

**MCK**

# International Review

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AS MANAGING  
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# CELEBRATE A LIFETIME

In celebrating a lifetime of professional accomplishment—or the milestones shared by a loving family—there's nothing as personal or longer-lasting than a portrait. It's not only a treasured gift; it's an heirloom, commemorating a distinguished career, or capturing the joy of a special anniversary, a wedding or graduation, a beloved child or grandchild, wife or husband.

In the hands of an accomplished painter, a portrait is more than a likeness. It's a glimpse of the spirit, a window to the soul. Getting there demands the right choice of technique and medium, and a strong connection between artist and subject that allows the personality to shine through. It may be conveyed through a look in the eye, a tilt of the head, a smile, or an expression, but the end result is life ... breathed into a blank canvas, creating a work of art.

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You can learn much more about the process from Jim Prokell, award-winning artist and designer, whose work is found in law offices and corporate board rooms, museums and executive homes across the country. His portraits can be executed from sittings or photography, so think about the possibilities. And call him today.



Dear Valued Clients and Friends:

As we entered this last quarter of 2010, many measures of confidence and economic activity are showing consistent improvement while others seem to be faltering. This is indeed a time of great uncertainty and in times of uncertainty, it becomes extraordinarily important to think about what signals you are sending as a leader in your firm; like:

▪ **Where You Spend Your Time.** Leaders spend time on whatever issues they think are most important. Examine your day-timer, compare it against the actual activities that consumed your time during just this past week and identify for yourself what your activity says to your colleagues about what you see as your most important priorities?

▪ **How You Spend Your Budget.** What we purposely budget for and the way in which we choose to spend our money says a lot about our priorities and our values. What do your most recent expenditures tell people about where you are focusing your leadership attention?

▪ **What You Inquire About.** The questions you deliberately ask and the attention those questions provoke sends a clear signal about the prevailing themes that occupy your thinking. Are the questions you ask and the topics you focus in on consistent with the signals that you want to convey?

▪ **What Specifically You Measure.** Usually an important indicator of what you think is important is specifically what you measure, what you generate written reports on, and what you track on a regular basis. If you say that as a firm we should be more focused on delivering value to our clients, are you rigorous about measuring the quality of the services provided and the client's satisfaction?

▪ **What You Celebrate and Rebuke.** Does what you publicly reward, those behaviors you identify and successes you celebrate within the firm reinforce the values and priorities that you as a leader are trying to emphasize? When one of the partners takes a measured risk with the intent of benefiting the firm and their actions fall short, is that partner rewarded for their initiative or reprimanded for their failed efforts?

As always, I sincerely hope that you enjoy reading this issue and find some practical ideas, tips and techniques that you can put to use immediately. Please take a moment and send me your comments on any of the articles contained here.

Patrick J. McKenna

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# Evaluating Your Performance As Managing Partner



**THERE IS AN OLD ADAGE IN MANAGING A CLIENT'S EXPECTATIONS THAT STATES, WHETHER WE LIKE IT OR NOT, WE ARE GOING TO BE MEASURED. IF WE TAKE A VERY PASSIVE APPROACH THE MEASURING STICK AGAINST WHICH WE WILL BE MEASURED WILL BE EXCLUSIVELY A CREATION OF OUR CLIENT. ALTERNATIVELY, WE CAN HELP CREATE AND SHAPE THE MEASUREMENT CRITERIA.**

This same principle is equally true for you as a new Managing Partner (MP), especially in dealing with your Executive

Committee (EC). In a way, your partners and the members of your firm's EC now form your expanded client constituency. Working with your colleagues, early in your tenure, to formulate an evaluation process is a great opportunity for you to manage everyone's expectations.

The most basic element in structuring *any* performance appraisal is to first establish the expectations upon which your evaluation will be made. Without proper clarification of expectations, it's very difficult to conduct an effective evaluation. It's like trying to hit a moving target. Different firms have different expectations of their MP. In adopting a format for the MP appraisal, performance expectations need to be articulated and agreed upon by all involved.

You should begin, in discussion with the members of your EC, with a candid identification of your goals and objectives. These

discussions should emphasize what you are expected to achieve (such as increased revenue from a problematic office), where you

might need to direct more attention (such as identifying and developing future practice group leaders), and even, how you may be expected to behave.

It is critical that any qualitative and quantitative measures, goals and priorities be established by you and the Executive Committee members together. By taking a snapshot of the firm at the beginning of a year and then again at the end, your evaluation can help assess: "Is the firm in better shape as a result of my efforts as the firm leader?"

In order to make that assessment, you must agree upon the definition of "better shape." Look at the following as a Menu that you can modify (wordsmith), add to, and choose from, such that you can develop an acceptable list of criteria to suit your needs and the expectations your partners may have of you as their firm leader:

## Managing Partner Sample Evaluation Criteria

1. Does the Managing Partner (MP) communicate to the other partners regularly (at least monthly), and in a meaningful way about what he / she is doing and what is going on within the firm?
2. How well has the MP functioned as the firm's strategic thinker? Does the MP devote adequate time and proper attention to thinking about where the firm should be going, what practice areas should be abandoned or developed, and what new markets should be entered?
3. Does the MP regularly monitor external trends and changes occurring in the profession, participate in relevant associations and practice management conferences, and bring new ideas to the firm?
4. How effective has the MP been in selling his/her new ideas to the other partners?
5. How effective has the MP been at building consensus among the partners, where needed?
6. Has the MP ensured that the firm has developed a written strategic plan that is revisited and monitored regularly and a well-articulated direction for growth? Does the plan present a healthy blend of long-term thinking vs. short-term results?
7. Does the firm have a written human resources (career and competency development) plan that integrates with the firm's strategic plan? (to get the right people on the bus, the wrong ones off and everyone in the right seats.)

**“The most basic element in structuring any performance appraisal is to first establish the expectations upon which your evaluation will be made. Without proper clarification of expectations, it's very difficult to conduct an effective evaluation.”**

8. Is the MP effective at managing implementation of the firm's strategic plan? Have written action plans been created, with deadlines and responsibilities assigned? How good is the MP at getting things done?
9. Has the MP made a meaningful contribution to improving the firm's profitability?
10. Has the MP helped established procedures for achieving partner accountability? Are the partners in the firm truly held accountable for their conduct and performance?
11. Does the firm operate with a team feeling - where partners collaborate, bring others in on their clients, help each other out even if there is no immediate compensation for it, cross-sell each other, foster a feeling of "team" rather than silos or solos practicing under one roof?
12. Has the MP contributed to the development and strengthening of effective practice groups (also formal industry groups or client teams)? Do group leaders meet with the MP on any regular basis to share best practices, identify specific challenges they are facing and learn from each other?
13. Does the MP require all practice and industry groups to develop their own strategic plans? Does he/she hold the groups accountable and to reporting, at least quarterly, on their progress to achieving their game plans?
14. Has the MP developed an effective style, methodology, and regular discipline of coaching those practice leaders that report to him/her to help them develop and succeed?
15. Does the MP address and resolve partner conflicts and partner performance problems swiftly and effectively?
16. Has the MP's involvement in the partner compensation systems been effective? Do a strong majority of partners feel the system for allocating income is reasonable and fair?
17. Does the MP make decisions promptly and effectively? Is the MP a good problem solver?
18. Do the partners feel that the MP listens and is genuinely interested in what they are saying? Does the MP encourage partners, and all firm personnel, to express their opinions?
19. How effective has the MP been at identifying lateral candidates, validating their credentials and bringing individual stars and practice groups into the fold?
20. Has the MP made contributions to making the firm a great place to work where retention is high, training effective, recruiting successful, and morale outstanding?
21. Does the MP take decisive action to

ensure that the firm's culture is consistent among the various offices?

