

# Critical success factors for a small professional services firm literature review...

[Business](#), [Company](#)



Critical success factors refer to “ a group of indispensable activities or elements that enable an organization to achieve its stated objectives, thereby ensuring the successful performance of both current and future operations” (Rothberg and Morrison 2012). These success factors are necessary because they enable an organization to achieve its goals, and they also serve to guide the organization in its operations.

For professional services firms, such as law firms, Kaiser and Ringlstetter (2011) assert that the acquisition of high performing young professionals is a success factor as this ensures the profitability of a firm. The firm is able to save on costs due to savings on compensation, yet they are still able to benefit from the innovation and talent that these pools of young professionals bring. As such, it is important to be able to attract these young professionals through the implementation of non-monetary incentives, career incentives, trainings, and the like (Kaiser and Ringlstetter (2011). Similarly, Joe Evans (2013) indicated that the successful implementation of an organization’s strategy relies on the faith, hard work, and energy of the employees. As such, it is important for the company to be able to motivate the employees to use their discretion in handling organizational problems. In this regard, Evans (2013) suggests that employees be involved in the strategy development process, as this will enable them to have a better understanding of the company’s strategy; thus, enabling them to more effectively work towards its achievement, given that the company’s strategy becomes better inculcated in them. Alternatively, if it’s not possible for the employees to participate in the development of the company’s strategy, the company should ensure that this is communicated effectively to the

employees so that they may have complete understanding of it.

On the other hand, Abernathy (2012) suggests that the use of technology is also one of the success factors necessary to provide professional services firms, such as law firms, with a competitive edge. He believes that technology will open the doors to a wide range of external services and will enable improved systems for data storage and retrieval, as well as for document management. However, even Abernathy (2012) stresses the importance of the organization's human resources in that he proposes that lawyers be partnered with technology specialists so that the lawyers may be able to make the most of the said technologies in providing faster and more cost-effective services to their clients.

The writer agrees with the literature reviewed in this paper. It is true that an organization's most important resource is its human resources, as they are responsible for the knowledge management, innovations, and technology implementation that is necessary for running a learning organization, such as the small professional services firms. Not only is it important to be able to hire talented and innovative employees but it's just as important to be able to retain them. As shown by the report by the Georgetown University Law Center and Thomson Reuters Peer Monitor (2013), the economic downturn from a few years ago has affected law firms in the UK, especially with regards to their markets. In addition, the problems with compensation, the management of partner expectations, the treatment of lateral partners, and the reductions in the equity partners' ranks, which resulted from the downturn, have decreased the morale of the lawyers and employees. As such, companies should be able to manage their employees and their

employees' needs not only when operations are running smoothly but more so when a crisis occurs. They should still be properly informed and have a good understanding of how the company is dealing with the crisis and how such actions support the company's objectives.

## References

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