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## Planning a Law Firm Retreat: Part I

By Gerry Riskin

The rapid growth of law firms in the past decade has created some new and unique management difficulties. With firms' size, and the complexity of global legal practices, coordinating the availability of partners to perform any management function beyond routine meeting attendance is increasingly difficult. The problem of finding partners to assume leadership roles is compounded by the feeling of many partners in large firms that they are functionally employees rather than owners. The values of the partnership model to which many law firms aspire are becoming difficult to achieve in a modern professional service organization. The problem is further compounded in large multi-office firms where partners not only don't know their fellow partners from other offices well, they may not have even met each other.

One solution to these issues for many law firms is a partner retreat. Typically held at a location away from the office, retreats offer law firm partners an opportunity to get to know one another and deal with some of the more complex issues of operating their firm, away from competing practice priorities.

The forms that firm retreats take are as varied as the firms themselves. Retreats range from little more than tax deductible vacations to cathartic events. One consistency, however, is that the clarity of purpose for the retreat and the quality of planning dictate the value achieved and the level of partner satisfaction about the time devoted to their attendance.

Edge International has participated in planning, facilitating and speaking at literally hundreds of law firm retreats. This paper represents our first formal attempt to debrief ourselves as to what makes for a successful retreat, what ideas work and which don't and how firms can get the most from the time and money expended in conducting a retreat.

### Why Law Firms Hold Retreats

The motivation behind a retreat may differ among firms. In general, however, we find that the most successful retreats involve at least one of five basic purposes. The most common retreat objective involves an attempt to develop a consensus of the partners about a specific plan or activity. In some cases this will involve the approval of a strategic plan. In others it may be to discuss a potential merger. Sometimes it is simply the opportunity to gain agreement on the routine functions of getting time reports in and bills out. A second common reason is to create a strategic direction for the firm, often as a prelude to developing and implementing a strategic plan. Another reason is to hold, what is essentially, an expanded annual meeting and conduct the firm's internal business. A fourth purpose is often educational. This may range from self awareness issues about the firm's culture or the personality of its partners to opportunities to learn about each other's practices. Finally, one of the true benefits that many firms cite as the purpose of their retreat is to create an opportunity for their partners to get to know one another in a relaxed setting.

In reality, many retreats represent a mixture of several of these purposes. And the purpose or mix of purposes may change from year to year as the firm evolves and new issues appear. What is important; however is that there is an understanding among, at least the retreat's planners, about the retreat objectives. This will help maintain a focus for the program and, hopefully, create a benchmark for measuring the retreat's success.

### Consensus Building Retreats

Most firms consider themselves to be operating as a democracy. This requires partners to approve most important issues that come before the firm. While this may or may not require a formal vote, in most firms it is a function of leadership to gain consensus by presenting information to the partners and giving them an opportunity to discuss and consider it. In a large firm this can be problematical. For national and international firms this process could take months and then a partner can participate only if he or she is available on the day that the leadership comes to their office. The debate is also isolated on an office by office basis with little cross germination of thoughts.

In a retreat setting, all of the partners obtain information at the same time and in the same format. They all have an opportunity to provide their input and gain from the insights of their partners. Perhaps most importantly, it gives partners the feeling of inclusion in the decision making of their firm. It makes them feel like an owner.

The need for consensus building is especially important with highly subjective decisions. Subjects considered at client's recent

retreats have involved internal governance changes, consideration of mergers, opening new offices, creating new practice areas, reorganizing into industry based groups and the creation of ancillary businesses, strategic alliances and joint ventures.

The process that is used to build consensus is important to the overall success of the retreat.

*Advance Material.* Lawyers are accustomed to dealing with the written word. Therefore, the distribution of written background material and factual information in advance of the retreat can be an important first step in gaining consensus. The best format is as a briefing paper providing summarized information using charts and graphs to present financial concepts. The length of the advance material differs from firm to firm and with the complexity of the issue. In most cases, the fact that the information is available in advance carries as much weight with partners as the information in the material itself. It is not necessary that the background material present a recommendation or a point of view. The purpose is solely to permit those partners who are interested to get themselves up to speed before the retreat begins.