**22.** Has the firm established a strong marketing culture? Has the MP played an important role in making this happen?

**23.** Has the MP assembled and empowered an effective management team (COO, marketing director, human resources manager, etc.) that performs well and to which the MP confidently delegates day-to-day management duties?

**24.** Are the basic administrative matters of the firm handled efficiently and timely (WIP billed, write-offs challenged, receivables collected, timesheets in on time, issuance of internal financials, and monitoring of budgets, etc.)?

**25.** How well does the MP keep the performance bar high on issues of work quality, client service quality and standards, integrity and ethics?

**26.** Does the MP meet key clients of the firm on a regular basis to get a sense of what is going on in the marketplace and assess the client's level of satisfaction?

**27.** Is the MP visible in the community and is the firm represented well? Does the MP help the firm maintain a strong public image and brand identity?

**28.** Does the MP's conduct always take the firm's perspective as opposed to his/her own or that of a particular group of partners?

**29.** Does the MP set an example and served as a good role model to partners and staff in the firm for conveying personal respect, being accessible, following the

**“It is critical that any qualitative and quantitative measures, goals and priorities be established by you and the Executive Committee members together.”**

rules, etc.?

These criteria should serve as a starting point for you to develop your evaluation form. Hopefully this will also get everyone thinking and acting on formalizing the process of professionally managing your firm.

### The Process

From the outset, you and your EC need to agree on the format, timing and responsibilities for the evaluation. Typically your performance evaluation should occur (at least) annually.

Your first evaluation process should begin with you, as the Managing Partner, preparing a written self-evaluation of your own performance. By allowing you to conduct a self-evaluation, you will likely be more comfortable receiving feedback from the Committee, knowing that you had a voice in the process. In mid-December, you might send the Committee your assessment of your past performance as well as your plan for the coming year, including personal leadership objectives.

Partners evaluating the MP should be limited to those in a position to offer informed input. This means that in firms of fewer than about 50 partners, all the partners should probably participate. But once a firm gets beyond that size, the firm may wish to limit the evaluation to those part-

ners on the management or executive committee.

Once it has been decided who should participate in the evaluation, each partner should complete an evaluation form. Someone should then tabulate the forms and summarize the results. The evaluations should be done

on a semi-anonymous basis. In other words, partners names should be on the forms so that the coordinator of the review process can go back to people for clarification and amplification of responses. But you, as the MP, should not be told who said what.

The process should evidence a meeting between you and a small committee (no more than three partners) charged with delivering the results and engaging in a discussion about what your goals should be for the next following months. This sub-committee needs to be sensitive in presenting the feedback in a way that anyone will be able to hear and appreciate the message. A report is then delivered to the full EC regarding the evaluation and outlining the follow-up actions.

Your job can be a lonely one. Some may be reluctant to offer constructive critique for fear of repercussions. Some may be reluctant to provide feedback for fear of offending or hurting your feelings. But to be effective you need feedback to confirm whether or not you should keep doing what you have been doing and to get direction on what your partners expect.

*This was written as a feature article for the Canadian Bar Association's PracticeLink – an e-newsletter, published twice annually specifically for Law Firm Leaders*

by David H. Maister



# THE MANAGING PARTNER'S SPEECH

**TO: . . . . .** *The Partners*  
**FROM: . . . . .** *The Managing Partner*  
**SUBJECT: Our Visionary Mission,  
 and our Missionary Vision**

**O**ur firm, like our best competitors, is aiming at familiar goals. We want to be the best, and perceived by our clients as such. We want to be innovative, and at the frontier of identifying and responding to the needs of both global and middle market clients. We want to capitalize on the latest technological developments. We want our clients to receive from us an unmatched level of client service.

In addition to all this, we want our firm to be a place that provides professional fulfillment and personal growth opportunities for each and every one of our partners, non-partners and staff. We believe that doing these things will make us one of the most profitable firms in our profession.

Little, if any of this, is new, and little, if any, is much different from our best competitors. If we are to outperform them, what we need is not a better vision, but a better approach to making it happen. We will succeed not by aiming at different targets than our best competitors, but by devising better ways to reach those same targets. We must develop and adhere strictly to sound philosophies: ways of doing business, ways of dealing with our clients, our staff and each other.

**I**N CASE YOUR MANAGING PARTNER IS  
 IN NEED OF A SPEECH, HERE'S ONE I  
 WROTE FOR THE LEADER OF A LARGE,  
 NATIONAL PROFESSIONAL FIRM WHO  
 ASKED ME WHAT HE SHOULD SAY  
 UPON HIS ELECTION TO THE ROLE. (I  
 WROTE IT MORE THAN 10 YEARS AGO,  
 AND JUST FOUND IT IN MY FILES.)

**“***There are many ways to make yourself more valuable on the market: intellectual leadership, better client counseling skills, greater ability to run large projects, and so on. But one stands above all else: specialized industry knowledge.***”**

In sum, what we must find agreement on is not our destination, but a way of conducting our affairs. We must design systems to ensure that we are living up to our principles.

In what follows, therefore, I have not attempt-

ed to picture what the firm will look like in 5 or 10 years. Rather, I have tried to convey the philosophies I hold about how we should behave as individuals and as a firm. If we follow these principles, we will achieve our goals. If we do not, then we will fail.

As I prepared these thoughts, I have tried to avoid being inspirational. These are the principles I live by, and intend to apply in executing my responsibilities. By sharing these beliefs with you, I am making you a promise that these are the principles I will operate by – and I expect you to hold me accountable for them. If I depart from these principles, let me know – in person, in a letter, or even, if necessary, in an anonymous note. But let me know!

I do not expect that all of you will necessarily agree with everything I have to say. That's OK, and we should talk about it. But what is here is what I truly believe. You have the right to know where I am coming from, and how I am likely to react when you ask for my views on issues as they arise.

For better or for worse, then, this is what I believe.

## On the Role of the Partner

Since clients hire people, not firms, our success will be built a partner at a time. That means that what really matters is not only “firm strategies”, but personal career-development

strategies for each partner. If, and only if, each partner is finding some way to make himself/herself more valuable in the marketplace each year, then the firm will succeed.

In turn, this means that the role of the firm is to help each individual grow as a professional. The firm exists to help the partners (and staff) succeed, not the other way round. However, it also means that the firm has the right to expect each partner to develop a personal development plan, and to hold that partner accountable for the execution of that plan.

In this profession, the need for personal development is life-long. The minute you begin to cruise, to rely on skills learned last year, that's the moment you begin your decline. All of us, from the 30-year-olds to the 60-year olds must constantly be asking "What new skills can I acquire?" And the firm has the right to ask that same question of you.

My experience has taught me that success comes not to those who swing for the fences every time at bat, but those who commit themselves to a continuous program of constant improvement, base-hit by base-hit.

There are many ways to make yourself more valuable on the market: intellectual leadership, better client counseling skills, greater ability to run large projects, and so on. But one stands above all else: specialized industry knowledge. Regardless of your discipline, and your command of it, I believe that each and every partner should have one or more industries that they know in depth, to the level that the clients perceive you as up-to-date in their industry as they are. There is no better way, in my view, for each of us to succeed than for every one of us to declare a specific industry specialization.

Partners, in my view, have five key responsibil-

ities, and should expect to be held accountable for all of them.

First, and foremost, partners must satisfy their clients, and we should be vigorous in establishing mechanisms which ensure this is happening.

Second, partners running engagements are responsible for building skills in themselves and others, for adding to the human capital of the firm. We sell skill and talent, not time. We should devise tracking mechanisms to allow partners to see how well they are fulfilling this responsibility.

Third, partners have a responsibility to contribute to the economic success of the firm by running their engagements profitably, and constantly seeking out ways to improve the economics of their work. We must learn to be efficient in the use of our resources, and vigorous in tracking how well we are using them. Each partner owes us all the responsibility of managing well not only our fee levels, but the costs to the firm in delivering our services.

