



International Review

S P R I N G 2 0 0 6



INTUITION: HOW LEADERS USE THEIR BIAS TO EVALUATE SITUATIONS

by Karen MacKay

MANAGING A LAW FIRM'S CULTURE

by Ed Wesemann

INTELLIGENT DESIGN FOR LAW FIRMS

by Gerald Riskin

BUILDING RESILIENCE

by Robert Millard



WHAT KEEPS MANAGING PARTNERS AWAKE AT NIGHT?

by Patrick J. McKenna

BECAUSE TODAY'S COMPETITIVE CHALLENGES DEMAND A HIGHER STANDARD OF PERFORMANCE



1 800 944-EDGE (1 800 944-3343)
in North America
0 800 964 911 in the UK
1 800 123 366 in Australia
0 800 101 706 in Germany
0 800 999 849 in South Africa
(402) 398 4969 North America globally



MICHAEL J. ANDERSON

has 15 years experience as an Executive Director of law firms and over 15 years experience as a consultant to the legal industry. His primary focus has been with partner compensation issues,

practice group leadership and profitability, as well as innovations within the profession. Michael can be contacted at anderson@edge.ai.



FRIEDRICH BLASE

is a German-qualified lawyer having worked for an international law firm for several years. His consulting practice focuses on strategic and

financial advice, management and operational transformations, and performance enhancement. Friedrich can be contacted at blase@edge.ai.



NICK JARRETT-KERR

is a UK Solicitor, the former Managing Partner of a large regional U.K. law firm and an expert in Professional firm leadership, management and strategy. His consulting practice special-

izes in professional firm leadership, management and strategy. Nick can be reached by e-mail at jarrett-kerr@edge.ai.



KAREN MACKAY

has over 20 years experience both working in and consulting to law firms ranging in size from 30 to over 2000 lawyers. Karen's practice involves execution of strategy: in particularly

the professional talent – their relationships with each other, their firm and their clients. Karen can be reached at mackay@edge.ai.



PATRICK J. MCKENNA

has worked exclusively serving professional service firms worldwide since 1983. Patrick is also co-author of the international bestseller, *First Among Equals* (Free Press, 2002). Patrick has served at least one of the top ten largest

law firms in each of over a dozen different countries on issues associated with developing competitive strategies, improving profitability, client service excellence, and practice group governance. Patrick can be contacted at mckenna@edge.ai.



ROBERT MILLARD

has more than a decade's experience as managing director of a South African consulting practice. His particular interests are in conflict resolution, extreme change management

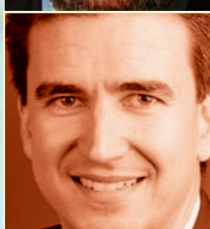
and assisting firms to proactively evolve their culture to align with their strategy. Robert can be reached at millard@edge.ai.



GERALD RISKIN

is a Canadian lawyer and Business School graduate with a global reputation as an author, management consultant and pioneer in the field of professional firm economics

and marketing. Gerry has clients which include the most prominent professional service firms in the world. Gerry can be contacted by e-mail at riskin@edge.ai.



MICHAEL P. ROCH

advises European professional service firms on all aspects of financial and performance management, strategic governance and merger integration, particularly in the US-European

context. He is admitted as Attorney at Law and Certified Public Accountant in the United States. Michael can be contacted by e-mail at roch@edge.ai.



ED WESEMANN'S

consulting practice specializes in assisting law firms with strategic issues involving market dominance, office location, merger and acquisition and the activities necessary for strategy

implementation. Ed has worked with firms ranging from 25 attorneys to several thousand. Ed can be reached at wesemann@edge.ai.

Managing Partner Boot Camp



Congratulations. You are the managing partner of a multi-million dollar business employing hundreds of people. Nothing in law school prepared you for your new responsibilities regarding the future of your firm and the livelihood of your fellow partners, your employees and their families. Your predecessor may or may not have been successful and his or her personal style may have been very different from yours. You are not alone. The most common comment we hear from managing partners is how ill-equipped they were when they assumed their position. It is precisely those comments that caused us to create the Managing Partner Boot Camp.

This will probably be different from any professional development course you have ever attended. First, the composition of the group is limited -- no more than 15 managing partners -- so the sessions are highly interactive and designed during each session to be immediately adaptable to the attendees' specific circumstances. Further, managing partners of similar sized firms are grouped together so that they can share common issues.

The seminar is free—well, sort of. Participants cover our costs. The cost of the meeting room, group meals and facilitators travel is spread among the participants. We anticipate it will cost each participant about US\$600 plus travel and lodging. We appreciate that we are all suspicious of things that are free but it is our intention to create an opportunity for you to learn from us and each other while, at the same time, we learn and develop a relationship with you.

FEEDBACK FROM PAST PARTICIPANTS

- *"Could not have spent the two days doing anything better on behalf of my firm."*
- *"A must for any new or experienced managing partner. The small group, interactive format was great."*
- *"Very useful program filled with practical, 'how-to' tips."*
- *"An A-Z of those issues which every managing partner will confront during his or her tenure."*
- *"Where the theoretical meets the practical. P.S. Gorilla drill was definitely a high point."*

2006 DATES AND LOCATIONS

APRIL 10-11, 2006	50-150 lawyer firms	SAVANNAH, GA
JUNE 23-24, 2006	All sized firms	FRANKFURT, GERMANY
JULY 13-14, 2006	Over 100 lawyer firms	BOSTON, MA
OCTOBER 16-17, 2006	50-150 lawyer firms	DALLAS, TX
OCTOBER 27-28, 2006	All sized firms	TORONTO, CANADA

REGISTRATION

Simply send an e-mail to bootcamp@edge.ai with your contact information. We will invoice you for a non-refundable \$300 deposit which will offset your prorated share of the cost.