*Frame the Issues.* In our experience, it is likely that more than half of a firm's partners will not have reviewed the preliminary material in advance of the retreat. Therefore, it is advisable for the Managing Partner or the partner spearheading the issue to present a background report early in the retreat. It is important in that presentation to frame the issues. For example, if a retreat is about the firm's growth, one of the issues may be to consider whether mergers are a viable means of achieving growth and if so, under what circumstances. The issue is not whether the firm should or should not merge, but, rather, to give preliminary consideration of whether mergers are valid options.

*Facilitated Session.* Giving partners an opportunity to discuss the issue using a skilled facilitator enhances the constructive consensus building.

*Breakout Groups.* With large retreats, breakout sessions are often more effective than participation in a full firm meeting. With complex issues, each group can be given a different aspect to consider and report back to the group as a whole. The facilitator then leads discussion on the results of the breakouts.

*Voting Machines.* A number of companies provide wireless voting machine by which partners can express their opinion about an issue with near instantaneous tabulation and display. These can be extremely effective because they allow partners to participate in a highly objective format without the delay of a written ballot and without the time required for every partner to speak.

*Follow-up and Summary.* It is important that some member of the firm or the facilitator have responsibility for recording the results of the consensus process and distributing it to all partners promptly after the retreat. While this seems like a simplistic step, it is amazing how quickly memories fade as to what was decided.

## **Developing Strategic Direction**

Strategic direction sets out the goals and the basic means of achieving those goals. Strategic planning requires a significant amount of soul searching about the future of the firm which is hard to do at a two or three day retreat. In fact, strategic direction is a leadership function and cannot effectively be determined by the partnership as a whole. It is possible, however, for a firm to use a retreat as a catalyst for strategy by developing issues to be considered and setting the stage for a strategic planning function.

### **Preparing for a Strategic Directions Retreat**

The success of a retreat can be enhanced by doing some preparatory work prior to the retreat on the issues the partnership feels are important.

One way to do this preparation is to obtain partner input about relevant issues. The value of seeking partner (or partner and employee) input is not only the feeling of inclusion it provides the participants, but the insight it provides permits the firms leaders to focus on the most important issues at the retreat. It often also helps save the leadership from pursuing strategic issues that are blind alleys with little chance of success. Presenting the results of partner input at the beginning of a retreat also serves to gain partner's attention and focus them on the importance and relevance of the issues to be considered. There are a number of ways of getting input:

*Partner Surveys.* Many firms find it useful to ask partners to complete a survey prior to the retreat dealing with directional issues. Not only does this provide useful input that can be analyzed at the retreat, it gives the partners the feeling of involvement in the process. Most importantly, surveys tend to focus the partnership's interest and thought process toward the driving issues facing the firm in its market place rather than a rehashing of the internal issues that partners will often find more interesting, if left to their own devices. We have found that the survey format that is most likely to draw a strong partner response is web based.

Most good legal consulting firms are able to set up a web based survey instrument quickly and for a relatively low cost.

*Focus Groups.* An alternative to surveys is to get together groups of partners, associates, staff members and clients to consider where the firm is and should be in the marketplace. Assuming that the partners have been chosen in a manner to be representative of the partnership, focus groups can be extremely accurate. In fact, if well performed they can be more active than surveys because focus groups provide the ability to inquire to clarify responses, observe body language and use group interaction to test the depth of opinions. To be effective, of course, required that the groups be well planned and lead by experienced facilitators.