Fourth, all partners should participate in some way to developing our practice by attracting and winning quality new business that allows us to be in the flow of stretching, learning, growing assignments.

This does not mean just getting more business, it means getting better business, and we should establish procedures to judge not only the volume of our business, but its nature. Our goal should not be to chase any and all new business, but to get more than our fair share of the best business. Being big is not our goal, being best is. When you hear from me, expect to hear more questions about the quality and nature of what you're doing than how much you are doing.

In the pursuit of quality new business, everyone should play a role. Some will do it directly through selling and proposal efforts, others through writing articles, others through deep involvement with existing clients and their affairs. But each one of us must play some part in the improvement of our practice through attracting interesting, challenging new work.

Last, but not least, every partner has a responsibility to contribute to the success of others. We are a partnership, and not a collection of solo operators (or independent offices) trading under the same brand name. If the firm is to achieve its goal of helping each partner succeed, then we must help each other. Each partner should be able, each year, to point to some specific contribution to the success of others. This might be bringing in work for others to do, it might be developing methodologies or technical ideas that others can use, it might be transferring your skill to others by coaching. But one way or another, we each must do something if we are to be a firm.

The same requirement to contribute to the success of others should (and will be) applied in judging the success of practice units, offices, and disciplines. Any group that focuses only on its own results and does not help others will not be judged a success.

## On Accountability

If someone has accepted a responsibility, and agreed upon a goal, then we should get out of their way and let them do it. None of us should wait to be told what to do, or how to do it. We should expect each of our partners to exercise greater judgment. That doesn't mean abdication. It means that we should agree on clear goals, and put in place clear accountability (result) tracking systems, and give individuals the freedom and the responsibility to figure out how to get there, giving assistance only



when it is asked for. We must not micromanage.

## On Rewards

In judging performance, we must be thorough in conducting performance appraisals which focus on non-financial as well as financial objectives, and we must be vigorous in ensuring that each partner receives in-depth feedback, assistance and coaching on performance.

## On Management

We do not have room in our firm for people in managerial positions who spend their time on administration. We need managers, but not to play cop or boss. I believe that the job of a manager or practice leader is to help other partners succeed. Management is a responsibility, not a reward. We must not glorify those who occupy "positions", but choose the person most skilled at managerial duties, and reward them only if they are effective managers.

Managers should be deeply involved in client affairs, not necessarily by being the lead partner on their own engagements, but by spending significant time on client relations with clients of the office, by being a practical source of help on other partners' assignments, and participating in practice development activities.

Managers should also be deeply involved with the activities of the partners in the office. They should be available to resolve issues, form teams, provide assistance and make it easier for partners to focus on their clients. Managers and other practice leaders should be hassle-absorbers, not hassle creators.

We must devise methods to ensure that our Managers operate in these ways, and truly add

**“Managers should be available to resolve issues, form teams, provide assistance and make it easier for partners to focus on their clients. Managers and other practice leaders should be hassle-absorbers, not hassle creators.”**

value. All of us must be willing to be accountable for performing our respective roles well. If client partners are to be held accountable for their performance (financial and non-financial), the same must be true of those asked to accept managerial responsibilities.

## On Clients and What They Want

I believe that clients can make few distinctions on the technical capabilities of the best firms, and place great emphasis on the ability of the individual partner to enter their world, relate to them in their language, talk to them about their business. We will never succeed by being technicians alone, no matter how high our level of technical skill. Clients want us to know their business. They want us to be interested in them.

## On My Style

I like to be decisive. I have learned that we can often live with a bad decision, but we are certain to be hurt by no decision. I am willing to take risks, and to encourage and reward risk-taking. Call me on that if I depart from it.

I like to ask "What new things have you tried lately?" – only by trying new things will we get better.

I like to be consultative. That doesn't mean unanimity, or even consensus. It means soliciting views, asking a lot of questions, and then deciding. I like to hear other people's opinions. Don't let me behave any other way.

I don't like to launch things that I'm not prepared to follow through on. If I'm involved on an initiative, expect me to monitor it carefully – and let me know if I don't. I don't make promises I can't keep – you should fire me if I don't live up to that promise.

I like to be straight and tell the truth, and I like to be told the truth. I want to hear the bad news, if there is any, and I want to hear it early enough for me to try to help, and do something about it. Life's too short for politics and games playing.

I believe in extensive communications between management and partners, in both directions. This will mean meeting with clients and partners frequently. Keep me honest on this one, and let me know if what I'm doing is insufficient.

## Summary

That's not all I believe, but it's enough for now. I hope you found these thoughts of interest, and of help. If not, well then . . . yes, you've got it. Let me know!

This article was excerpted from David's last book *Strategy and The Fat Smoker* (Spangle press, 2008)



**DAVID H. MAISTER**

is the author of *Managing the Professional Service Firm* (1993), *True Professionalism* (1997), *The Trusted Advisor* (2000) (coauthor), *Practice What You Preach* (2001), *First Among Equals* (2002) (coauthored with Patrick McKenna), and *Strategy and The Fat Smoker* (2008). Prior to launching his global consulting practice in 1985, he served as a professor at the Harvard Business School.

# BUILDING AN ENVIR

NOTES FROM

## QUESTION:

As someone who is about to become this firm's newest managing partner, my predecessor identified one challenge that he immediately confronted when he took office. The issue is, after you become the firm leader, how do you get a good grasp of people's candid views, especially when it sometimes seems like all of your partners, and indeed the whole firm, is conspiring to tell you what you want to hear? In other words, how do you ferret out the truth when well meaning partners edit themselves, your administrative staff are not naturally inclined to disagree with you, and the information you receive is, so often, being filtered?

## RESPONSE:

Your question implicates many of the most fundamental issues with which a law leader must deal.

Open communication is based on trust. The managing partner must set the tone for an environment of trust by being worthy of trust and conducting himself in ways that demonstrate that he is worthy of trust.

Assuring that there are people within the firm who will "speak truth to power" is another important ingredient. In most firms, there are at least two or three members of the governing body within the firm (executive committee, management committee, or board) on whom the managing partner can rely for candid input and feedback. Senior members of the firm's staff also can function in this role. An executive director who is willing to speak candidly with the managing partner is a rare and valuable resource. Cultivate these "truth speakers" to reinforce with them that their candor is invaluable to your performing your role.

Openness and accessibility will promote more effective communication. Resist the temptation to remain in your office. Get out



and about within the firm. Visit other offices and with members of staff. In some firms, managing partners hold informal gatherings of partners or associates to receive input. Ask your colleagues, lawyers and staff alike, for their views on matters of interest or importance to the firm.

**“Listen to what your colleagues say to you. Nothing will shut down a channel of communication faster than a leader who appears disinterested or distracted when others are speaking their minds.”**

The next point is critical: Listen to what your colleagues say to you. Nothing will shut down a channel of communication faster than a leader who appears disinterested or distracted when others are speaking their minds. Good listening on your part will prompt others to be more forthcoming with their views. Sometimes, it

is desirable to follow up with questions and to probe to assure that you are receiving the whole story. Following up with questions—one form of this is called "active listening"—demon-

# COMMENT OF TRUST

T H E L A B



strates that you are engaged and interested in what the speaker is saying to you. Be thoughtful about the questions that you ask; they can affect what you hear. Focusing on an individual's point of view might work well for some, while asking about what others in the firm appear to be thinking might work for others. Asking colleagues to comment about an idea or program under consideration by the firm's leadership can encourage some colleagues to share their views.