EDGE INTERNATIONAL

Box 700, 21 Standard Life Centre
10405 Jasper Avenue
Edmonton, AB T5J 3S2, Canada,
review@edge.ai

Canada/USA:1 800 944 EDGE
UK:0 800 964 911
Australia:1 800 123 366
South Africa:0 800 999 849
Germany:0 800 101 7063

4

INTUITION: HOW LEADERS USE THEIR BIAS TO EVALUATE SITUATIONS

BY KAREN MACKAY

THIS ARTICLE EXPLORES HOW LAW FIRM LEADERS FILTER INFORMATION; HOW THEY USE INTUITION AND HOW THEIR AREA OF PRACTICE INFLUENCES THEIR LEADERSHIP STYLE.

8

WHAT KEEPS MANAGING PARTNERS AWAKE AT NIGHT?

BY PATRICK J. McKENNA

COMING FROM THE LEADERS OF FIRMS FROM 100 TO OVER 2000 LAWYERS, WE GET A FIRST-HAND GLIMPSE OF THE BURNING ISSUES THAT ARE CURRENTLY OCCUPYING THEIR LEADERSHIP AGENDAS.

14

INTELLIGENT DESIGN FOR LAW FIRMS

BY GERRY RISKIN

WHAT CAN LAW FIRMS LEARN FROM ALTOIDS® MINTS THAT HAVE BEEN SUCCEEDING SINCE LONDON'S FIRST LAW FIRM OPENED ITS DOORS? HOW CAN SUPERIOR DESIGN CREATE COMPETITIVE ADVANTAGE?

18

CHANGING A LAW FIRM'S CULTURE

BY EDWARD WESEMANN

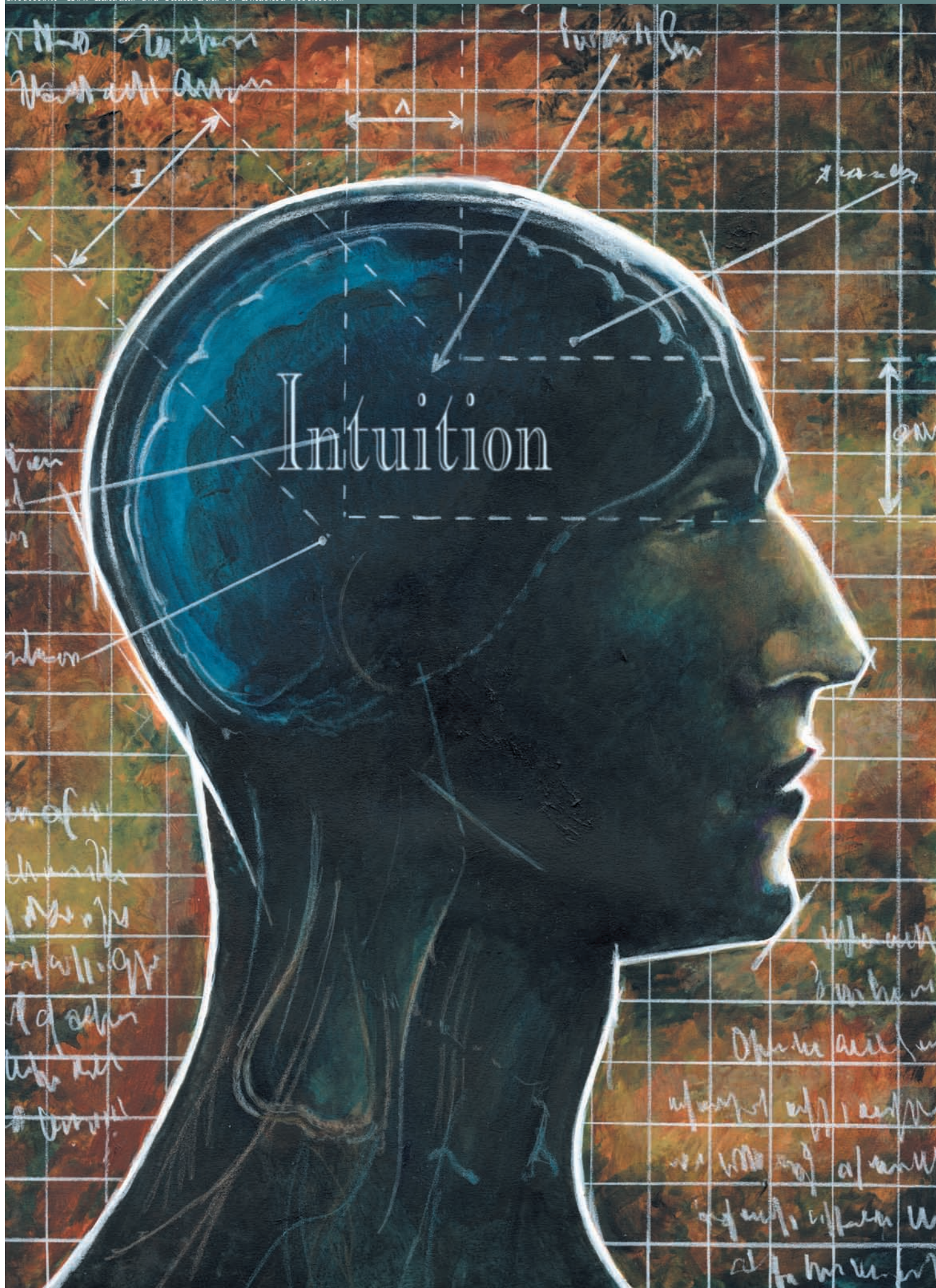
LAW FIRMS ARE ASKING: "ARE THERE THINGS WE CAN DO TO MAINTAIN OR CHANGE OUR CULTURE?" THE ANSWER IS YES - AND IT'S EASIER THAN YOU THINK.

