

# What is Your Firm's Core Purpose and Is It Time to Revisit It?

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All the disruption, uncertainty and competition afflicting law firms today is creating a lot of anxiety and fear. Plenty of lawyers are questioning why they chose law as a profession and whether they should retool into another career, law firm leaders question how they will lead their firms through this time of turbulence, and most lawyers and support professionals in law firms have no clear sense of their firms' core purpose. Law firms that have

engineered substantial growth through numerous lateral acquisitions and mergers may be at greater risk for losing or lacking a strong vision and collective mission.

Jim Collins and Jerry Porras provided great insights in the 1997 book [Built to Last: Successful Habits of Visionary Companies](#) in which they analyzed eighteen visionary companies that "have an average age of nearly one hundred years and have outperformed the general stock market by a factor of fifteen since 1926." Just prior to publishing this book, they shared their findings in a Harvard Business Review article ["Building Your Company's Vision."](#)

Their findings concluded that these great, enduring companies each had strong, clear core values and a core purpose. Even while their strategic goals and strategies had to change to adapt to market and economic forces, their ideologies remained the same. "Truly great companies understand the difference between what should never change and what should be open for change, between what is genuinely sacred and what is not."

Collins and Porras proposed that a sound vision for an organization must have two components:

- (1) Core ideology
- (2) Envisioned future

**Core ideology**, if authentic, serves to inspire and guide. It is NOT a differentiation strategy. It has two parts.

(1) **Core values** are defined as: "the handful of guiding principles by which a company navigates. They require no external justification." Organizations do not create core values. These values already exist and they must be authentic, not aspirational. Values can weaken over time and can be strengthened if recognized and committed to.

(2) **Core purpose** is "an organization's fundamental reason for being...It captures the soul of the organization." Purpose is not about making money or about goals and strategy. It is not about core competencies. So what is it? Core purpose doesn't change over time, you can never reach the end of it as you can a goal. Core purpose should motivate and inspire an organization's internal workforce and stakeholders. It doesn't matter if it is inspiring to those outside the organization. What differentiates the companies with strong core ideologies are those who are disciplined in taking steps, building strategies and a culture that supports the core purpose.

*Envisioned future* also has two parts: a BHAG (big, hairy, audacious goal) and Vivid Descriptions of what achieving that goal will look like.

(1) BHAGs are bold, focused, galvanizing and stimulate the best in teams; it is a goal that can only be accomplished after 10-30 years.

(2) Vivid descriptions evoke passion, commitment and emotion and enable employees to conjure up an image of the reached goal.

Collins and Porras used Sony as an example of how the company articulated these four components, back in the 1950s. When we look at them now, it certainly seems as though they achieved their vision:

Putting It All Together: Sony in the 1950s	
Core Ideology	Envisioned Future
<p><b>Core Values</b></p> <ul style="list-style-type: none"> <li>• Elevation of the Japanese culture and national status.</li> <li>• Being a pioneer – not following others; doing the impossible.</li> <li>• Encouraging individual ability and creativity.</li> </ul> <p><b>Core Purpose</b></p> <ul style="list-style-type: none"> <li>• To experience the sheer joy of innovation and the application of technology for the benefit and pleasure of the general public.</li> </ul>	<p><b>BHAG (Big, Hairy, Audacious Goal)</b></p> <ul style="list-style-type: none"> <li>• Become the company most known for changing the worldwide poor-quality image of Japanese products.</li> </ul> <p><b>Vivid Description</b></p> <ul style="list-style-type: none"> <li>• We will create products that become pervasive around the world.... We will be the first Japanese company to go into the U.S. market and distribute directly.... We will succeed with innovations that U.S. companies have failed at – such as the transistor radio.... Fifty years from now, our brand name will be as well known as any in the world...and will signify innovation and quality that rival the most innovative companies anywhere.... “Made in Japan” will mean something fine, not something shoddy.</li> </ul>

A few examples of well-known, highly successful companies' statement of core purpose are also instructive:

- **3M:** To solve unsolved problems innovatively.
- **Fannie Mae:** To strengthen the social fabric by continually democratizing home ownership.
- **HP:** To make technical contributions for the advancement and welfare of humanity.
- **McKinsey & Co.:** To help leading corporations and governments be more successful.
- **Merck:** To preserve and improve human life.
- **Nike:** To experience the emotion of competition, winning and crushing the competition.
- **Wal-Mart:** To give ordinary folk the same chance to buy the same things as rich people.

It is important to note that these are not taglines, they reflect these companies' reasons for being.

Now let's think about how all this applies to the law firm environment. I think a number of firms have lost sight of or perhaps never knew or had a core ideology or envisioned future. Many law firms have never taken the time to seek out

and articulate their core purpose, core values and bigger goal. They tend to focus more immediately on short-term goals and metrics, than on vision and values.

