Leadership for the Long Haul

By Nick Jarrett-Kerr

The 'First 100 Days' for any managing partner may be challenging but life tends to get even harder during ensuing periods in office. Managing partners often find that they have been selected or elected with a mandate to deal with short term problems which need no more than competent administrative skills to solve. After their initial honeymoon period, they then need to develop leadership skills to succeed in taking the firm further forward and to deal with resurfacing longer term issues. This article helps leaders to focus on leadership skills for the long haul and to convert from well-paid administrators into true leaders.

Stuck in the Administrative Quagmire - who is to Blame for Badly Run Law Firms?

Partnerships are not what they used to be. Over the last twenty years professional service firms have changed and grown out of all recognition. And with those changes, the tectonic plates underpinning partnership dynamics have shifted permanently. The fact is that – with the exception perhaps of very small partnerships – it is just not possible to get by any longer without some basic elements of leadership. According to conventional wisdom, law firm partnerships are in many cases difficult both to manage and to lead. And conventional wisdom further tells us that the problems all boil down to issues of trust and bloody-mindedness amongst the partners. Well, as we know, conventional wisdom is often wrong. Just as a poor workman always blames his tools, it is easy to blame everyone else other than oneself for ones ills. Before pointing the finger of blame at the average back bench partner, it is worth looking at the record of partners with leadership and management responsibilities.

When you look at the leadership record

Seven Habitual Failures of Managers

1. Inconsistent Standards
2. Short Term Thinking
3. Failure to Follow Through
4. Weak Communication
5. Poor Prioritisation
6. Controlling Behaviour
7. Ineffective Decision-Making

in many law firms, you don't have to look very hard or long to see that back bench partners are probably right to be sceptical of management or to distrust their leaders.

What we see in many examples of law firm leadership is a management shambles exemplified by seven habitual management behaviours which – even when briefly suppressed under new management – tend to resurface under stress and can become chronic. These "default" behaviours are:-

Inconsistent standards. Standards for partner roles, responsibilities and behaviours are agreed and set, but are not applied by partners in management positions for several reasons. First, a degree of favouritism is often shown to cronies and power partners, particularly partners who are responsible for a large book of business. Second, many managing partners prefer to avoid confrontation whenever they can. Third, the standards are generally vague and leave much room for debate and varying interpretations. When I was a managing partner, I felt undermined for many years by the unpleasant behaviour of one partner who was a hugely powerful figure in the firm. This partner was a fee baron, responsible for large personal billings. He was however in my opinion a poor manager of people, a poor communicator and unreliable and unsupportive on internal projects. Why did I allow him to behave badly and to sabotage my efforts to manage the firm? To my shame, I have to admit that the situation was partially my own fault, in that to some extent I lacked the courage to stand up and confront him. But I also found that I had little or no support within the senior tier partnership for any form of confrontation. This failure had a corrosive effect on discipline elsewhere. The point is that if you fail to enforce the rules against even the most powerful and senior of partners, it becomes consistently more difficult to enforce them against anyone else.

Short term thinking. This is usually exemplified by a focus on fees and hours and practically nothing else. Many firms appear to be focused on short term profit to the detriment of long term investment. Additionally, we live in an instant world, where emails appear to require instant responses, and where short-term crises (partner and client defections, cash flow problems, and bickering within the partnership) seem to happen with increasing frequency and demand fire-fighting attention. In the face of these distractions, it is a challenge for the law firm leader to rise above the clutter of short-term urgent issues to deal with the important long-term priorities.

Failure to follow through. I have lost count of the number of incomplete management projects and failed initiatives which I have seen in law firms. The problem is that if partners see a history of half-finished undertakings, they will quickly become cynical about the next project and any form of change becomes more difficult

Weak communication. Managers so often fail to communicate adequately, consistently or even at all. Some managing partners prefer to communicate exclusively by email, if at all.

Poor prioritisation. In addition to the problems of short term fire-fighting, managing partners often get bogged down in trivial administration and miss out on the important task of interacting with their people. Such managing partners probably spend only a few minutes a month on long term planning. Practice area heads are often just as bad. By spending a disproportionately large amount of time on client work, they neglect precious management nurturing and further devalue the management currency.

Controlling behaviour. Open and empowering management is not easy, but there are some law firm leaders who only seem to be able to manage by imposing of heavy controls. Thankfully, complete control freaks rarely last long in law firms, but we see many examples of unnecessarily controlling and directive behaviours amongst law firm leaders.