Take care to understand and place in context what you hear from others within the firm. Be wary of generalizations—"everybody opposes this measure," or "no one wants to open an office in Lapland." These generalizations often are no more general than the personal perspective of the speaker or of those with whom the speaker associates. Also, understand that some comments imparted to you will be more thoughtfully

developed than others. Some will be products of the moment, representing a "top of mind" reaction and not products of deep thinking or persistent conditions. Again, questioning the speaker will promote better understanding of the basis for the communication and will reinforce your openness to the views of others. In short, develop the skill of "reading between the lines."

We suggest that you consciously promote diversity of opinion within the firm. Look for opportunities to receive input from those whom you know or suspect hold contrarian views. Encourage others to disagree with you. This is particularly important within the firm's governing body. The leader isn't always right. Be willing to change your mind when another perspective is more persuasive than your own. This is not a sign of weakness, but rather a manifestation of confidence. Accepting and adopting others' views when appropriate will validate to others the importance of speaking up and expressing contrary views.

Be discrete and keep the confidences of your colleagues. Open communication with the firm's leader will be severely inhibited if confidences that colleagues impart to the managing partner are communicated throughout the firm. Keeping confidences can be lonely, but disclosing confidences, even in the process of consulting with others for advice, can be destructive.

***"Be willing to change your mind when another perspective is more persuasive than your own. This is not a sign of weakness, but rather a manifestation of confidence."***

Take advantage of a "honeymoon" period as the firm's new leader. Some channels of communication, such as with associates and staff, might be more open to you in your early tenure than after you've served in the role for multiple years.

Finally, understand that leadership can be a lonely role and that effective communication can become more challenging the longer that one serves in the leadership role. Be attentive throughout your tenure to building and maintaining healthy relationships within the firm that will be the sources of effective communication. These relationships will evolve and change over time, but it is essential that you have them.



# RULES OF ENGAGEMENT

Whether working with a practice group, an executive team or the members of some firm’s strategic planning committee, I continue to be struck by the dysfunctional behavior that is often present in group meetings. I don’t know why I continue to be surprised. Working together in groups is not a natural, comfortable or easy thing for many of us to do.

What I have come to learn is that the very best market-performing groups, in the best firms, have established for themselves some written guidelines by which all members have agreed to abide – and often, each partner in the group has physically signed-off on. These groups have discovered that in order to operate effectively they need to formalize what specifically they should expect of each other as members of the particular team. I have come to call these a group’s ‘Rules of Engagement.’

Rules of engagement are working guidelines which a group consciously establishes to help individual members decide how to act. These rules are intended to define a behavioral model which addresses how individual members will treat each other, communicate, participate, cooperate, support each other, and coordinate joint activity. They may be used to define and standardize the group’s procedure, use of time, work assignments, meeting logistics, preparation, minutes, discussion, creativity, reporting, respect and courtesy.

Here are some “Rules of Engagement” that I’ve seen the best performing groups embrace.

## PROFESSIONAL DEVELOPMENT:

- We are committed to personal and professional growth. To that end, we all agree that:

- every group member must have, and be working on, a personal career development and skill-building plan: no cruising is allowed;
- we will help each other in the group be the best that we can be;
- we will ask for help from the team or other resources if “stuck” or falling behind;
- we will be honest with any group member who is not pulling her / his weight; and
- every member is expected to freely share their knowledge, experience, time, personal contacts, clients and talents.

## WORK QUALITY:

- No group member will work on matters that could be delegated to a more junior professional. If any client matter can be delegated, it must be.

**“We will listen with empathy; hear with understanding rather than being judgmental or defensive, willingly solicit and discuss ideas; and agree to love every new idea for at least five minutes.”**

- We will all remain focused on performance, not personalities; and accept constructive criticism and choose to learn from it.
- As team members we resolve to always pitch in, when and where necessary, to help fix problems and catch-up should any important matter get behind schedule.
- We are human; therefore, we make mistakes and we learn from

them. We agree to be accountable for our own actions, behavior and choices. We will endeavor to avoid ever trying to blame things on others. We admit our mistakes.

## INNOVATIVE COMMUNICATIONS:

- We will always endeavor to be supportive of each other rather than judgmental. We will always promote an environment that is safe for participation, open communication and where group members don’t have to fear criticism or retribution.

- We will listen with empathy, hear with understanding rather than being judgmental or defensive, willingly solicit and discuss ideas; and agree to love every new idea for at least five minutes. AND, in that same spirit we will:

- before making a point, confirm to the group that we have understood the views of others by restating their point in our own words;
- whenever we pose an issue or a problem, also try to present a solution or optional courses of action;
- agree to not ever use "killer phrases" or negative body language; and
- if need be, agree to disagree.

## MEETING DECORUM:

- All members are expected to attend the monthly practice group meeting - unless out of town, on vacation, ill or attending to an urgent client matter that cannot be postponed. If someone is not able to attend the meeting, he or she should inform the practice leader at least 24 hours in advance of the meeting date.
- Conduct is very important. We agree to avoid words and actions that create a negative impression on any individual, the group, or our objectives. We encourage debate and differing points of view, and we will do it with care and respect. Therefore, we all agree that:
  - we will notify the team in advance if we expect to be late;
  - we will use our time wisely, starting on time and ending our meetings promptly;
  - we will be present, both physically and mentally;
  - we will place phones and blackberrys on vibrate (instead of ring);
  - we will listen actively throughout the course of the discussions;
  - one person speaks at a time;
  - we will behave as a participant, agreeing to take initiative and volunteer ideas;
  - we will keep to the topic, avoiding side bar discussions while others are talking;
  - we will "park" discussion items that don't relate to the meeting's topic;
  - what is said in the room, stays in the room;
  - we will have fun, but not at the expense of anyone else's feelings;
  - all meetings will end with an action list identifying specific responsibilities; and
  - everyone agrees to be responsible for the success of our efforts and therefore is expected to help facilitate, critique, and evaluate

**“Any and all commitments to complete a task or project on behalf of the group, once voluntarily made, must be treated as sacredly as any client promise.”**

each meeting.

- We expect to record the minutes of each meeting, clearly outlining the highlights, decisions and individual projects taken and that a minute taker (is a rotating task) will distribute the minutes within 24 hours of the meeting date.

## PROJECT IMPLEMENTATION:

- Any and all commitments must be made voluntarily, must be documented as to the expected deliverable or outcome, and accorded a clear and agreed to deadline date.
- Any and all commitments to complete a task or project on behalf of the group, once voluntarily made, must be treated as sacredly as any client promise.

## SHOWING MUTUAL RESPECT:

- The group owns all ideas and concepts – and we all agree to not talk disrespectfully about team members or activities in public.
- We take action instead of whining, positively work to inspire other group members, encourage others towards success, and avoid any “us versus them” language.
- We agree not to listen to or allow others to speak negatively about group members behind their backs.
- We ensure that any and all criticisms are made constructively with suggestions for improvement and using nonjudgmental language.

## GROUP CELEBRATIONS:

- We will strive to recognize and celebrate individual and team accomplishments; and at least quarterly identify in writing the progress that has been made toward achieving our goals.

To be effective, these rules of engagement must be clear, consistent, agreed-to (by total consensus), and followed. Any group should take the time to create and adopt some sensible written guidelines during its very first meeting. These should then be consulted at each meeting, added to and revised as needed.

*This article first appeared on [www.Slaw.ca](http://www.Slaw.ca)*

# UNITING A DIVIDED FIRM

N O T E S : F R O M T H E L A B

## RESPONSE:

This is a topic that members of our group have all worked at, for some time, with reasonable success and for good reason. Integration of multiple offices is very difficult, particularly if they come from different backgrounds through mergers. It takes constant attention.

While as Managing Partner, you can do some on this on your own and make an important personal contribution, in the end it is a matter of molding the firm culture into a "one firm" culture that is inclusive of all geographies at many levels.

Here are some steps that we would recommend:

### Examine and Address The "Us and Them" Warning Signs.

As you visit with people in each of your offices, see if you can begin to identify the various sources that may contribute to fostering any sense of "us-and-them" as you identified it.

