

There is little doubt that this book constitutes a significant contribution to both the theory and practice of social enterprise law. At the same time, Lim's provocative and insightful arguments are likely to stimulate further discussion. Three particular issues may become significant points for future discussion.

First, as discussed above, the book's argument consistently maintains that social enterprises must "prioritize" the pursuit of social good over profit. However, this raises the question: how can one determine whether a social enterprise is truly prioritising social good?

Second, related to the above, the book does not fully address how the interests of shareholders are to be protected. One of the main advantages of social enterprises over non-profit organisations is their ability to raise capital from investors. If all the proposals in this book are adopted, might this deter investment from shareholders?

Third, some may argue against Lim's assertion that "a jurisdiction should design a structure such that the losses from reduced dividends (as a result of the distribution restriction) should not exceed the gains from tax benefits". The mechanism of social enterprise seems to assume that a certain number of shareholders will invest in the company even if the financial return is low, with the motivation aligned with social impact rather than financial gain. If this assumption holds, then the book's suggestion that jurisdictions must ensure that tax benefits outweigh dividend restrictions may not necessarily follow.

Although the primary focus is on four Asian jurisdictions, Lim's comprehensive and practical approach makes the book highly relevant for scholars, policymakers, and practitioners in other jurisdictions as well. It is an essential read for anyone interested in the legal architecture of social enterprises.

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Legal Knowledge in Organizations: A Source of Strategic and Competitive Advantage BY ROBERT C BIRD [Cambridge: Cambridge University Press, 2025. xxvi + 261 pp. Hardcover: US\$125]

I. INTRODUCTION

Can lawyers drive business success instead of just managing risk? Robert C Bird's answer to this central question, as developed over decades of work culminating in *Legal Knowledge in Organizations*, is a resounding "yes". As the first systematic treatment of legal strategy as a source of sustainable competitive advantage, the book shows lawyers and organisations how to turn legal services and departments from cost centres into value creators.

Bird defines competitive advantage as the business positioning that strategists have long considered the "holy grail" of management: a position so strong that competitors cannot easily imitate. Drawing on established management theory, the

book shows that legal knowledge can meet the four requirements of lasting advantage: “valuable” to organisations, “rare” in the marketplace, “difficult to imitate” by rivals, and “organisationally embedded” within business operations.

Bird’s work is a milestone for the maturation of law and business scholarship beyond traditional doctrinal analysis. While legal academics have long examined corporate law, securities regulation, and commercial transactions through doctrinal lenses, Bird’s approach integrates strategic management theory with empirical legal studies to examine law as an organisational resource. This builds on foundational work by legally-trained yet non-law-school-based scholars including Constance Bagley and George Siedel, who pioneered the study of “legal astuteness” and proactive law, but extends their insights through systematic application of resource-based view theory. Bird’s contribution lies in providing theoretical rigour to what has often been an intuitive understanding that legal knowledge creates value for businesses, thereby moving beyond anecdotal evidence to empirical demonstration of measurable organisational benefits.

II. WHAT THIS BOOK IS ABOUT

The book contains ten chapters of substantial length. Chapter 1 defines key concepts and briefly sets out the roadmap for the rest of the book. Chapter 2 is the first substantive chapter and focuses on applying the resource-based view of the firm to legal knowledge. Bird makes the case for why legal knowledge possesses the four traits necessary for sustainable competitive advantage for firms: value, rarity, imperfect imitability, and absence of equivalent substitutes. The chapter also bridges the traditional separation between legal and business disciplines, noting how lawyers and managers often misunderstand each other, with executives treating lawyers as “hired guns”, while lawyers view managers as “recklessly risk aggressive” (at 11). Bird also traces the intellectual history of legal strategy from Louis Brown’s early work on preventive law to milestones including Constance Bagley’s concept of legal astuteness to contemporary applications in areas ranging from compliance strategy to cross-jurisdictional legal entrepreneurship. This section may be particularly useful for law and business scholars alike looking for a detailed – but elegant – introduction to this rich area of scholarship.