24

BUILDING RESILIENCE: DEVELOPING STRATEGY THAT THRIVES ON CHANGE

BY ROBERT MILLARD

TOWARDS A NEW MODEL FOR PROFESSIONAL SERVICE FIRM STRATEGY, DRAWN FROM THE LATEST THINKING ON COMPLEX ADAPTIVE SYSTEMS.



INTUITION

HOW LEADERS USE THEIR BIAS TO EVALUATE SITUATIONS

by Karen MacKay, **EDGE INTERNATIONAL**

Leading a group of professionals, or an entire firm for that matter, is complicated business. It is also endlessly fascinating, equally frustrating and especially challenging. For the managing partners I have come to know, there are energizing highs and energy draining lows.

How does a lawyer's area of practice influence the way he or she leads? How do law firm leaders filter information? How is intuition used and how does it impact success in a leadership role? Let's begin with intuition and work back through these questions.

INTUITION: "THE HIGHEST FORM OF KNOWING"

The term intuition has commonly been described as "women's intuition" and is





often applied when women rely on their feelings and instincts to reach a decision. Both men and women who use intuition describe it as a "gut feeling" or "instinct." Albert Einstein referred to intuition as "the highest form of knowing."

As Wayne Gretzky, arguably the greatest player in the history of hockey, said: "To be a winner, you don't skate to where the puck is, but you skate to where it will be."



Gretzky relied heavily on his intuition and was incredibly successful as a result.

According to the dictionary, in · tu · tion, a noun, means:

-  The act or faculty of knowing or sensing without the use of rational processes; immediate cognition.
-  Knowledge gained by the use of this faculty; a perceptive insight.
-  A sense of something not evident or deducible; an impression.
-  Immediate apprehension by the mind without reasoning.

FACTS + INSTINCT = INTUITION

Effective leaders use intuition regularly. According to author John C. Mitchell, his “Law of Intuition is based on facts plus instinct and other intangible factors.”

Leaders use intuition to read situations: consider those times when you are able to tell that something is going on – you can feel it. You walk the halls of the 29th floor in your law firm and can sense the tension. (You don’t know factually yet that five associates are drafting their resignations.) If you can feel something going on, trust your gut; do a little digging; talk to people; get to the source.

Leaders use intuition to read people: intuitive leaders can sense instinctively emotional changes in the work environment. Intuitive leaders can sense rising stress levels;

they can sense when a member of their team is carrying a great personal burden, and they can sense when an appropriate time presents itself to make a meaningful connection.

Leaders use intuition to read themselves: they can read their own state of mind and know when the time has come for some out-of-office contemplative time. Intuitive leaders know when the stress in their environment is approaching an unmanageable level or when they are in a motivational low. Further, intuitive leaders know their own strengths and weaknesses and, through this self-knowledge, know what and who should be part of their team – such as people with complementary skills and attributes.

Leaders use intuition to read what’s happening in their marketplace – trends that will impact their firm – so they can adjust their course. Leaders who lack intuition may be decisive and may possess the courage to stay the course, but they may not read the signals that tell them when they are on the wrong course until it’s too late. When people “stay the course” despite indications that it may be a bad idea, the theory of escalating commitment often keeps them there – they conclude that so much has been invested that they cannot walk away – even when their gut instinct tells them to cut their losses and change direction.

practice area and the politics of the practice group. Learning to develop business, develop your own style and develop your skills – it’s an extraordinary challenge. The path of developing information comes from various sources. You learn formally, you learn by observing and you learn by doing. We all have filters that influence how and when we allow ourselves to know things.

FILTERING INFORMATION

According to Warren Bennis,¹ three filters dominate how leaders gather information. These filters impact what information leaders absorb and when they acknowledge or internalize the information.

The first is the social filter. This refers to the situation where a leader rejects information because he or she does not have regard for its source. In some law firms I hear about “the inner circle”: the inner circle is respected by the leader and their opinions are valued.

What happens to important information that comes to the leader from someone outside the inner circle? Does it get filtered, devalued and overlooked by the leader? If, in fact, the social filter is a natural process, the challenge to leaders is to drive themselves to be more open to information no matter the source.

The second is the contextual filter. This filter causes someone in a position of influence or power to “reject the significance of the surroundings.” Consider the situation of a lateral partner who is brought in to build or lead a practice group. Consider that this lateral partner has come from a very different firm and has experienced a very different culture. Such situations are

Filters impact what information leaders absorb and when they acknowledge or internalize information.

Everyone processes information and makes decisions differently. The logical, analytical types who are attracted to law tend to trust the facts and make decisions using logic. An extraordinary ability to manage the details, grasp concepts and analyze situations makes for a great lawyer. Intuitive people grasp abstracts and can visualize “the big picture.” They use words like “gut,” “sense,” “feel,” and “instincts.” Highly intuitive people are usually neither interested in nor attentive to the details. As a result, it may be fair to conclude that successful leaders appear to have a grasp of both worlds.