Ineffective decision-making. In some law firms, reaching a decision made is a tortuous and slow business. It is not unusual for a leadership group to suffer paralysis by analysis or – at the other extreme – knee-jerk into hasty and ill-considered decisions in a misguided attempt to appear decisive.

In the face of all this, it is not surprising that back bench partners can be deliberately uncooperative, bloody minded, grudging, untrusting and sceptical about the way in which a sorry mixture of poorly structured partnership governance, badly drafted partnership rules and inferior leadership skills lets them down. In short, I see many firms falling into a management morass for which blame must be shared right across the partnership. Conversely, there are a few firms around the globe led by a leadership group which enjoys a great deal of trust and in whom the partners repose the utmost confidence. These firms did not achieve their leadership model by luck but by getting their leadership recipe right.

In Case of Trouble, Change the Leaders!

The knee-jerk reaction of many firms in a management mess is to appoint a new leadership group or a new managing partner, often without much thought to the firm's underlying governance and structural issues, or the malaise and general partner cynicism into which the firm may have lapsed as a result of previously poor management and leadership. Nevertheless, a fresh set of faces may work well for a short period while the new leadership group addresses all the short term problems facing the firm. Yet many managing partners feel that they have been appointed with a specific mandate – to sort out profitability issues or underperforming teams, for example. Such managing partners get down to their initial responsibilities with enthusiasm, and the freshness of their appointment often fosters a honeymoon period that enables some early successes to be achieved. Following this period, three problems typically arise.

First, the early, short term issues usually demand capable administrative skills rather than advanced leadership capabilities. Getting out of the administration rut to become a true leader is then somewhat difficult. The early term game plan inadvertently can become the long term management plan. This condition often coincides with the end of the managing partner's first term. The easy problems have usually been addressed by this time, but the underlying and more intractable issues remain. Thus, the key for any managing partner towards the end of the first term is to recognize that the management skills and attributes which led to his or her initial appointment (and which have enabled early successes to be achieved) are not necessarily the right leadership skills and attributes to lead to success in the second term. Organisational efficiency skills need to be developed into visionary direction setting

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capabilities. Success in solving problems has to be supplemented by the ability to motivate others. Mastery in achieving order and stability needs to be matched by expertise in stimulating and harnessing change. These require advanced leadership skills, as many managing partners recognise.

The second of the third problems at the end of the honeymoon period is that the underlying infrastructure often does not exist either for the firm to be run lastingly as a well co-coordinated business (offering a consistent "one-firm" approach to its clients) or for it to develop from a loose-knit organisation into a tight-knit institution. What happens is that some or all of the underlying leadership and infrastructure issues, which may have become latent during the new leadership's honeymoon period, then become blatant as the firm struggles to maintain its initial successes. This is not an easy problem to solve but requires a deep understanding of what the firm requires at its particular stage of growth and development to develop into an enduring institution. Work on the infrastructure (systems, processes and structures) needs to be combined with the nurturing of trust and attitudes within the firm to create a sense of belonging and unity which will drive long term success.

The third problem to arise at the end of the honeymoon period is that, faced with more difficult and intractable issues, the dormant management behaviours – 'the way management is usually done round here' - can again become the 'default' standards and the vicious management cycle starts all over again. Yet again, the managing partner needs to examine the management styles prevalent in the firm and to take a view as to whether those management styles will continue to enable success or will need to be adapted in order to encourage a more flexible environment.

Obtaining the right environment for successful leadership

I have observed four essential elements which successful firms must consider in order to provide the right environment both for the long term success of their firm and also to provide the right foundations for their leaders to prosper in both their first and subsequent terms. These elements are key ingredients in the successful leadership recipe. Somewhat magically, addressing these four issues establishes a virtuous cycle. To achieve success, the leadership group must move out of its administrative comfort zone by exercising leadership skills. Correspondingly, by introducing new ground rules, the exercise of leadership skills facilitates running the firm in a more business like manner.