Chapter 3 examines internal organisational mechanisms that foster strategic legal knowledge. Bird identifies four attitudinal variables that influence legal knowledge acquisition: organisational citizenship, self-efficacy of organisational actors, perceived legitimacy of legal rules, and attitudes toward lawyers and the legal process. The chapter also presents four characteristics affecting how firms acquire legal knowledge: presence of lawyer-CEOs, role of legal experts in decision-making, structure of legal staffing, and the firm’s regulatory intensity. Regulatory intensity refers to the extent to which the firm is subject to regulation over time. Examples of firms subject to heavy regulation include airlines, financial services and pharmaceutical companies. Bird observes that firms subject to high regulation may view legal rules as a burden – and less as a strategic opportunity.

Chapters 4 and 5 introduce Bird’s central framework and contribution to scholarship on law and strategy: his five pathways of legal strategy. Chapter 4 covers the

first three pathways, namely avoidance, conformance, and prevention. Firms use the first pathway – avoidance – when they lack legal knowledge or use the law to circumvent obligations. Conformance involves meeting minimum legal standards with minimal resources; law is recognised as a necessary mechanism to protect firm value, but not as a strategic opportunity. Bird observes that conformance is likely to be the default pathway for many firms. Firms engaging in the third pathway – prevention – address legal issues through proactive business practices to avert liability before problems arise. Prevention, as Bird observes, is likely to be considered the most effective use of lawyers and law.

Chapter 5 identifies competitive advantage in the two remaining pathways. The value pathway explores using legal knowledge for competitive advantage. The transformation pathway shows how organisations leverage legal knowledge into resources that propel major strategic initiatives or firm-wide shifts in stakeholder thinking. These final two pathways represent the book's vision of law as a strategic asset rather than a compliance burden. However, these two pathways are rarely used by firms in practice – especially when compared to the other three pathways of avoidance, conformance, and prevention.

Chapter 6 applies the five pathways to specific organisational challenges through primarily United States (“US”)-based case studies examining sexual harassment policies, intellectual property protection, and compliance with anti-corruption regulation. The chapter demonstrates how the same legal issue can be addressed differently depending on which pathway firms choose, with dramatically different consequences. Bird also provides guidance on how firms can ascend the pathways of legal strategy – from avoidance to conformance, conformance to prevention and so on.

Chapters 7 and 8 introduce legal risk management through the VUCA framework originally developed by the US military. Chapter 7 examines volatility and uncertainty. Bird proposes managing legal volatility through developing legal agility as an organisational trait, stockpiling resources in the form of excess liquid assets and human resources, as well as building crisis management plans. Managing legal uncertainty involves sharing information effectively in the organisation and involving legal experts in core decisions.

Chapter 8 analyses complexity and ambiguity. Bird recommends managing complexity by ensuring that legal departments “generate no more complexity than the legal environment it is supposed to manage” (at 184) and reducing legal jargon. Turning to ambiguity, Bird observes that “environments of true legal ambiguity are uncommon” (at 192), but notes that the rise of the Internet, blockchain, and artificial intelligence all present sources of legal ambiguity arising from regulation. Firms can respond to legal ambiguity by promoting public-private cooperation, practicing self-regulation, and carefully experimenting with the legal environment.

Chapter 9 treats contracts as sources of “collaborative advantage” (at 203), where value is created through cultivating relationships and supporting interfirm efficiencies. Bird presents a three-step process for generating trust through relational contracts and examines how firms can preserve contractual relationships by discouraging opportunism and defection. This chapter repositions contracts from legal obligations to strategic relationship tools.

Chapter 10 develops an ethical framework for deploying legal knowledge. Bird presents three mechanisms for integrating ethical values into legal strategy: the United Nations Business for the Rule of Law Framework, insights from scholarship on proactive law, and by developing organisational culture. The chapter addresses potential concerns that legal knowledge as competitive advantage might be misused and offers guardrails for responsible application.

III. WHY LAWYERS SHOULD READ THIS BOOK

After another busy day at work, *Legal Knowledge in Organizations* might not readily fit into a legal professional's idea of light reading. It is, first and foremost, a scholarly work by a leading scholar with an encyclopaedic knowledge of the field he co-created. While a complete novice might find Bird's more practitioner-friendly works in business journals an easier starting point, this book is for anyone more interested in making a difference to organisations beyond increasing awareness on LinkedIn (for posterity: a social media platform popular among working adults).

