

Why Can't We Do Both?

By [Joseph B. Altonji](#) on March 5, 2013

Four hours into a recent, heated session with the Strategy Committee of a thoughtful mid-size firm, I was pointedly reminded of the primary obstacle to law firms doing strategy well. We were evaluating two strategic options when the senior partner in the room asked the seemingly simple question “Why can't we do both?” Why indeed?

The discussion revolved around building the firm's reputation via the expansion and economic growth based on one of two very different legal practice models, each of which fit portions of the firm's current practice well. Being the best the firm could be, or achieving market leadership, taking either path would require a series of very difficult choices, clear focus and potentially dramatic changes in firm structure, culture, reputation, personnel and basically everything else. Making the leadership choices required for either side would render market *leadership* on the other side virtually impossible. The firm is currently doing both and coexisting well, has a good reputation and is economically stable. There was no question of actually getting out of one side of the practice or the other – this was about where the firm was going to stake its future.

So the strategic exercise was, as good strategy ultimately is, about choosing. Therein lies the challenge for many law firms today. Choice is hard, so strategy is hard. Choice involves doing this, not that. Choice risks making some people feel like they are not part of the “core” firm practice. (I have seen strategy committees spend dozens of hours on “labeling” parts of the practice to avoid hurt feelings. What *do* you call those practices that are about providing ancillary services to the firm's clientele? “Supporting”? God forbid!) In the end, lawyers hate to choose and are not particularly good at it.

Furthermore, the culture of most firms today reinforces choice avoidance. After all, most of the partners are 1) smart, successful practitioners and 2) long term members of the firm and part of the firm's culture and soul. But unfortunately, most law firms today were built on serendipity and opportunity, with little thought about strategic logic and fit, and the current business environment requires more.

Dilbert (Scott Adams' cartoon character) once said *“It's easy to create a strategy. Write down everything you do, preceded by the phrase ‘Increase our market share by...’”* It's a great line, until you realize that many law firm strategies do little more. The senior partner's question was well-intended (to avoid alienating any of the firm's most valuable partners) but leads directly to the ultimate strategic “non-choice” of saying *“our strategy is to do all the things we do, but do more of them and do them better.”* This is, in fact, what many firm strategies actually do. So the strategic exercise becomes an expensive, and time consuming, way to satisfy those partners who believe the firm needs a strategy, and do it in the least disruptive manner possible.

The point is not that a firm cannot do more than one thing and win at all of them – some can. However, doing so is extremely difficult unless the underlying core capabilities needed to be successful in each of them at least overlap to some significant degree, and even then very strong leadership is needed. What are the critical and unique capabilities your firm brings to the table? Your strategy should be designed such that those capabilities can let you win – aka, be a market leader.

Strategy is hard, as the firm above has learned. To their significant credit, they made a choice, and designed a way to integrate the best people into that strategic choice, irrespective of on which side of the house they stood initially.

Implementation will require significant courage and hard work and the platform, if successful, will not be ideal for some. By making a choice, the firm has a chance to build something truly special.