Strategic plans and getting to action are critical too, and many firms also don't do this. For those that do, strategic plans often begin with a financial goal, e.g., "To increase per partner profits from \$1 million to \$1.5 million." or a growth goal "To become an AmLaw 100 firm with over 500 lawyers." If a firm had gone through the process of identifying its purpose and core values and established a BHAG, it is unlikely that any strategic plan would have as its first or primary goal just getting larger or making more money for partners.

A number of firms have published their mission and values on their web sites. Perhaps not surprisingly, firms' values all look remarkably similar, and I suspect several are aspirational and not authentic. As examples from two large firm web sites, can you guess which firm either of these is?

Example 1:

The mission of the firm is:

- o To provide the highest quality of professional services to our clients;
- o To adhere to the highest ethical standards;
- o To offer our skills and talents for the betterment of the legal profession and the diverse communities in which we practice;
- o To maintain a culture of collegiality in which we help each other to best serve our clients, our profession and our communities; and
- o To develop, support and encourage new generations of lawyers to carry on our commitment to excellence, integrity, diversity and collegiality.

Example 2:

Our firm is defined by the following core values:

- o A commitment to excellence in the practice of law;
- o Adherence to the highest standards of ethics and professionalism in everything we do;
- o A profound appreciation and respect for diversity and individuality among our colleagues;
- o A deep commitment to public service and pro bono work.

Are you wondering if this might be your firm? I won't identify either of them, and I suspect that by surfing many other firm web sites or perusing firm plans and internal documents that we would find many firms with nearly identical mission and value statements. But do these honestly represent a core purpose or core values? One could hardly call these unique, and while a firm's core purpose and values should not be intended as a differentiation strategy, one would hope that there might be something in them to really inspire and motivate those who own/work in that particular firm and not in one of hundreds of others.

I found several law firms that are making attempts at articulating their core purpose:

- o [Cooper Grace Ward](#) is a positive, enthusiastic and successful law firm striving to deliver exceptional outcomes for our clients, create exciting opportunities for our team and contribute meaningfully to our community.
- o [\(DLA Piper\) Our Vision](#): To be the leading global business law firm, delivering quality, value-added services to our clients, globally and locally.
- o [\(Eversheds\) Our Vision](#): The global law firm that sets the standards.
- o [Linklaters](#): Our aim is to be the leading global law firm, building relationships that endure through business cycles to ensure that top companies and financial institutions instinctively turn to us for support on their most important and challenging assignments.
- o [Freshfields](#): Our firm shares a vision: to become the number one international law firm; the firm that is widely recognised as standing apart, for the quality of our advice and for our unswerving commitment to our clients. But it's not just our legal advice and client service that set us apart. It's the way we work with our clients, other firms and each other, our character and our values.
- o [Allen & Overy](#): As an international law firm, our overriding goal is to work alongside our clients as a trusted adviser, providing the support they need to thrive in this dynamic economic environment.... In a proud 80-year history, we've

fostered creative, independent thinking within a collaborative culture, to ensure that outstanding things happen when the best minds work together. As a result, our lawyers are involved in many of the most influential commercial ventures and are known for providing clients with pioneering solutions to the toughest legal challenges. This, above all, explains why Allen & Overy remains a leader in its field.

### [Davis Polk:](#)

- The bedrock of our culture is excellence. Known as the firm of choice for highly complex matters, we work closely with our clients on their most critical business and legal issues. Our people excel and our practices are ranked among the world's best. So is the extraordinary, collaborative service we deliver.
- Teamwork is our way of business. As a firm and as individuals, we are committed to collaboration – with one another and most importantly with our clients. Our lockstep compensation system ensures that there are no fiefdoms here. People and clients do not belong to partners. We share resources and talent across the firm, according to what clients need.
- Our culture of collaboration benefits our lawyers as well as our clients. Our business approach breeds a strong firmwide commitment to the development and mentoring of our young lawyers, each of whom is encouraged to seek out the opportunities and career path that are right for him or her.

While none of the above examples reach the level of those discovered by Collins and Porras in their review of the eighteen highly successful companies, they do seem to come closer to core ideology. (As an aside, it is interesting that most of the firms above are not U.S. based firms. Does this mean that U.K.-based and Australian law firms are ahead of U.S. firms in defining their core purpose or at least in thinking it important enough to post on their web sites as a sign of commitment? It might.)

At this time of uncertainty and disruption, firms could benefit from devoting some time to identifying or re-setting their core purpose and core values, setting a BHAG with a vivid description and sharing that throughout the organization. Being more certain of what it strives to be and accomplish over time should help all those associated with it to have a clearer sense of the firm's reason for being and the firm's soul. Most firms could use a dose of certainty, clarity and inspiration right now.

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