Lawyers must absorb vast quantities of information in their daily practice. Think about the early days of your career: learning the law, learning the intricacies of the

¹ *What Leaders Allow Themselves to Know*, Paul Michelman, Harvard Management Update, February 2004

destined to fail if the new leader disrespects and disregards the new firm's history and culture. The lateral may have a vision that simply does not fit, and a style that is flatly rejected by his or her new partners. The best of intentions may be lost by someone who lacks sensitivity and who is not politically savvy enough to execute her plans appropriately within the context of the new firm.

The third filter is that of self-knowledge. According to Bennis, "lack of self-knowledge is the most common, everyday source of leadership failures." If this is the case in the corporate environment where business leaders are groomed through progressive management responsibilities, it can be more important in professional service firms where leaders are chosen often not because of their management capability but because of the respect they have earned as a practitioner in their chosen field. When pondering a leadership role, whether group leader, client team leader or managing partner, consider whether or not the role fits your skills. If you struggle with the administrative details of your own practice, imagine the struggle you will face dealing with all the details of managing a group. Successful leaders communicate constantly with their people. To be effective, communication is often inefficient and time consuming; for example, answering e-mail queries with a phone call or a personal visit. In addition, to be effective, leaders must be motivated by the effort and accomplishment of the group, although they probably got the job due to their own individual effort and accomplishment in their particular area of practice.

THE PRACTICE AREA BIAS

I have never read anything on this subject – perhaps because this is an area that could be fraught with land mines. Being curious about how a career in a particular area of the law influences leadership style, I spoke with several managing partners recently.

What became immediately clear is that one's area of practice definitely influences leadership style. However, is it nature or nurture? I'm not sure. Are particular personality types drawn to one area over another? The short answer – probably.

What is more interesting is that the perception of a leader's style has much to do with the "viewer's mindset"; that is, the perception lawyers have of each other. For instance, those leaders who practice business law viewed their litigator counterparts as "rigid," "inflexible" and "focused on the outcome," whereas the litigators saw themselves as "decisive." Some see litigators as personally attached to a position. They told me that in order to be believed in the courtroom you have to be 100% committed to your position; otherwise, the other side smells blood. They all agreed that litigators are advocates and advocacy plays a big role in their style as leaders.

Those leaders who are litigators viewed their business law counterparts as "conciliatory consensus builders," whereas the business lawyers saw themselves as "open," "team players" and "team builders." Business lawyers as leaders viewed themselves as finance savvy and business oriented – open to options and ideas in order to move the business forward.

As one managing partner said, "You have to think about the end game." For a business lawyer, the end game is to do a deal; but, for a litigator, the end game is to win.

Another talked about "preparation." In business law, the preparation may take the form of an hour's review of the situation prior to a six-hour negotiating session where a deal could be made using any one of a number of options. Conversely, litigators may put six hours into preparation of a position that is reasonable and behind which they can fully commit in order to obtain a

decision after one hour in the courtroom. As a leader, the litigator's preparation may include "gathering opinion among the partners," "analyzing all of the alternatives" and reaching a decision. I'm told they then advocate that position to build consensus.

Nuances of practice areas came to light in my conversations. For example, tax lawyers want a second opinion because it is what they do in practice. Real estate lawyers tell me they naturally get more involved in execution once a decision is made, and labour and employment lawyers use mediation skills in leadership.

All of these leaders, no matter the practice area, agreed that lawyers are trained to be critical and analytical. They dissect, poke holes and probe every idea worthy of their attention. A leader who earned an MBA some twenty years after beginning the practice of law learned through the business school experience "how fragile a creative idea can be."

Regardless of the discipline that has influenced a lawyer's thinking, perhaps the real message among all this information is simply this: leaders must understand their practice area bias, their filters and how they can use their intuition combined with analysis in executing their leadership role.



Karen MacKay is a Principal with Edge International. Karen's practice is concentrated on three key areas: all aspects of professional talent management; execution of strategy; and operations and administrative management. Karen can be contacted by e-mail at mackay@edge.ai or by telephone at 416.657.2997.

What Keeps Managing Partners Awake At Night?

WHAT KEEPS MANAGING PARTNERS AWAKE AT NIGHT

by Patrick J. McKenna, **EDGE** INTERNATIONAL

Earlier this year, I posed a single question to about 100 managing partners. The question: "As someone responsible for helping chart your firm's future, what are your 'Burning Issues' – those critical business issues concerning strategy, growth, practice management, professional development, or whatever subject(s) it is, that is currently occupying your leadership agenda?"

I was pleased to receive detailed responses from 43 firm leaders, representing firms from 100 to over 2000 lawyers in size. Those responses came either by way of written feedback or, in many cases, the opportunity to engage in some interesting and thought-provoking discussions.

Here is a summary of what we learned, categorized by firm size (and with an obvious sensitivity to maintaining confidentiality).

FROM FIRM'S OF OVER 500 LAWYERS

Curiously – as if the outcome of some mysterious "group-think" experiment – the highest-ranking issues that large firm managing partners identified all centered around three common themes.

The single most oft-cited topic was **globalization**. As law firms have grown, the role of managing partner has become more strategic and the pressures more

intense. For the largest firms, globalization demands far better integration between offices and departments.

Many firm leaders expressed their challenge as how to "manag[e] across cultural differences" or "how to handle conflicts across different cultures." For others who had been in recent cross-border mergers, the predominant issue was how to "manage integration" while also maintaining those aspects of the firm's culture that are deemed important to protect.

The second most common topic picked up from the responses was that "in most jurisdictions, the **competition** gets tougher every year." As one leader phrased it, "Consolidation within the profession continues. The big firms get bigger, the small disappear or at least move down-market and kid themselves."