For too long, lawyers have intuited that their work creates value beyond compliance and risk management, but lack the vocabulary and empirical evidence to articulate this conviction to MBA-trained clients and colleagues. Even without formal business education, many lawyers intuit that legal expertise does help businesses succeed and create value, but struggle to explain this to MBAs who speak the language of competitive advantage and strategic resources. As a lifelong business law professor in a leading US business school, Bird supplies both missing pieces. His systematic application of the resource-based view of the firm – a cornerstone of MBA education – arms lawyers with business school terminology they need for talking to MBA types. The voluminous research and wealth of case studies (many in the footnotes) in the book are the resource that lawyers need to support these claims – again, in terms MBAs understand and appreciate.

The book challenges fundamental assumptions about the legal profession's role in business. Many practicing lawyers see themselves in limited, reactive roles as "hired guns" brought in to fight specific battles or as defenders whose job is to keep companies out of legal trouble. Bird argues this self-conception is too narrow and sells lawyers short. Instead, lawyers can and should position themselves as strategic advisors who proactively help companies gain advantages and actively contribute to competitive success. The VUCA framework that is now standard issue in undergraduate courses provides practical tools for lawyers looking to present their knowledge in ways other than traditional risk assessment. This represents a fundamental shift in professional identity from defensive function to offensive capability.

For law students, Bird's approach addresses a practical career problem: when competing with business graduates for corporate positions, law students often struggle to articulate how their legal education creates business value. This is particularly useful for law students seeking alternative career pathways outside traditional legal practice – consulting, finance, management roles – where they need to explain how their legal skills transfer to business contexts. Bird's framework gives law students business vocabulary to translate their legal training into terms that businesspeople can appreciate.

The book also represents interdisciplinary scholarship at its best by bridging strategic management theory with legal practice. Bird's integration of qualitative case studies with his analytical framework demonstrates that legal academics can engage meaningfully with business realities while maintaining scholarly rigour. More importantly, it shows law professors how to explain what they do and why it matters to business school colleagues and MBA students who speak the language of competitive advantage and strategic resources. This methodology offers a template for future research that enables legal academics to communicate across disciplinary boundaries without sacrificing their commitment to legal scholarship and rigour.

To Singapore-based and Asia-focused scholars like ourselves, *Legal Knowledge in Organizations* does seem to exhibit a degree of US defaultism. While Bird, to his immense credit, draws on every relevant study regardless of jurisdictional origin, the book does not make it clear when the cases drawn on are from the US or elsewhere (see, *eg*, at 25 n 141, which only mentions that the cited source is a case study with a China context in the footnote but not in the accompanying text above the line). While this is a missed opportunity to emphasise legal strategy as a concept that – at least *prima facie* – transcends jurisdictional boundaries, this should be no reason for a reader (of any jurisdiction) not to take up this book.

IV. CONCLUSION

This is a book about law rather than a law book. Despite its focus on US examples and regulatory contexts, this book is essential reading for Singapore's legal community. Bird's frameworks are adaptable across jurisdictions, and his fundamental insights about legal knowledge as competitive advantage transcend geographic boundaries. For lawyers who have long struggled to articulate their strategic value in business terms, this book provides both the vocabulary and the evidence to make that case persuasively. This book could not have been written by a law professor in a law school. It is thus a reminder that interacting with – and immersing in – an environment other than a doctrinally-focused faculty of law also prepares lawyers for the arduous task of marketing their value and (highly-priced) expertise to clients.

Many books are excellent because they are masterpieces in established fields. Bird's book is excellent because it is a masterpiece that consolidates an emerging field of critical importance. The book's enduring contribution lies in its reframing of legal practice from defensive rule-following to a critical business function. As businesses increasingly recognise the strategic value of legal expertise, lawyers equipped with Bird's frameworks will be better positioned to contribute meaningfully to organisational success. For a profession seeking to demonstrate its worth beyond risk management, this book offers the roadmap forward.

As this review is published in the *Singapore Journal of Legal Studies*, a word on the book's relevance to *Singapore* would be appropriate. As a belated part of the nation's concerted push towards continuing education and training ("CET") for adult learners on a mass scale, SkillsFuture Singapore is finally developing a Skills Framework for the legal sector with the Singapore Academy of Law and the Singapore Corporate Counsel Association. *Legal Knowledge in Organizations*

should be first on the reading list for those working on this monumental project – and, ideally, for most learners taking a SkillsFuture-accredited CET course for the legal sector.

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