**LISTEN** for: How are my partners talking about issues and problems? Is there a lot of finger-pointing? Do lawyers and staff use words like, "you" and "your" instead of "we" and "our?" For example, "You aren't making your expected revenue numbers" sounds much different to those involved than, "We aren't hitting our budget."



## QUESTION:

**I'm about to become (in two months) the new managing partner at a firm where approximately one-half of our lawyers are in one city (where my office is), while the rest are dispersed over four smaller locations, and across three States. There is a strong sense of us-and-them that unfortunately has developed. And being yet another managing partner from the firm's largest office doesn't help. One of the priorities, that I want to direct some of my attention to addressing, is to implement actions that would serve to make our long-distance working relationships more cohesive. I am planning to visit each of the offices before I assume leadership, and on a regular basis thereafter, but that doesn't really address the core issue here.**

**What has been your experience with handling this situation? What advice, what specific strategies and activities would you suggest that I implement?**

**LOOK** for: what we inadvertently might be doing within our law firm that promotes an us-and-them mentality. You may observe that there are a few things that either promote unhealthy competition between offices or result in people resenting one another; such as the way we:

- give each office separate identities or goals – such as office budget targets, etc.;
- acknowledge or reward people for contributions made at their office level rather than contributions made for the entire firm;
- keep them physically isolated—without encouraging or providing the budget dollars necessary to have lawyers communicating and meeting face-to-face on any kind of regular basis; and
- make it difficult to communicate such that there are limited technology tools (state-of-the-art video-conferencing) available to utilize when people cannot meet in person.

When any of this happens, it becomes *inevitable* that lawyers will, at best, tolerate those in other locations and at worst despise them. And, an "us-and-them" mentality can easily be amplified during times of change and economic pressure in the marketplace. This internal battleground saps capacity, distracts professionals

from properly serving their clients and subverts your firm's ability to develop a strong unified market presence.

Some things that you might try to make sure that you do during your visits, is to:

- remind your partners of some of the heroes within your firm who come from the various offices, what they have added to the firm's profile and reputation, and how proud you are of their contribution;
- describe some of the firm's long revered traditions (that may have been forgotten), some of the deeper values that lawyers from across all offices share in common, some of the goals that you believe everyone shares, and inquire of each partner whether he or she thinks that those are still worth preserving; and
- finally, ask your partners to help you identify the common challenges that they believe everyone in the firm must work together to resolve.

When you begin your term of office speaking the language of inclusion, it sets the tone for what you believe to be most important.

### **Ensure That Your Firm's Structure Supports The Desired Culture.**

With this as your starting point, it is then absolutely essential that you ensure that you have firm-wide groups with leadership dispersed firm wide.

Look at your firm's business plans. Are there practice objectives that go beyond local office based goals and opportunities? If not, should there be? Most firms have a mix of local opportunities and those without a strong geographic com-

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ponent - a nationally or regionally competitive expertise, a practice which could best be staffed with a mix of resources from your various offices, a client that has needs in more than one city where you are based, etc. Building plans that naturally require integration in the firm will help drive the result you want.

In other words, we believe that firm-wide practice groups are essential to integration. The representation of various offices among the leaders of the practice groups is critical. As managing partner, you may need to force this issue. Your message to the partnership is that "top of the matrix" must be firm-wide practice groups, not offices, as management entities. The same would be true of industry groups or similar constructs and client service teams.

Our LAB members believe strongly that office centrality is the great 'divide and conqueror' in any law firm structure. There should be no "branch offices" and "branch office" terminology. Be sure that your firm's staff understands the "one firm" message and does not emphasize

offices in their communications more than necessary. In fact, if it is feasible, you should examine placing some of your senior staff leadership in your other offices. And be certain to minimize "office" based intra-firm reporting (E.g. financials, sales successes, partner promotions; etc.). Any publication of office profitability statistics can be counterproductive. Of course, firm management will need this information, but the release of this information can create divisions among partners. Your role is also to ensure that you review every intra-firm communi-

cation to be sure it reinforces the 'one firm' message - or at least does not inadvertently undercut it.

Just having firm-wide practice groups is, in and of itself, not enough. You also need to encourage your practice group leaders to invest a greater effort than usual to create team identity and purpose. Each group needs to have specific written operating guidelines determined by the members of the group. You need to encourage cross-office matter staffing - there is absolutely no substitute for bringing people together than to have them working in harmony to satisfy a client's requirements.

Your firm-wide groups need to create as much face-time as possible so people connect at a human level, not just a task level. Whenever possible the practice group leader should be strongly encouraged to travel to one of the other offices to physically be there for the monthly group meeting. Each group should conduct a bi-annual practice group retreat to discuss and shape the direction for the group.

As managing partner, you should schedule frequent, formal feedback sessions — times when you can gather together the practice group leaders, from all offices, to specifically ask about what's working and what's not.

### Ensure That Your Systems Also Support The Desired Culture.

If the culture is deeply dug-in to an office-based configuration, and the *us-and-them* atmosphere is toxic, then it may be necessary for that issue to be addressed directly and openly in the firm to air it out and get people on board with a program to change the culture. It may be necessary to overdo this for a while to change direction.

In the interim, examine some of the levers you have available to you to shape your firm's culture, including:

- Put more money and time than you would prefer into communications and travel among offices and in bringing partners, associates and staff together - this includes not only yourself and the other lawyer and staff leaders, but others in the firm - in connection with , e.g., joint marketing and sales activities, training, etc and be sure it is not just people from the big office leading the way.
- Make sure that you spread firm leadership and committee roles among partners across the various geographic locations.
- It is a good idea to have some metrics to track the flow of work back and forth between offices. Many firms track the import and export of work. It is not so important that there be an exact "bal-

**“P**ut more money and time than you would prefer into communications and travel among offices and in bringing partners, associates and staff together.”

ance of trade." What is important is that work is flowing back and forth.

- Make certain and explicit in your compensation system that a firm-wide perspective and effective firm-wide integration and practice efforts are valued and recognized.
- Use small prizes or awards — that provide the occasion for partners to recognize that individual in one of the other offices that was most instrumental in ensuring that a client matter was executed properly or was most helpful to assist with a specific task, or whatever.

### Shift The Focus

In the famous book on negotiation *Getting To Yes*, we're told to focus on interests, not positions. Us versus Them happens because there's some set of interests which are in opposition. One key action you can take, then, is to change the focus to something of common interest to all of the partners. Some of the ways firms have found to create a "we're all on the same team" mindset includes:

- Target a common enemy.

Help lawyers and staff keep their eyes on the big picture, the external challenge or competitor. Firms have often found that

there is nothing that can unify diverse interests faster than working to beat a competitive firm that shares a common footprint and one that represents a formidable market rival.

- Create a common foundation of pride in what you can achieve together.

Where firm members work together on volunteer tasks, personal betterment tasks (raising money for a charity) or come together to build something great, it serves to help build bonds of friendship and trust. For example, many firms that have purposely gone after a "best places to work" award, report that the effort required, the energies invested and the satisfaction of being recognized has done more to unify their firm's spirits than anything else they could have pursued.

Whether you decide to create a new shared performance metric, rally around a shared threat or aspire to a shared ambition, your central task is to find a common ground and a context that everyone can relate to. Everyone in every office needs to understand what is at stake and what can be achieved together. This helps shift the focus. The goal is to change from being on different sides to being on the same team.