Later we'll see this same burning issue, perhaps labeled as marketing, positioning, or differentiation, but occupying a priority consideration for managing partners at firms of all sizes.

Among the related challenges for one managing partner in our large firm category was law firm pricing. This particular leader is questioning: "How it is we price our products. What kind of pricing models do we employ?"

A couple of others lamented that client promotion is tougher. "It is exacerbated for me by the fact that the clients really can't distinguish between quality and mediocrity. Thus we invest in quality, which means investing in providing leading compensation packages, a commitment to diversity and pro bono, time spent on professional development, and then few clients even know the difference. It's a funny business!"



For yet another firm leader, the issue was how to “effectively partner with clients.”

When you combine the two leading issues of globalization and hyper-competitive markets, you can just imagine the challenges associated with allocating resources, especially given the different profit capability and partner expectations that may exist between U.S., UK, European, or Australasian practices.

The third prominent issue was **leadership and management training** for lawyers. The frequency of this topic was not surprising in light of the recent news that Wilmer Cutler Pickering Hale and Dorr, in conjunction with the Harvard Business School, Chicago's Seyfarth Shaw, and Northwestern's Kellogg School of Management, are now following Reed Smith and DLA Piper Rudnick in initiating formal long-term collaborative efforts to train their current and future leaders.

As with any business, running a law firm is about people skills first and foremost. Which means getting the best out of a highly talented group of individuals – as always, a big challenge for managing partners. As one respondent commented, “Lawyers don't want to be led or managed and, as firms grow, there are still those who think management is a waste of time.”

A variation on this same training theme was the hiring, training, and nurturing of young associates out of law school.

“Clients are not allowing firms to train associates on matters any more – so how do we do it?”

FROM FIRMS BETWEEN 300 – 500 LAWYERS

The strongest subject matter to engage this group of managing partners can be reduced to one word: **marketing**. It was expressed in different ways and from various perspectives: “One issue with which we are grappling has to do with trying to trace the return on our investment in marketing. We now allocate marketing funds by industry segment and/or prac-

will not likely be seen as a serious player unless you have an active presence in the city. For us, the challenge now becomes how to make it work.”

From yet another, “We are always considering the advantages and disadvantages of remaining regional. We like our brand, and think that trying to become just another national firm, which I think really means that you then have to go international, would dilute that brand. So my challenge is to figure out what this firm needs to do in light of what will happen to regional firms over the next 10 years.”

“We struggle with differentiating ourselves from several other firms who, from the outside, look an awful lot like we do. I think we have made some headway – but most people want to know the difference ... in 10 words or less!”

Then there were those firm leaders who talked about their market challenge in terms of differentiation: “Are we doing enough to differentiate ourselves in a world where we will not be one of the 20 branded firms?”

And from another, “How do we distin-

tice groups but it is not always easy to determine when and where the marketing investment is paying dividends.”

From another, “My big challenge is how to deal with the group of partners in the middle of the bell curve, and to maximize the effectiveness of their client relations abilities.”

Some phrased their challenge as one of market positioning. “Two-thirds of the Am Law 200 firms already have a presence in New York and they all agree that you have to be there, both because it is the financial capital and because you

guish ourselves in such a way as to attract more star quality lawyers?”

This one I particularly liked: “We struggle with differentiating ourselves from several other firms who, from the outside, look an awful lot like we do. I think we have made some headway – but most people want to know the difference . . . in 10 words or less!”

Then there was the one comment that just about summed it all up with respect to today's market challenge: “We are a firm that prefers to grow organically. Our quality and culture are major assets for

us. Our profitability growth has outpaced most of the AmLaw 200 over the past three years. Our turnover at the partner level is exceedingly low. In short, things are going well for us . . . but . . . is this a viable model going forward?"

A strong number of respondents worry about developing **effective practice groups**, variously expressed as improving leadership (similar to the large firms), ensuring accountability, and leveraging partner buy-in.

As one managing partner framed it, "It is apparent to me that the practice group structure is both essential for the firm and working reasonably well. Not surprisingly, the progress is uneven. My burning issue is how to improve the leadership."

From another, "We have an abundance of terrific lawyers, but a real shortage of 'leaders.' I suspect that puts us in the same category as everyone else. The priority is to give some real focus now to the early identification, positioning, and training of young partners with leadership traits."

One firm leader focused in on the illusive accountability factor: "The issue for me has to do with the accountability of our practice group managers. In my opinion, we have yet to develop a meaningful way of measuring the value of our team leaders and then handle it appropriately during the compensation process."

Yet another comment took us to the typical issue of partner buy-in: "A key challenge here is to convince the partners that the practice group approach is important – [that it] needs their support and participation."

An equally strong topic that elicited numerous comments was the challenge of **succession planning**, both for those stepping down from a position of leadership and for those retiring from the practice of law altogether.

According to one respondent, "I have been reading recently about a potential 'brain drain' that will affect organizations as the current generation of baby boomers reaches retirement age. If these articles are accurate, we will all be tested to make sure we have viable succession plans in place and that the knowledge held by partners at the senior levels is captured and transferred."

This same sentiment was reinforced by a couple of managing partners. Said one, "I'm giving some thought to how we can better utilize our more senior partners, people in their sixties whose practices are no longer robust but who are very good lawyers and have much to give by way of training younger lawyers."

Said another, "We need to do a better job of understanding and taking advantage of the contributions that some of our seniors are able – and more than willing – to make."

