



The Art of Saying No

"Because every firm's resources are finite, strategic decisions always involve what not to do as well as what is to be done. In fact, the two best indicators of a functioning strategy are how often and under what circumstances a firm and its leadership say 'No' to attractive (but nonstrategic) opportunities."

- Lorsch and Tierney, Aligning the Stars

Strategic planning is as much about choosing what NOT to do, as it is about choosing what TO do. In the context of law firms, a major component of our strategic planning work seeks to help firms prioritize specific areas for investment or growth focus – a definition of what TO do. While some firms and partners still struggle with the notion of prioritization, most generally recognize that the simultaneous prioritization of every practice, industry or office - the "all things to all people" strategy - results in a dilution of effort and yields little to no strategic benefit. Interestingly though, despite a general acceptance of prioritization strategies, many law firms continue to struggle with choosing what NOT to do. For a variety of reasons, firms shy away from communicating (or even defining) areas that do not merit investment, or areas the firm plans to move away from. Unfortunately, avoiding these hard conversations leads to firms investing substantial partner and leadership time, energy and resources in projects, initiatives, or ideas that are going nowhere and offer limited strategic value.

Why is saying "no" so challenging?

For most law firm leaders, the notion of saying "no" to partners who want to pursue a non-strategic opportunity presents the risk of disenfranchising that partner or partners. In an effort to keep partners satisfied and feeling that their practice is important within the firm, firms often resort to appeasing partners seeking to grow a non-strategic practice, client segment or geographic market.

In other situations, saying "no" translates to exiting a practice, market, or client relationship. Given that these exits typically entail partner departures, firms often avoid these difficult decisions for fear that the departures may be seen internally or externally as a negative indicator of the firm's health and performance - even if they would improve firm performance, profitability and competitiveness.

So, how can law firms learn the art of saying no to non-strategic opportunities in order to effectively drive strategy implementation?

A first step in building a law firm's ability to say "no" to non-strategic opportunities starts with educating partners. Partners need ongoing information and education on both the legal market and the firm's strategy. By leading regular, ongoing dialogue among partners about client demand trends and criteria for selection of outside counsel, competitive trends, the evolution of technology, and talent pressures, law firms can cultivate a more informed and business-minded partnership, capable of appreciating the need for strategic focus. Firms must also candidly share with the partnership a realistic assessment of the firm's current position, key opportunities, and competitive challenges, including challenges tied to dilutive practices, industries, clients, or markets. This knowledge helps partners identify the gap between where the firm is positioned today and where it wants to be in the future. From there, firm leadership is well positioned to articulate the firm's strategy to the partnership, including areas of strategic focus. As part of this strategy, firms should seek to establish the criteria that will be used in evaluating whether an opportunity merits investment, or whether the firm should say "no."

Another important element in strengthening a firm's capacity to say "no" is leadership consistency. When leadership applies the firm's strategic criteria unevenly – for example, supporting some non-strategic initiatives because of who is advocating for them while blocking others - the message to partners becomes muddled. Inconsistency erodes trust in the process and fuels the belief that the rules don't really apply. When firm leadership demonstrates discipline in decision-making and consistently applies the agreed-upon strategic filters, the partnership begins to internalize that focus is real, not rhetorical. Over time, this consistency builds cultural alignment around strategy and encourages partners to self-select opportunities that are more

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likely to receive support.

Law firms can further strengthen their ability to say “no” by developing a formalized approach to testing new ideas. Such a framework should shift responsibility to the proposing partners, requiring them to clearly define the opportunity and demonstrate how it aligns - or fails to align - with the firm’s established strategic investment criteria. Beyond alignment, proposals should include an analysis of the potential impact on the firm’s market position, client relationships, and financial performance, ensuring that leaders can more thoroughly evaluate both risks and rewards when assessing strategic fit. Finally, partners should also be expected to outline the practical steps required to execute the opportunity, including resource needs, timelines, and measures of success. This structured process not only increases accountability but also ensures that decisions are made on the basis of an objective evaluation rather than enthusiasm or politics, making it easier for leadership to decline misaligned ideas and support those that truly advance the firm’s strategy.

Ultimately, the art of saying “no” is not about excluding partners or limiting their pursuits, nor is it meant to exclude taking advantage of strategic opportunities that arise. Instead, saying “no” is about channeling a firm’s investment toward the highest-value and most strategic opportunities. In a market defined by increasing competition, client sophistication, and resource constraints, the firms that will thrive are those with the discipline to focus—making intentional choices about where to invest and, just as importantly, where not to invest. By educating partners, applying criteria consistently, formalizing idea evaluation, and communicating decisions with clarity, law firms can transform saying “no” from a point of tension into a powerful tool for alignment and growth. In doing so, they not only protect the firm from wasted effort and distraction but also better position the firm for improved competitiveness, profitability, and long-term success.

Washington

Principal: Lisa Smith
lisa.smith@fairfaxassociates.com
202.365.4180

California

Principal: Kristin Stark
kristin.stark@fairfaxassociates.com
415.215.9294