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Case Insights Guide
Board vs Bonds: The Biggest Dilemma of Harvey's Legal Career

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I. LEARNING OBJECTIVES

The following learning objectives can be distilled from the Case:

1. **First, it seeks to challenge leaders to balance the interests of their superiors and their subordinates**. This is a situation commonly faced by leaders, where the interests between their superiors and subordinates diverge. In the Case, Harvey is sandwiched between 'Board' and 'Bonds'. On one hand, Harvey is pressured by the Board to adopt AI within 3 months and improve profits within 1 year, but the cost of retrenching 60 employees risk undermining the close familial bonds that employees share. The Case seeks to (a) elucidate the tension a leader can face between his/her superiors and subordinates and (b) provoke discussion on a leader can navigate such tension. While some leaders may pander to the whims and fancies of their superiors at the expense of their subordinates, others may choose to stand up for their subordinates at the expense of their superiors and possibly the company.

2. **Second, it seeks to challenge leaders to balance doing what others think is "right" and what they think is "right"**. Although Harvey is portrayed as the "middleman" between the Board and employees in the Case, he nonetheless has his own views and values. Harvey firmly believes that the practice of law is a time-honored profession, and that technology cannot fully replace the brilliant minds of top legal talents. The Case provokes thinking on whether Harvey should choose to do what he thinks is "right" versus what the Board and other employees think is "right" and stirs discussion on how leaders can navigate the tensions of being pressured by others to adopt a course of action that they may not agree.

3. **Third, it seeks to challenge leaders to think about how to grow their policy space through stakeholder engagement.** Given the extreme choices, the appropriate conclusion is that Harvey should neither be a price-taker nor look at the situation in a binary fashion. Instead, Harvey should think of how to create a win-win solution for D&N and its stakeholders. The Case seeks to drive discussions on how leaders can use stakeholder engagement to grow their policy space between their superiors and their subordinates (i.e., to have sufficient policy options that would please all relevant stakeholders). It is not about coming up with "smart ideas" that would resolve the tension, but about engaging with stakeholders to help them to see an issue from different perspectives and nudge them to adopt a win-win solution for the company.

II. CASE DISCUSSION QUESTIONS

The following 3 questions can be used to stimulate discussions on the Case:

1. **Should Harvey approve the proposal to implement LegalAID? Why or why not?** This question seeks to stimulate discussions by framing the case as a win-lose situation, where Harvey needs to decide between pleasing his "superiors" (i.e., Tania) or his "subordinates" (i.e., employees). The audience should be split between two options, with some challenging if there is a win-win situation and whether Harvey's personal views should be discounted.

2. **What other alternative solution(s) can Harvey explore to balance the competing and divergent interests of the various stakeholders identified in the Case?** This question is aimed at prompting the audience to think beyond the binary choices and identify solutions that can satisfy both financial and human concerns. It encourages audience to think who

the stakeholders are (e.g., Board, Harvey, employees, clients) and stretch their thinking by moving away from a binary choice to proactively adopting a solution-oriented mindset.

3. **If such an alternative win-win solution exists, what practical steps can Harvey take to persuade others to adopt it?** This question is aimed at pushing audience to explore the practical steps that Harvey can take to preserve relationships and organizational culture while meeting business goals.

III. KEY TAKEAWAYS

1. The **interest and information asymmetry framework** can be used to identify and resolve tensions between stakeholders arising from information asymmetry.

a) When faced with tensions between stakeholders, leaders can apply Edmonson, Roberto and Watkins' interest and information asymmetry framework[1] to (i) identify differences in interests and information between stakeholders, and (ii) close or exploit any gap(s) to the extent that it fulfils their objectives.
b) On the facts, the Board's interest is for D&N to adopt AI and increase profits. Harvey's interest lies in preserving his position and legacy as the CEO. The employees' interest lies in preserving their livelihood and the organizational culture. The client's interest is to obtain cheaper and faster legal solutions.
c) The Board's information gap lies in the importance of D&N's employees who have faithfully contributed to the legacy of the firm and their efforts have enabled D&N to emerge as Singapore's most venerable law firm. The employees' information gap lies in D&N's weak financial performance, as evidenced by Cindy's remark that "*My dear friend, I do not know why you want to do this. I am sure you have your own reasons. Isn't the firm doing fine?*" As a leader, Harvey should consider how to clarify divergent goals and surface unique information, while trying to achieve a win-win solution.
d) The interest and information asymmetry framework highlights the importance for leaders to move beyond immediate events and surface-level tensions, focusing on addressing underlying asymmetries in interests and information to achieve resolution.

2. Auster's and Ruebottom's 5-step framework[2] on **motivating sponsors and promoters as well as managing skeptics can be used to facilitate the adoption of a new initiative**:

a) When influencing an organisation to adopt a new initiative, leaders could adopt the 5-step framework to (i) map out the landscape; (ii) identify key influencers within each stakeholder group; (iii) assess influencers' receptiveness to change; (iv) mobilise influential sponsors and promoters; and (v) engage influential skeptics.
b) In this Case, Harvey attempted to engage skeptics such as the Board (i.e., Tania) and trusted employees (i.e., Elaine and Cindy). However, he could do better at mapping out the work landscape and engage other supporters and promoters, which he would have identified throughout his 25 years of leadership as the CEO. Harvey's potential supporters and promoters may include his leadership circle and senior managers. The application of the 5-step framework underscores the importance for leaders to extend their focus beyond immediate circles to engage other stakeholders.

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[1] "Interest and Information Asymmetry Framework" (*Edmonson, Roberto and Watkins, 2003*)
[2] "Framework on Motivating Sponsors and Promoters, and Managing Skeptics" (*Auster and Ruebottom, 2013*)