

Claiming To Be Full Service Is An Exercise In *Irrelevance*



Too often your firm's strategy, assuming that you have one, is focused on the wrong issues.

Many keep asking, “*How can we effectively compete with (that particular firm) at what they are doing in (some particular area)?*” Firms are so intent on watching each other and imitating what each other do, that they fall victim to competitor inertia. The more your firm looks like everyone else and as any distinguishable differences between firms blur, competition leads to commoditization.

Many firms attempt to be different but are not truly *differentiated* because they pursue forms of uniqueness that clients simply do not value. Some of the most prominent examples of this are firms that propagandize their: number of lawyers; reputation and years in business; growth in revenues; promise to assign the best people; commitment to superior client service; various (pay-to-play) “Best Lawyers” awards; devotion to producing results; etc. Sorry: these are ALL table stakes, not points of meaningful, to clients, differentiation.

Look at the retail industry. Which retailers seem to have experienced the most trouble? The Departments Stores – one of the top three “*fastest declining industries*” in 2021 and comprising over 6500 businesses throughout the US. And what is a department store? A place that ***sells everything***. That then becomes a recipe for disaster as it becomes very difficult to meaningfully differentiate an “*everything*” place.

Does anyone see the similarity here to firms claiming their strategy is being a “*full-service law firm?*”

I continue to be amazed by the number of lawyers who lay claim to their firms being full-service providers. And then, in those same firms, if you visit some individual attorney's Bio you find them listing far too many different areas of expertise to be believed. It would appear that in

some effort not to prematurely close the door to any prospect's call, we error in exaggerating and consequently depreciating our professional profiles.

This perverted attraction to thinking that there is something special in being seen to be full-service causes us to inflate our supposed competence. It is as if it has become so seductive to claim **wide** expertise, rather than **deep** expertise, that these professionals attempt to be the answer to every client's potential problem, rather than being seen as a distinguished and believable authority in only one, or maybe two, specific areas.

Furthermore, if you explore any individual firm who claims to be full service or highly diversified you will find that 80% of its revenues usually emanates from just 20% of its various practices and service offerings; from 20% of its total client list; and from 20% of its partners. In other words, at the heart of the 80/20 principle is a counter-intuitive yet prevailing fact – that it is often a mere 20% of your client relationships that generate the bulk of your profitability and that a large percentage of your clients and your work is either not profitable or only marginally so. Can someone then please help me understand, what is the economic justification for not focusing on your strengths and where the greatest value for your firm resides?

I've come to believe that it parallels most lawyers' sense of risk avoidance and how these individuals want to keep all of their options open. But unfortunately, if you examine the results, all too often by trying to be a competent "Generalist" you invariably attract many clients who may not be the best fit and who don't see any differentiating reason to pay you higher fees.

"After all", I quiz lawyers, "why should I choose you (your group / your firm)?"
"What added value do you bring to my particular business matters?"
And now wait for it . . . *"That I can NOT get anywhere else?"*

And for what it's worth, this is a great question to pose to the members of your practice or industry team. Let them work in small break-out groups to brainstorm an answer that might have some hope of resonating with a prospective or existing client. And this is definitely a question that is on the minds of your prospects and your clients – whether it gets articulated or not. For my part, I have posed this many times as a break-out exercise and you would not believe the difficulty we all have (myself included) in coming up with a sensible response.

If you ever study the choices and career paths of some of the most successful professionals in all fields – law, accounting, medicine, financial planning, management consulting, and so forth, you would find that they have followed a similar direction: these professionals had the courage to play high-risk for high-reward. They became successful by narrowing their focus to become the expert; the authority, the go-to resource in some chosen niche area of client need.

You can recognize these specialists by the fact that they:

- are obsessive in having a special area of industry focus or subject-matter expertise;
- don't just repeat what everyone else is saying or create generic content that someone less knowledgeable could just as easily have written;
- freely share and don't stray from their area of expertise;
- are significant – which is different from prolific – in terms of their content creation;

- have a passion for the subject matter and are perceived as an educator; and
- have a strong point of view, which is the foundation of all of their content.

I remember being struck by a benchmarking study done a few years back by the GC350 which identified in-house counsel's preferences for where they distribute their legal work. For "Specialist Advice" they reported that 45% was outsourced which amounted to three times as much as the 'low-level' or the 'day-to-day legal' work accounted for.

One of the basic, fundamental principles of economics is "what is scarce is valuable." If what you do as an attorney is rare and relatively hard to find, a premium fee is easily justified. On the other hand, if what you offer is widely available from many other firms, don't expect to have much leverage.

Just imagine that you have developed a chronic cough. It seems to be provoked without reason, is often painful and now has you waking up in the middle of the night. In spite of trying a few medications that your friendly neighborhood pharmacist suggested, and which provided some minor relief, nothing seems to really remedy your cough such that now you begin to comprehend that you had better seek real medical attention. Do you simply make an appointment with your General Practitioner, your trusted Family Doctor, even for the purpose of seeking out a referral; or do you take it upon yourself to begin to look for a resource that appears to know this specific problem and potentially offer some highly specialized, corrective counsel?

One of the more common behaviors that we often ignore, unless of course, we are the potential buyer of professional services, like with my medical example, is the influence of . . . Google! In fact, I would assert that your biggest competitor is not the firm down the street or the largest firm in your market footprint; but your biggest competitor is often the need that we all have to do some online research to search out our available options. News Flash: Websites have already edged out referrals as a driving influence for many buyers of professional services.

In this instance, with the chronic cough, I think we both know precisely what you would do. So, why do you think that any prospective or existing client (a typical user of your generalist advice) would do anything different? When the problem is acute, novel, difficult or high risk, they begin to seek out an expert – someone with the experience and credentials to treat and resolve the particular, specialized pain.

To build on this example, if you are pitching for a particular engagement, responding to a competitive RFP, or attempting to court some attractive prospect, if you don't possess **deep and narrow expertise** in the specific domain or niche that seems to be required, you are in a race to the bottom. If you cannot immediately outline your particular problem-resolution approach with all its phases and idiosyncrasies, you will lose to your (one Google click away) competitor who owns the mind-share when it comes to this particular niche and offers a clear problem solution.

As a full-service, all things to all people, generalist attorney trying to impress some prospect with your project management skills, your AFA experience or claims that you can do the work better, faster and cheaper, you should know, pretty much in advance, that you will need to keep your fees – very LOW – to get most of your legal work.

It has been said that the ultimate strategy is to be a category of one! For over thirty years my inspiration has been a guy by the name of Jerry Garcia, who many will instantly recognize as the individual who started the Grateful Dead rock band. Jerry was known to have observed, *“It ain’t good enough to be the best of the best; I want to be the only Cat who does what I do!”*

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