Meanwhile, at the leadership level, "I have about nine months left in my second (and, under our term limits, last) term as chair of our firm. We have a very strong successor in waiting, but we are working hard to figure out a model that will work for him. The challenge, as you will readily recognize, is that I have been happy to be a full-time chair and, now nearing retirement, don't need to rebuild a practice. But he is much younger and has a very active practice that he doesn't want to and shouldn't fully give up.

"So we need an infrastructure that will give him the right kind and measure of partner-level support, which, of course, means support that both he and the partners will respect and trust. It can be done and we have time to do it, but it is a challenge and highlights for us the importance of developing our future leaders on an ongoing basis."

On a related note was the broader issue of **professional development**. According to one respondent, "A burning issue we continue to focus on is professional development. When a firm is taking in forty to fifty more new associates a year, what kinds of programs work to get them up to date in, not only the area in which they are working (a lot of which they are going to learn by doing), but also in client development, participation in the community and the profession, pro bono, loss prevention, and so forth."

From another, "We have noticed in several assessments of the things that are important to associates, in terms of retention and job satisfaction, how high training and professional development rank on the list. So, we've dramatically ratcheted up our training and professional development program. Each of our practice groups [is or has] developed practice area-specific curricula. The programs we are offering are timely, well done, and most are at lunch for an hour or so.

"One would think that we would be getting an enthusiastic response. Instead, there is a fair amount of grumbling. So my challenge is to get my colleagues to embrace the importance of something that makes them better lawyers and helps to build the base for the future of the firm."

One ever-present issue that was also raised by a couple of people was **partner mobility**. “My burning issue? I become increasingly concerned about what appears to be an explosion in what I call partner free agency. I think large firms should expect some degree of mobility among their partner ranks but the current comings and goings of partners around the country is unprecedented.

“One problem is that, as firms continue to grow in both number of lawyers and number of offices, it becomes increasingly difficult to develop the deep-seated loyalty that will cause valuable partners to be willing to stay.”

And, of course, no discussion of managing partner challenges would be complete without some reference to: “The issue on my agenda is **diversity** as it is becoming increasingly important.”

FROM FIRMS OF BETWEEN 100 – 300 LAWYERS

Again, like the largest firms, this size group clearly chooses to label their top burning issue as **competition** – competition for clients and competition for talent – all of which probably speaks to the tectonic changes that are taking place throughout the profession: “In an increasingly ‘immediate-bottom-line-oriented’ industry, how does one build a real law firm with an institutional client base when every lawyer is a ‘franchise’ going to the highest bidder, and [when] ‘investment,’ at least for those in their 50s, is a bad word...?”

As expressed slightly differently by one managing partner, “I’ll tell you what keeps me awake at nights is wondering whether this convergence is for real. Can the focused boutique practice with ‘A’ work survive the next five to ten years?”

This from another: “A number of practice areas are increasingly being perceived as commodities by clients. We are exploring a number of issues. Can we make money competing for this type of work? Does taking it on enhance our ability to get the full range of a client’s work or does it lead to the perception

among their clients cannibalizing each other. Meanwhile, globalization and the outsourcing trend [have] definitely hurt the manufacturing sector. So, our burning issue becomes, how can we continue to take a growing slice of a declining pie?”

There were firms that identified their competitive struggle as one of obtaining the best talent. “We are constantly competing with much larger firms for talent. We are actually more profitable than most large firms and historically have provided a far better platform for business development, but, ironically, as we

have become more successful and better known, this has become a harder sell.

“I don’t think it has as much to do with us as with the demise of so many firms lately, combined with the innate conservatism of lawyers. In any event, positioning ourselves to continue to get world-class lawyers is always an issue.”

“Generally, busy lawyers are happy lawyers. Happy lawyers see no reason to change and lawyers, by nature and training, are risk-adverse advocates who have a remarkable facility to find something wrong with any idea they don’t like. My challenge is how to rally the troops.”

that we’re only good for commodities work? If we stick to the high-end stuff, how do we keep everyone deployed or do we plan on strategic shrinkage?”

Among those addressing the competition issues were managing partners who expressed the challenge as one of market location: “How does a firm our size get larger when you are faced with pretty good profits but not a desirable geographic base?”

There were also those who questioned the security of their client base. “Many firms have been hurt by consolidation

And from another: “Can an 1800-hour firm be profitable enough to attract top talent? Put another way, are there enough top lawyers out there to populate a firm in which the marginal hour is worth more than the marginal dollar? (Honestly, how much money do you need??)”

There were those who questioned the future of the mid-size, middle market firm: “I think there’s a lemming mentality out there right now. We’ve been approached twice in the last year by regional firms whose espoused strategy is ‘to be the best between point A and point B.’ What sense does that make

absent a client relationship confined to that geographical region?"

Not surprisingly, these firms also shared exactly the same sentiments as the firms in the other size ranges by identifying **leadership and practice group management** as one of their primary issues.

As one leader rather bluntly put it, "One of our more important burning issues is internal. Our practice groups and practice group management suck. Unfortunately, we've never held them accountable. Our Chief Financial Officer claims that they are fat, rich, and happy. This issue definitely needs some work."

Another put it slightly more diplomatically, "The issue that we are attempting to address is our practice group structure. I'm not comfortable that we have organized ourselves appropriately, and these groups operate at quite different levels of efficiency. We are presently undertaking a review to determine what we should be doing."

And from yet another, "I spend a lot of my time these days managing business conflicts within the firm. This is an increasing issue for managing partners when one is trying to retain and nurture one's stars."

There were a number of diverse views concerning the leadership of the firm. From one respondent, "Generally, busy lawyers are happy lawyers. Happy lawyers see no reason to change and lawyers, by nature and training, are risk-adverse advocates who have a remarkable facility to find something wrong with any idea they don't like. My challenge is how to rally the troops."

