The Benefit of an Exterior View: Looking at Lawyers from an Outsider's Perspective

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Susan Segal-Horn and Alison Dean, The Rise of Super-Elite Law Firms: Towards Global Strategies, 31 **Serv. Indus. J.** 195 (2011).

Two years ago I had an opportunity to attend the "Future(s) of Professional Services Programme" organized by Harvard Law School and Oxford Said Business School. It was a terrific conference in many respects, not least for its interdisciplinarity, bringing together scholars from business and law whose work focused on professional service firms. As a lawyer studying law firms in the context of globalization, the insight of the business scholars was enlightening: by placing law firms in the larger context of professional service firms and by bringing the framework of management and strategy to bear on the study of law firms, legal scholars gain a new perspective from seeing the same picture from a different vantage point.

In truth, conversations with law firm leaders and others that have informed my own work on globalization and the legal profession indicate that decisions about law firm globalization and strategy are neither so clean nor logical as some of the management and strategy school research suggests. Rather, law firms' activities with regard to globalization often are as much reactive and opportunistic as strategic. Nonetheless, the analysis of the business school scholars reflects the reality of regulation outside of the US, in that regulators involved in international as well as foreign regulation of their domestic legal profession increasingly are not trained as lawyers and have little incentive to treat lawyers particularly differently than other professional service providers (see, for example, Laurel Terry, *The Future Regulation of the Legal Profession: The Impact of Treating the Legal Profession as "Service Providers"*).

Listening to my fellow conference participants explain their analyses of what law firms were doing, I came away thinking that their explanation of what *should* happen with regard to law firm strategic decision-making was spot-on, even if not completely convincing as capturing the reality of what actually *was* happening. It is clear that lawyers and law firm leaders — particularly in the US — have much to learn from getting outside of their own skin, both from those who study their organizations and work from another perspective and from those whose work focuses on the work of lawyers and law firms from other countries. I worry that lawyers and law firms in the US may not engage sufficiently with these external frameworks to consider the ways in which the distinctive approaches in the US support or undermine competitiveness.

A new article by Susan Segal-Horn and Alison Dean revives these lessons, providing insight into the topic of global strategies for elite corporate law firms. In *The Rise of Super-Elite Law Firms: Towards Global Strategies*, Segal-Horn and Dean consider the drivers of globalization for law firms as well as the question of what firms *should* pursue as global strategies. Their work is informed by in-depth interviews with lawyers at three of the top ten UK-based global law firms as well as a smattering of clients (PP. 201-202), and structured within the framework of "global industry drivers." (P. 195.) In this way, they consider law as any other industry; that is, they approach law in the same context as the study of non-law firms in which management and strategy are considered crucial for leadership and decision-making. This allows the reader to view the legal profession and law firms through an outsider's

perspective.

Segal-Horn and Dean approach the question of whether elite corporate law firms should pursue a global growth strategy by considering four areas of influence: market drivers, competitive drivers, cost drivers and government/regulatory drivers. Each area is further divided into forces that push towards globalization ("globalization enablers") and those that inhibit global growth ("globalization inhibitors"). (PP. 203-209.) In all but the government/regulatory area, the enabling factors outweigh the inhibitors, pointing toward globalization as a sound strategic choice. According to Segal-Horn and Dean, the reason "super-elite legal firms invest[] in global strategies . . . is about long-term competitive advantage. The globalizing firms are making a specific bet on the nature of the development pathway of the industry and therefore on what will matter in this industry in the near future." (P. 210.) Regulatory barriers are acknowledged by global firms in their "develop[ment of] strategies which allow them to overcome local regulations on who can practice where." (P. 210.) Their analysis is perfectly consistent with staffing patterns in global firms, where the norm is for lawyers to be educated and licensed in the jurisdiction where they practice (Silver, DeBruin Phelan & Rabinowitz, Between Diffusion and Distinctiveness in Globalization: U.S. Law Firms Go Global). In considering incentives and barriers to globalization, the authors' approach in situating regulation simply as one of four forces shaping strategic decision-making is a useful construct for placing law in context, although may not be the emphasis placed on regulation in an analysis by lawyers. Their approach also will be useful for law firms in reconsidering global strategies in light of changes since the economic downturn.

I am left wondering how a similar sort of outside-looking-in framework for analysis might usefully be applied to legal education, another segment of the legal profession in the US facing substantial challenges. In simply identifying relevant elements within each of the four industry drivers, our understanding of the influences shaping decision-making might be sharpened. While it is common among critics of US legal education to point to medical and business schools as models for the direction law schools should follow, little analysis of the relative merits of each system have been offered; even less attention in this regard is focused on legal education regimes in other countries. But in looking outside of our own system, whether to the education of other professional service providers or of lawyers in other countries, useful lessons may be learned about our place in an increasingly competitive market.

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