As someone once put it very eloquently – in order to put an end to us versus them, us must become them, and them must become us.



by Patrick J. McKenna

# LAW FIRM LEADERSHIP REFLECTIONS

P R A C T I C A L A D V I C E F O R T H O S E W H O  
M A N A G E

## Roundtable Discussions at the ACC

The Association of Corporate Counsel (ACC) recently hosted a roundtable discussion among a number of their senior general counsel. The discussions featured general counsel from major multinationals including Coca-Cola, Kimberly-Clark, BT, Astellas, NEC Europe, Boston Consulting Group, and others. Here are some of the highlights that grabbed my attention:

- **A flat budget is the new norm.**

*"We've kept spending flat, and that's something we really need to continue doing."*

Most agreed that over the past three years internal legal teams had been subject to cost-cutting constraints that had resulted in reduced staff and efficiency drives. They agreed that in-house budgets were likely to remain flat in the coming years. In addition, the biggest driver was reducing external legal spend and attempting to keep as much work in-house as possible.

The push to drive down costs is being pursued by a variety of means, including:

- increased use of technology and standardizing work, such as non-disclosure agreements;
- making it mandatory for all legal spend to be signed off by the legal department, thus reducing the ad hoc legal spend by departments such as HR; and
- demanding that senior partners be involved in doing the legal work, instead of a team of associates, ensuring the work is completed quicker and, as a result, often cheaper.

- **Things aren't going back to the way they were.**

*"There's now an increased pressure to increase efficiency and I can't see us*

*"Uncertain client demands, encroaching competitors, and new technologies can be anticipated and managed only by routinely tracking them, even if they don't have any immediate impact on your firm's performance."*

*going back to how things were a few years ago."*

The bad news for law firms is that changes introduced as a result of the recession are here to stay. Firms were warned to expect a "sea change" in their client relationships over the coming years, while any expecting a return to the halcyon days before the col-

lapse of Lehman Brothers were "deluding themselves".

- **The changes are just beginning.**

*"There's a great deal of diversity in the legal profession, but having said that, I think many external counsel will have to change their business models and become more efficient and more cost-competitive in all but the most high-end areas. They need to recognize that most work isn't strategic, 'bet the company'-style work. Most matters can be handled by any number of firms."*

What particularly struck me about much of this discussion was the sense that the changes were not only here to stay, but that they were just beginning.

## What Are You Paying Attention To Going Forward?

As your firm's leader, what you pay attention to determines what your colleagues perceive to be most important. It therefore follows that if you do not track what is going on outside of the walls of your firm, you may soon be caught dealing with a priority that seems urgent but is less important than the one you should be dealing with. Determining what you will pay attention to is your first priority in effectively leading your firm. Here are a few challenges that you should not lose sight of:

*Don't get caught with your attention firmly fixed in the rear-view mirror.*

Many firm leaders get so caught up in the busyness of business, that they don't take a good long look at the world outside their firms.

Concurrently, the executive committee members also become consumed by these immediate issues, and firmly enmeshed in the fierce urgency of now. Yet, the uncertainty and potential impact of the future demands that we reallocate our attention - because disruptions in the client environment can disrupt our business models with lightning speed. Uncertain client demands, encroaching competitors, and new technologies can be anticipated and managed only by routinely tracking them, even if they don't have any immediate impact on your firm's performance. Executive committee members must now spend some portion of their time reading, listening, and thinking about the external environment. Even your senior administrative professionals should allocate some amount of their precious meeting time to looking out rather than in. Jim Collins described the highest performers, as those leaders who were always looking out the window to identify where success comes from and looking in the mirror to find the source of failure. This trait is especially valuable when dealing with an uncertain future.

*Don't fail to challenge assumptions until they bleed.*

Many of us often don't question our beliefs when it comes to dealing with uncertainty. We continue to assume that people will always read newspapers, buy music in stores and pay legal fees based on a billable hour model. We assume that our firms will work best with a practice group structure based on lawyer competencies. We assume that the United States will continue to be the global economic powerhouse and that the US dollar will continue to be the global currency. These could be right or wrong assumptions, but for every firm, whatever is assumed based on the past, is likely to be wrong for the future. As comfortable as it is to determine your priorities based on your past experience—and as much as it saves time and money—it is today, a deadly practice.

*Don't allow hubris to cloud your view of the future.*

By definition, arrogance makes you vulnerable to surprises. When you convince yourself that you have the answer—that you have a winning formula that will triumph in all circumstances — then something in the future is bound to get you. As Murphy's Law postulates, "If something can go wrong, it will." Intel's Andy Grove once insightfully suggested that "sooner or later, something fundamental in your business world will change." The future humbles us all. The challenge for everyone is to look into an uncertain future with a learner's mindset and maintain flexibility.

## How The Effective Leader Communicates

Always be sensitive to the fact that your words, as a leader, will be amplified and distorted. Manage your words carefully.

Pause to reflect before you speak. Choose your words deliberately. A well-timed question can be more effective in getting your partners thinking, than you trying to be persuasive. Manage your questions to comments ratio.

The fine art of leadership communication hinges most on you listening more than you talk. Leading doesn't mean that you are required to talk more than anyone else. In fact, just the opposite.

All of your words should be based on showing respect as a foundation to building and sustaining relationships. As soon as respect is left out of your words, you've lost.

"Your do must match the tell." Make certain that your words and your body language match. Given a choice between the two, empirical studies indicate that people will believe your body language before they'll believe your rhetoric.

Genuine words of encouragement and well-deserved words of praise are rocket fuel for individuals and practice groups.

Tough conversations on performance are part of your job. Embrace this reality and don't sugarcoat your message. Keep people focused on behavior and keep the behavior linked to performance.

## Experiences That Develop Leaders

I've just had the occasion to participate in a brainstorming session with a couple of seasoned managing partners wherein we were attempting to identify what developmental experiences might have the greatest impact on shaping a potential firm leader. We identified the following:

- Having the experience of leading a major substantive client project
- Fixing or stabilizing a floundering project
- Turning around an idea or client deal that fell apart
- Chairing an internal committee, project or task force handling a temporary assignment

- Being mentored by a gifted senior professional with exceptional qualities
- Confronting and guiding a junior professional with an identified performance problem
- Attending an intensive formal leadership skills-building program
- Actively engaging in an outside industry, civic or political leadership role
- Taking on a new career challenge in response to identifying a specific opportunity
- Taking control of a sensitive personal crisis – serious illness, family breakup, death
- Starting a practice or office - building something from nothing
- First time as a practice group leader or office head and having to manage peers

What do you think we're missing?

## Are You Being Afflicted By Strategy Viruses?

During the past year I've been very busy in facilitating the strategic planning process for a number of major firms. In every instance the firm has selected a number of well-intentioned partners to serve on their Strategic Planning Committee. And in nearly every instance I have witnessed these Committees, at some point in the process, being inflicted with one of a number of disabling symptoms of what I have come to label as 'strategy viruses.' Here are five of the most common:

### Inside In.

This is the tendency to focus on 'what we do' and not on 'what the client wants'. We structure our firms based on law school subjects and not on the industry focus of our clients. We look forward . . . to our past . . . with foresight firmly stuck in the rearview mirror. We are so afraid of losing our heritage that we don't dare change our culture; we are locked into our habits. Internally obsessed firms, who turn a blind eye to the emerging needs of their clients, the future trends in the profession, and the advancing moves of competitive firms rarely develop winning strategies.

### Not Invented Here.

This is a genetic mutant of the 'Inside In' virus, often diagnosed as the "let's kill the messenger" syndrome. It can present itself in a number of different ways: 1) not listening to or learning from others on the commit-

**“Tough conversations on performance are part of your job. Embrace this reality and don't sugarcoat your message. Keep people focused on behavior and keep the behavior linked to performance.”**

tee, quickly discounting their point of view; 2) dismissing what other competitive firms are doing as not meaningful or valuable; and 3) strongly believing that we have to have the perfect answer before we do anything – perfectionism before action. Everything requires the usual glacial response of: We need to form a committee to study this idea.