This reaction from another: "How does the managing partner really have his or her hand on the pulse of the clients and

partners if they don't practice or [develop] business?"

But then there was this contrarian reaction: "My burning issues include figuring out how much management is too much management, once you go beyond the managing partner and the COO and CFO in a firm of 150 lawyers."

One managing partner focused on the issue of whether leadership should have a term limit. "I marvel at managing partners who remain in that position for decades, and [I] wonder whether that's really good for the institution. On the one hand, the political base required to perform the job doesn't get built overnight and, once built, can provide an almost self-perpetuating platform from which to lead.

"On the other hand, the institution changes over time, the demographics demand a different type of leader, and fresh ideas become critical to positioning yourself for future changes."

The topic of **succession planning** was also on the list for this group. As one expressed it, "The overall demographics are aging. The lion's share of the producers in this firm are in their fifties and early sixties with little strength below that level. So, the firm suffers a succession issue."

The issue of **maintaining culture** was also on the list here. "Our firm, like most firms our size, has expanded primarily through the hiring of lateral attorneys. Although we attempt to vet each hire pretty carefully, there is always a struggle to incorporate them into our firm's culture. Not an easy issue."

Finally, amongst the various burning issues was some speculation on how the

future of the profession was evolving. According to one respondent, "The Financial Times this week published an editorial positing the notion that law firms will have to allow non-lawyer ownership if they are ever to install the professional management that is critical to a large, multinational organization. Obviously, that proposition is foreign to American firms.

"Yet the consolidation within our industry, as previously experienced by the accounting industry and English law firms, along with the 'globalization of services,' may indicate that this is a very realistic proposition."

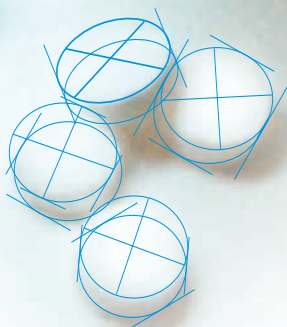
While these diverse observations may be viewed as a basket full of thorny, deeply challenging issues facing firms today, many of these law firm leaders spoke of having the persistence to face their burning issues and create strategies to give themselves a decided advantage.

No doubt, some will turn out to be as good as their word and others won't.



Patrick J. McKenna is a principal with Edge International where, since 1983, he has worked exclusively serving law firms, and has worked hands-on with at least one of the top ten largest law firms in each of over a dozen different countries on issues associated with developing competitive strategies, improving profitability, client service excellence, and systems for effective practice group governance. He is available at mckenna@edge.ai.

Inte



Intelligent



In a recent issue of *Fast Company*, an article entitled “The Interpreter” starts out like this:

Claudia Kotchka is holding the secret to understanding design at Procter & Gamble in her palm. It's not a P&G product, but a tin of Altoids®, the “curiously strong” mints produced by Wrigley. As the scent of peppermint oil wafts out of the box, she points out the nostalgic typeface, the satisfyingly crinkly liner paper. “Even the little mints look handmade,” she says. “It’s not completely full. The whole thing is very authentic.”

Then comes the twist. “Let’s say P&G buys this brand. What are we going to do?” asks Kotchka, P&G’s vice-president for design innovation and strategy. “[Employees] always gave me the same answers. ‘We’re gonna cost-save on this tin. We’re gonna get rid of this stupid paper — it’s serving no functional purpose.’”

She plops the tin on the table and picks up another product, unable to suppress a mischievous smile. “And I go, ‘Okay! Exactly! And this is what you get.’”

Kotchka reveals “Proctoids®,” a box made of cheap white plastic from P&G’s baby-wipe containers. With uniform beige ovals jammed into the container, fewer colors on the lid, and no paper, Proctoids® taste like Altoids®, but they look as appealing as a pile of horse pills.

Gone is the pleasure people get when they buy Altoids®. Gone, too, is the up to 400% premium they pay. “That’s what design is,” she says of the look and feel. “That’s what designers do.”

What Claudia says Procter & Gamble would do to Altoids® is exactly what most law firms do. Good lawyers believe that high-quality work should speak for itself and therefore be in high demand. But in the real world, people are attracted to the “crinkly liner paper” — the “experience.”

In our fragmented profession, it’s time for some law firms to stand out from the pack by creating an attractive experience that goes along with the high-quality work. You’ve heard of practice management — but do we discuss “Practice Design”? Not yet.

The *Interpreter*, thanks to Jordan Furlong, Editor CBA National for editing and publishing this article in a recent issue.

If law firms truly want to capture the attention of the marketplace, to stand out for all the right reasons, they need to start thinking more about how they present themselves to the market and how they deliver their services. By committing time and resources to law practice design, innovative firms would open up whole new frontiers of competitive advantage over their rivals.

Most people would laugh off the idea — it's too new, too unusual, "unbusinesslike." But a few will think about it, and they will do something that creates a real competitive edge. Here are seven areas a Design Manager could address and tasks he or she could perform to ensure that practice design is integrated throughout the law firm, sending a clear, consistent message to the marketplace.

1. YOUR LAWYERS

Altoids® are still manufactured today in Bridgend, Wales, where they originally were produced during the reign of King George III (1760-1820 AD). Compare Altoids® for a moment with contemporary London-based global law firm Denton Wilde Sapte, which first opened its doors in 1785.

The original recipe for Altoids® candy has remained unchanged since the eighteenth century, and every unit is identical to every other unit. The same obviously cannot be said for the lawyers of Denton Wilde Sapte, who have evolved and turned over with the profession and have always differed from one another quite dramatically.