*Partner Interviews.* Individual partner interviews provide an opportunity to intensively understand the level of partner's opinions, emotions and preferences. The only limiting factors in the interview process are time, the selection of interviewees and cost. The combination of conducting an interview and creating a record of the results typically takes 45 to 60 minutes per person. This means that a skilled interviewer can only meet with, at most 10 partners per day. The process can be accelerated by meeting with groups of two or three partners at a time, however, there are risks that individuals may be reluctant to express true opinions in the presence of another person or that the resulting interview can be dominated by one person. Indeed, experience demonstrates that focus groups of six to eight people are usually more accurate and effective than small groups of two or three. There is also a statistical risk with interviews because, typically, partners select themselves for interview by signing up or agreeing to a time. The results are, therefore, somewhat flawed because information is not obtained from those too disgruntled, disinterested or intimidated from failing to participate.

Another method of preparation is to prepare briefings for participants in advance of the retreat. Many firms find the whitepaper to be a valuable way of disseminating information. Whitepapers are briefings on a single topic that present all relevant background information and discuss potential courses of action. Because lawyers respond so well to the written word, a series of well prepared, concise white papers be much more effective in preparing the partnership for considering strategic issues than oral presentations at the retreat.

#### Obtaining Partner Input at the Retreat

If a firm prefers not to obtain partner input prior to the retreat or the timing of the retreat does not make this possible, there are still means of systematically collecting partner input at the retreat. One of the most effective methods is, what we have come to call, the Growth Aspirations Survey®. The Growth Aspirations Survey can be used in a number of ways, however, one of the most successful is as a homework assignment on the first night of the retreat. This survey seeks partners gut intuitional reactions to growth and strategic issues. Therefore, when performed away from the institutional settings of the office with a limited response time in which to ponder the issues, the survey can provide a quick but highly accurate insight into partner's personal reactions to the issues that confront the firm. The Growth Aspirations Survey also works extremely well using voting machines.

#### Breakout Sessions

Dealing with strategic issues in a large group can be unwieldy. We have experienced great success in using breakout sessions at retreats. Groups, as large as 25 people, can function effectively and accomplish a great deal in a short period of time. There are four keys to successful breakouts:

1. The group must reflect either a random selection of participants or a pre-selection designed to incorporate a reflective mix of offices, practice areas and demographics. One popular way of doing this is to have each partner select a breakout group number from a fishbowl upon entering the first retreat session.
2. There must be a highly focused agenda and express expectations. Asking a breakout group to talk about an issue will yield little of value. Instead, asking a group to come up with three ways we can increase our name recognition among venture capital companies provides a focus and expectation.
3. Participants in the groups must be briefed on the techniques of brainstorming. The concept of drawing out ideas is contrary to the lawyer mindset. However, given a few rules, lawyers can adapt very successfully to creative discussions.
4. There must be a skilled facilitator. Since there are too many breakout groups for the use of consultants as facilitators, it is necessary that selected partners fill that role in each group. To be effective, however, facilitators must be trained in facilitation techniques. Typically this can occur in about 90 minutes the morning of or the night before the retreat.

#### Facilitated Sessions

The power of a retreat is the facilitated sessions. These are sessions at which the partnership as a whole decides the firm's

strategic direction using the partner opinions solicited either before or during the retreat, and the decisions made in the breakout groups. The strength of these sessions is the sense of consensus that occurs as the partners draw together and jointly make decisions about the firm's future.

The best facilitated sessions occur in a carefully planned rhythm with the breakout sessions. Often this involves a plenary session where an overview of a topic is presented and breakout instructions are given. The breakout group meets with each group having a secretary who records the results. At the beginning of the next general session the secretaries present their reports and the facilitator draw a consensus of the entire firm.

#### Follow-up and Reporting

Although everyone was at the same retreat and experienced precisely the same presentations and discussions, it is amazing how recollections of what happened can change over even a short period of time. A partner, or the firm's principal administrator, should be responsible for recording a brief, one or two page record of the results of the retreat which is promptly distributed to all partners shortly after they return to the office.

It also makes sense to schedule a follow-up meeting within two weeks after the retreat. A great way to wrap up a consensus building retreat is to identify two or three action agenda items to be addressed between the retreat and the follow-up meeting.