Running the Firm as a Business

1. Clarity of Rules
2. Coalition of Leaders and Managers
3. Collegiality not Control

Clarity of Rules

The first step is to clarify the rules of engagement for partners. It is well worth persevering with efforts to agree some essential and clear disciplines and accountabilities. Real agreement, with head and heart, is needed

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to establish a shared vision and agreed values. A healthy debate should be promoted within the firm with a view to agreeing and introducing an effective level of management intervention into partner activities. The discussions should focus on what is needed to ratchet up partner ambition and performance. But the firm's leaders should be extremely careful not to introduce disciplines and rules unless they are committed to carrying them through without fear or favouritism. What is more, the agreed rules should be clear and unambiguous. It is, for example, much easier for a policeman to enforce a 30 mile an hour speed limit, than to try to enforce a law to drive carefully. Equally, a rule that requires team meetings once a month or staff appraisals twice a year, is much easier to monitor and enforce than a general requirement to treat staff fairly.

Coalition of Leaders and Managers

Second, the firm's leaders should achieve unanimity among themselves about both the enactment and the enforcement of partnership disciplines. A coalition of cohesiveness should exist between the senior partner or chairperson and the managing partner, which should also extend to the rest of the Board or management committee. I have to admit to failing (in a former existence) always to practice what I now preach.

Collegiality not Control

Third, it should be clear to the rest of the firm that the leaders will exercise their power and authority in a spirit of collegiality rather than as control freaks. Here, there are two extremes of fears and concerns to be addressed amongst the back bench partners. At one extreme is the issue of trust – it is important at the rule-setting phase to ensure that all partners are satisfied that the rules will be enforced fairly, as otherwise they are unlikely to ratify them. At the other extreme is the issue of inertia and apathy. Many partners will feel safe in voting for something in the perhaps mistaken belief that what they are voting for is a transient management whim which they may indulge at the voting stage for a quiet life, but which will never in fact be enforced. A balance is not easy to strike here. The leaders must work hard to gain credibility. They should also, wherever possible take time to speak to all the partners on an individual basis, both to discover their fears and anxieties and to persuade them that it is safe to agree to what is suggested. In other words, the leaders should display leadership skills at the rule setting stage as well as the enforcement phase.

Consistency

The fourth element is the issue of consistency which clients complain is so often lacking in law firms. Traditionally, lawyers often practiced more as individuals than as part of a team. Although things have changed, some of these historical patterns remain. Young and inexperienced lawyers are still faced with the mystery of adapting to very different working methods and practices between partners in the same practice area. Even now, different practice areas operate under independent rules and systems including some of the basics such as document house-styles and storage operating diversely. Clients still complain of patchy service and dissimilar operating methodologies, systems and quality standards between offices and departments of the same firm. The achievement of a one-firm consistent ap-

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proach is in itself a huge project not least because partners are resistant to change, particularly when changes are demanded of them in their day to day working practices.

Cutting the Second Leadership Album

As one managing partner pointed out to me recently, "The first album for any singer is the easiest; it's the second album which is more difficult." Even if the thrust of the first term has been fairly explicitly the achievement of short term problems and projects which have needed little more than good administrative capability, a managing partner will nevertheless have built up a credit balance of trust and confidence in his or her abilities which can be tapped into during the next more leadership-oriented phase. Bluntly put, the imperative is to shift attention from the original and usually short term objectives towards the longer term objectives of developing an enduring institution. There is no point in a managing partner accepting this challenge unless he or she is highly driven and able to expand his or her own horizons and skill set. The ability to be focused and purposeful in the pursuit of long term priorities with a deeper sense of purpose and direction is paramount. If the firm is to be successful, the managing partner must act as a role model for the partners to follow, demonstrating confidence and a quartet of 'self' attributes which are not taught on management courses – self-knowledge, self-belief, self-proactivity and self-learning. The managing partner will also need a set of leadership skills that are capable of development – from problem-solving skills through to mental agility, particularly the ability to multi-task and cope with several problems at once.

I have also written before about the development of strong emotional intelligence . This article identified the need for managing partners to develop the ability to sense, understand and respond appropriately to the moods, temperaments, motivations and desires of the people in the organisation. This cannot be achieved from the safety of the managing partner's office, but thought interacting with all levels of partners, associates and staff. However, by far the most important challenge for the second term managing partner is to free himself or herself up from the comfort of performing low level and undemanding management or administrative tasks and to take time to think, undertake long-term planning and spend quality time listening, deliberating and developing strategies which will take the firm forward.

This freedom can only be achieved when the other ingredients are in place and the firm is positioned to be run as a business and to be developed into an enduring institution.

Only by focusing on the horizon, and by developing the skills, characteristics and personal resources needed for the long haul can the capable administrator begin the conversion into a true leader.