### False Positives.

The may be the most insidious virus of all. We engage in "nice-talk," being overly gracious to each other even if

we disagree. We quietly and subtly defend our own personal turf often to the detriment of the overall firm's best interests. We think that everyone has to agree before we act, so partners say they agree when they don't. Thus, partners participate in the strategy discussions, in the strategy formulation process, nod 'yes' in the meetings and then leave the boardroom not fully committed - or worse. This is an example of classic passive/aggressive behavior, which is like acid on the skin of your firm's culture and inevitably makes collaboration and implementation very challenging.

### All Things To All.

I see this a lot. We like to be busy; our badge of honor is full calendars, even if it excludes thinking and results. We hide behind our "busy-ness. We subsequently get engaged in doing lot's of 'stuff' and thinking it's a strategy. We have a host of priorities; each gets energy and attention; we can't ever say no; and we are not focused on the critical few. There is nothing we love more than the latest 'flavor of the month.' Our strategy is that we jump from program to program; without having any integrated initiatives; even though the partners all have a bone-deep cynicism about any "new" program.

### Marking Territory

My favorite, this virus presents itself in the form of each partner needing their own personal fire hydrant - insisting on being allowed to micromanage some little change (wordsmithing various documents), all in an effort to 'mark' the final work product as his or her own. It's one thing to customize the strategy output to your firm's culture, its quite another to get continually bogged down with partners needing to mark every step or initiative before it is allowed to move forward.

*The above was excerpted from [www.patrickmckenna.com/blog](http://www.patrickmckenna.com/blog)*

# THE LEADER'S ROLE IN INTEGRATING LATERALS

N O T E S : F R O M T H E L A B

## QUESTION:

Like many firms, we seem to have been more active, recently, in attracting talented laterals to our firm. I read an article that stated "law firm management must take a proactive and strategic role in planning the firm's partner integration efforts." So, as a brand new firm leader, what specific actions would you recommend I take responsibility for, in helping orientate and integrate these new lawyers?

## RESPONSE:

Your question asks about the Managing Partner's roles and responsibilities for effective integration of lateral lawyers into the firm. We identify a number of areas where the Managing Partner should have responsibility.

First, the Managing Partner should assure that the firm has an effective recruiting process for laterals. There are multiple dimensions that should be addressed here, including:

**A.** Assure that the recruiting process is designed to enable the firm to learn as much as possible about the lateral candidate. Because of constraints imposed by the confidentiality of many recruiting efforts, effective due diligence about lateral candidates often is difficult. Accordingly, the firm should strive to be creative and thorough in developing information about the lateral candidate. Google searches, searches of



court and bar records, and background checks are among the resources available. Develop a lateral recruiting checklist to assure that someone in the firm is responsible for obtaining desired information from/about the lateral candidate.

**B.** Be alert for clues that the candidate provides about his/her values and interests during the recruiting process. One member of the LAB believes that he can learn much about the lateral candidate during the recruiting process and in negotiating the "deal" with her/him. This is akin to the notion that people reveal their true selves on the playing field. Many lawyers reveal their true selves at the negotiating table.

**C.** Assure that your firm's recruiting process accurately portrays the firm's values and culture to lateral candidates and that candidates who do not mesh with the firm's culture and values are screened by the recruiting process. Unless this happens, no

amount of integration will be effective. As one member of the LAB put it, "integration won't turn pepper into salt or vinegar into sugar." The firm's approach to setting compensation is one critical element of the firm's culture with which the lateral candidate should become thoroughly acquainted during the recruiting process. In sum, assure that the recruiting process is oriented toward achieving alignment between the firm and the lateral candidate on the firm's approach to compensation and its culture and values.

**“Once the lateral is at the firm, look for ways to demonstrate to the newcomer how the firm's strengths can contribute to creating the opportunities that motivated the lateral's move to the firm.”**

**D.** Because many laterals consider changing firms for a “platform” at the new firm that appears to offer better professional opportunities, assure that the firm’s recruiting process accurately conveys to the lateral candidate what the firm’s “platform” is and that the firm doesn’t overpromise its capabilities. Doing so will help to avoid disappointments after the lateral joins the firm. Once the lateral is at the firm, look for ways to demonstrate to the newcomer how the firm’s strengths can contribute to creating the opportunities that motivated the lateral’s move to the firm.

Second, the Managing Partners should assure that the firm has a thoughtful integration plan/process (preferably in writing) for lateral lawyers, that the plan/process is properly led and staffed by individuals at the firm who will be accountable for successful lateral integration, and that the plan/process for integration is effectively implemented.

We identify several elements in an effective integration plan/process, including:

- Integrate the lateral into the firm through cross-staffing and cross-selling. Encourage the newcomer’s practice group to meet with the lateral early in her/his tenure with the firm to identify the existing matters to which the newcomer might be assigned and the existing clients of the firm who might benefit from an introduction to the newcomer. Focus first on what the practice group and the firm can do for the lateral and later on what the lateral can do for the firm by cross-selling clients that she/he brought to the firm for additional services from the firm.
- Ask the newcomer to prepare a detailed business plan for her/his practice at the

**“Involve the lateral’s spouse and family in firm activities. How a lawyer’s spouse feels about the firm, especially during the early days of the relationship, could have profound effects on how the lawyer will feel about the firm down the road.”**

firm. The plan should have both short- and long-term dimensions. The first 100 days at the firm are critical and could determine whether the new lawyer will succeed there, so insist that the plan be as specific as possible about what the lawyer intends to do and what the lawyer will need from the firm during that period.

- Integrate the lateral’s employees (legal assistants, associates, staff, etc.) into the firm’s work for existing clients of the firm, introduce them to others in the firm, and acquaint them with the firm’s culture.
- Introduce the lateral to the firm’s governance structures by inviting her/him to participate in the work of firm committees and boards.
- Encourage the people of the firm to include the lateral in social functions and to begin building friendships with the newcomer.
- Involve the lateral’s spouse and family in firm activities. How a lawyer’s spouse feels about the firm, especially during the early days of the relationship, could have profound effects on how the lawyer will feel about the firm down the road and how tolerant the spouse will be about the long hours that the

lawyer will devote to building her/his practice at the firm.

- Assign a current partner at the firm to mentor or coach the new lawyer. This partner should have responsibility for assisting in the lateral’s integration into the firm and for monitoring her/his progress at the firm, especially during the critical first 100 days of the lateral’s tenure with the firm. The mentor/coach should be held accountable for effective integration of the lateral and should report periodically to the person in the firm responsible for lateral integration.

- Don’t overlook the mundane, including such matters as licensure. It is important to know where the lateral is licensed, where she/he needs to be licensed, what she/he can do until licensed.

- Take a personal role in the integration by (1) helping to introduce the lateral to key elements of the firm’s culture; (2) explaining to the lateral how the firm’s compensation system is intended to work, including what is expected of lawyers at the firm in terms of their performance and participation in the compensation process; (3) assisting the lateral with “connectivity,” ie. with whom at the firm should the lateral “connect” on client, firm, and administrative matters; and (4) meeting personally with the lateral from time to time to assess her/his progress, to hear her/his observations about the firm and to learn from the lateral what improvements the firm might consider making based on the lateral’s experiences before coming to the firm.

Third, understand that all laterals carry some risk and that effective recruiting and integration programs are desirable to manage this risk.

# LAB Notes

In 2008 I introduced (together with Brian Burke) an initiative whereby distinguished current and former firm leaders offered their services to address the distinctive challenges facing first-time law firm leaders. Our Leadership Advisory Board (the LAB) offers a unique perspective from which to explore both the predictable and the surprising questions faced by new managing partners. You may find that a number of these issues are also pertinent to office heads and practice group leaders.

