purpose properly, there are some key imperatives to have in place. In many companies, we find that they are in fact delivering to a sense of purpose. It’s just not been articulated and integrated across the business.

Elliot shares his experience: “When I began working with Mishcon externally as Managing Director of Leagas Delaney the Communications Agency, we undertook a brand strategy review. We unearthed its brand essence through internal conversations right across the firm, external client feedback and sector research around its competitive positioning. What became clear was that beyond wanting to deliver the highest quality legal services, there was a belief in the role of a lawyer in wider society coupled with a responsibility to

contribute to the wider world.” In its purpose of ‘Shaping the world’s possibilities’, Mishcon can be bold in its endeavours and the causes it wants to support because it is rooted in its brand and values.

In a competitive market, the drive to be more externally facing, attract talent and win new clients means an investment in understanding your purpose. Your clients are doing it, your employees demand it, and you need to communicate it. Purpose is here to stay.

Start exploring your purpose

1 What’s your origin story? Revisit your origin story. What compels your organisation to do what you do and be who you are? Getting a real grip on this will help you create a more compelling narrative, one that your employees, clients and other stakeholders can understand and get behind.

2 Value here, value there, creating value everywhere! Really understand your value. Your business or organisation creates value, not just financially but across all your activities. The products and services you provide. The financial returns you create. The positive impact you have on the environment and the communities in which you operate. Your culture built from the way you are led and governed. All of these represent the value you create, and your purpose is an expression of this as a whole. This is why purpose is so fundamental for growth. It lets everyone know where to focus their efforts, attention and strategies.

3 New ways need new roles. A business needs nurturing and the right people, with a clear understanding of what needs to be done. Ensure everyone in your organisation understands why they are there. You need to embed your purpose throughout the entire organisation.

We will be running an Industry leaders’ round table in the spring that examines some of the research findings. To find out more email simon@brightspacecomms.co.uk



Ingrid Brown is Co-Founder and Principal at Bright Space Communications. As a senior brand and communications professional, she has worked both inhouse in senior marketing roles as well as for a number of creative agencies and consultancies.