## MANAGING YOUR TENURE:

### In The Footsteps Of A Successful Predecessor

*How do you follow a well-loved and successful firm leader?*

### Managing Partner Compensation and Reentry

*What understanding should the firm reach with its managing partner about compensation and reentry to practice?*

### When The Urgent Displaces The Important

*Are there some techniques for getting a handle on the time needed to properly manage?*

### Double Team At The Top

*What is the proper division of responsibilities between a firm chair and a managing partner?*

## MANAGING YOUR PEOPLE:

### Building An Environment of Trust

*How do you get a good grasp of people's views when it seems like the whole firm is conspiring to tell you what you want to hear?*

### Uniting A Divided Firm

*How do you overcome a strong sense of us and them amongst the firm's various offices?*

### The Leader's Role in Integrating Laterals

*What is the leader's role in helping to orientate and integrate new lawyers?*

### Dealing With A Chronic Complainer

*What do you do with partners who are in your office every week complaining about something?*

### Keeping Morale Up

*When your firm is under duress, how do you go about keeping up the morale of your people?*

### Handling Boomers Approaching Retirement

*How do you assist your senior attorney's transition into retirement?*

### Having Performance Standards

*What kinds of performance standards make sense to have in place for shareholders?*

## MANAGING YOUR FIRM:

### The Question of Whether To Focus on Core Practices

*Should a firm invest the majority of its time and resources on its core practices?*

### Measuring Practice Group Performance

*What specific metrics should be used to assess the performance of a practice group?*

### Clarifying Role and Communications With Office Managing Partners

*As you shift to a practice group configuration, what do we do with office leaders?*

### Evaluating and Compensating Firm Leaders

*How do you evaluate and compensate partners for their leadership work - - from the Managing Partner to Practice Group Leader to the Office Managing Partner?*

## OTHER TOPICS:

### Reflecting Upon The Impacts Of Economic Adversity

*What strategic decisions should firms be considering in light of challenges in the economy?*

### Deciding To Downsize

*How can we help people adjust to the new realities and get things back on track?*

### Preparing For The Worst

*How do you manage partner's expectations in an economic downturn?*

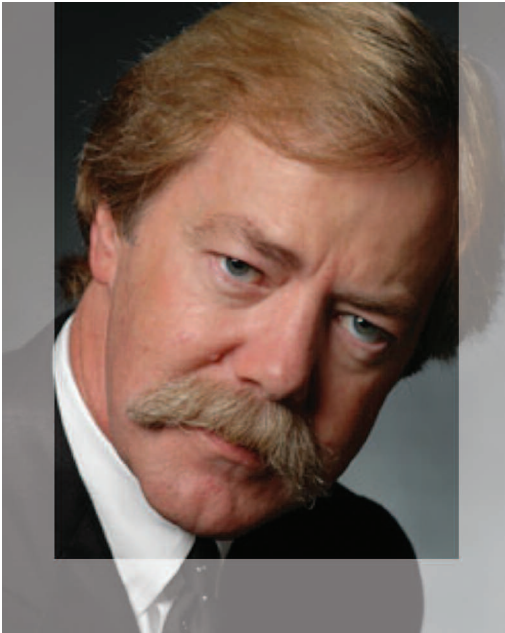
You may access all of these Q&A articles at:

[www.patrickmckenna.com/theLAB](http://www.patrickmckenna.com/theLAB)

The LAB is comprised of the following distinguished current and former law firm leaders: Angelo Arcadipane (Dickstein Shapiro LLP); John Bouma (Snell & Wilmer LLP); Brian K. Burke (Baker & Daniels LLP); Ben F. Johnson, III (Alston & Bird LLP); Keith B. Simmons (Bass Berry & Sims PLC); William J. Strickland (McGuire Woods LLP); Harry P. Trueheart, III (Nixon Peabody LLP); R. Thomas Stanton (Squire Sanders); Robert M. Granatstein (Blake Cassels and Graydon) together with Patrick J. McKenna.

# PATRICK J. MCKENNA

## P R O F E S S I O N A L P R O F I L E



An internationally recognized authority on law practice management, Patrick McKenna serves as co-Chairman of the Managing Partner Leadership Advisory Board, a forum for new firm leaders to pose questions about their burning issues. Since 1983 he has worked with the top management of premier law firms around the globe to discuss, challenge and escalate their thinking on how to manage and compete effectively.

He is author of a pioneering text on law firm marketing, *Practice Development: Creating a Marketing Mindset* (Butterworths, 1989), recognized by an international journal as being "among the top ten books that any professional services marketer should have." His subsequent works include *Herding Cats: A Handbook for Managing Partners and Practice Leaders* (IBMP, 1995); and *Beyond Knowing: 16 Cage-Rattling Questions To Jump-Start Your Practice Team* (IBMP, 2000), both of which were Top 10 Management bestsellers.

One of the profession's foremost experts on firm leadership, his book (co-authored with David Maister), *First Among Equals: How to Manage a Group of Professionals*, (The Free Press, 2002) topped business bestseller lists in the United States, Canada and Australia; has been translated into nine languages; is currently in its sixth printing; and received an award for being one of the best business books of 2002; while in 2006, his e-book *First 100 Days: Transitioning A New Managing Partner* (NXTBook) earned glowing reviews and has been read by leaders in 63 coun-

tries. The book *Management Skills* (John Wiley, 2005) named McKenna among the "leading thinkers in the field" together with Peter Drucker and Warren Bennis; and in 2008, the book *In The Company of Leaders* included his work amongst other notable luminaries like Dr. Marshall Goldsmith and Brian Tracy.

His published articles have appeared in over 50 leading professional journals, newsletters, and online sources; and his work has been featured in *Fast Company*, *Business Week*, *The Globe and Mail*, *The Economist*, *Investor's Business Daily* and *The Financial Times*.

McKenna did his MBA graduate work at the Canadian School of Management, is among the first alumni at Harvard's Leadership in Professional Service Firms, and holds professional certifications in both accounting and management. He has served at least one of the top ten largest law firms in each of over a dozen different countries on issues associated with strategic differentiation, improving profitability, client service excellence, and effective firm management.

## Managing Partner Magazine

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### FIRST 100 DAYS:

**MASTER CLASS FOR THE NEW  
MANAGING PARTNER**

**I**t may not be fair, but it's true: your first few months as Managing Partner—the time when you are just starting to grasp the totality of your new job—may well turn out to be the most crucial in setting the stage for a tenure that hopefully should last for years.

*Frankly, your master class really made me think about how to manage this transition. Not an easy thing in light of the circumstances. By the way, if you have graduate courses that continues on from this master class, please let me know.*

**Ira C. Kaplan**  
BENESCH FRIEDLANDER  
COPLAN & ARONOFF

**WHEN:** Wednesday  
January 26, 2011

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patrick@patrickmckenna.com  
*for a copy of the agenda*

**WHERE:** American Management  
Conference Center,  
New York, NY

### FIRING ON ALL CYLINDERS:

**MASTER CLASS FOR  
PRACTICE GROUP LEADERS**

**C**ongratulations! You have just been appointed as one of your firm's newest practice group leaders and you now have the care and custody of a group of your peers. This may be your first experiencing in managing or leading (or whatever you call it) a group. To be effective you must now forge a team out of a group of autonomous individuals. Only one small problem . . . you were never trained or given any guidance on how to go about organizing and managing a group of your fellow professionals. So, now where do you turn?

*For what it is worth I thought the training was excellent across the board. The interaction with the others was great as far as getting ideas and we even ended up continuing it a bit at O'Hare when we were delayed and I ran into some of the others. I have a lot to learn in this role but you certainly gave me a running start. I have already utilized some of the concepts at a team meeting last week and really got a pretty enthusiastic reception. Thanks again.*

**Jay M. Rector**  
FOULSTON SIEFKIN LLP

**WHEN:** Wednesday  
December 1, 2010

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*for a copy of the agenda*

**WHERE:** American Management  
Conference Center,  
New York, NY