No firm can make lawyers identical in appearance and experience, and no firm would want to — lawyers' unique characteristics and talents are the lifeblood of a firm. What we can do is adhere to certain standards and values — a consistent firm philosophy and a consistent approach to client relations, file management and client communications. Are all lawyers reading from the same playbook?

2. YOUR APPEARANCE

How your lawyers dress and comport themselves sends a clear message, whether you intend it or not. Books like John T. Molloy's *New Dress for Success* and *New Women's Dress for Success* explain what those messages are and how they will significantly affect clients' perceptions of your firm. Your lawyers' attire, like the tin and the crinkly paper, is a statement. What do you want it to be?

"Dressing down" means easing formality requirements, not aban-

doning standards. If you like to dress "casual" — that's fine! You should dress casual. But have your tailor smarten you up casually. If a lawyer dresses like something the cat dragged in (even if motivated by a desire to be countercultural), his or her ability to convey intelligence and caring to a client will be impaired.

3. YOUR BEHAVIOR

Altoids® advertise their product as "curiously strong mints" — in the law firm equation, you are the mint! The client experiences you. Accordingly, client interactions with you and your colleagues will be strongly influenced by the degree to which you all consistently possess and display client relations skills. The challenge here is that unlike Altoids®, you can't simply tweak a manufacturing process and improve every single mint, identical to all others.

But a certain degree of consistency is attainable in the law firm environment. So, perhaps all employees must attend client-relations skills training, and must conduct themselves consistently and productively when listening, managing expectations, handling complaints, soliciting feedback, visiting clients, etc. You might not pay much attention to these aspects of the client relationship. Rest assured, your clients do.

4. YOUR HALLWAYS

Many years ago, my 100 year old law firm moved from the premises it had occupied for 65 years (I am not exaggerating) into an "A-list" office tower. It was an incredible brass-and-glass environment — quite impressive, thanks to an accomplished designer. The reception desk was made from marble imported from Italy and almost resembled the Pearly Gates. But then there was the stain.

Innocently, some of the glue from the rug installation seeped up through the rug — which itself was the best money could buy, so it would outlast the human race. Months and months went by, but the management committee could not be persuaded that this stain was a high enough priority to be dealt with. And that single stain more than offset all the other environmental investment until it was removed.

The Practice Design Manager would inspect the premises with two sets of eyes. First, how would a client see the premises — does the physical appearance convey the right message of high quality, organization, meticulousness and the right kind of suc-

cess? And secondly, how do members of the law firm see the premises — is it an environment that makes concentrating on the task at hand a little easier, or is there chaos that distracts?

5. YOUR WALLS

I have visited many law firm offices in many countries, and in all those firms, the art on the walls is simultaneously funny and sad. You see, you're not really allowed to comment on the art, because you're not allowed to like or dislike it. You might see an exquisite piece of art in a boardroom and say "Wow!" — impulse overcomes judgment and you compliment it.

Unfortunately for you, the people at the firm hate it. They're tired of it. That's right — if the Mona Lisa were in a law firm, the incumbents would despise it by now. And it works the other way, too — no matter how ghastly you think a piece of art is, you can't be critical because you never know which spouse of which power partner chose it. The point is that too often, art in law firms is political, not practical. That message gets through — to employees and clients both.

Your choice of art discloses to your clients whether you and your colleagues are adventurous, courageous, colorful, boring, or staid. Accordingly, your Practice Design Manager might hire a professional to choose art that will deliver an objective and intentional impact, or rent rotating art from a local art gallery, changing the art periodically and keeping those pieces that do stand the test of time.

6. YOUR WORK PRODUCT

I have watched some of the best lawyers in practice hand a Bic pen to a client to sign a significant agreement. Why? Because they don't realize that the pen makes a significant statement. If you choose the cheapest things you can find for important matters, what kind of message do you think your client takes from that?

If you place your client's copy of a key agreement in a suitable, high-quality folder with the firm's letterhead, what does that convey to the client? What if you add a tasteful high-quality cover? Is the effect improved again? If you simply hammer the pages together with a single staple and hand it over to the client as is, you may not be harming yourself — but you are not helping yourself either.

It's as important to dress the work product as it is to dress the lawyer. The message you send through the appearance of your

work product is up to you. A Practice Design Manager could ensure that the firm does not neglect this issue.

7. Your Communications

Letterhead has been important to law firms for centuries. The better firms would traditionally emboss it onto high-quality paper with engraved fonts, suitable for correspondence with valued clients. The more adventurous firms risked using color. The message sent by letterhead hasn't changed in all these years — but the wide array of communications vehicles have.

In today's electronic world, lawyers have numerous points of branded contact with their clients: mail, fax, e-mail, Website, etc. Today, e-mails can be upgraded with graphics, with automatically updating links leading to important information. Pleasing fonts and colors can make messages easier to read. A Practice Design Manager would marry function and design for all firm communications.

Perhaps the most important job of the Practice Design Manager would be to ensure consistency throughout the firm. Whether you are a friend or a foe of branding, all legal work product and communications should have a similar look and feel, regardless of the source within the firm from which they come. Lawyers aren't Altoids®, but they can resemble each other in the ways that count.

As my friend Larry Anderson writes in his One Sentence Blog, "Commitment does not require the absence of doubt; often commitment means acting despite your doubt." Applying this to law firm design, it means that while not everyone has to agree, everyone does have to commit. The Practice Design Manager would obtain that commitment — and enforce it.



Gerry Riskin is a former Managing Partner with a truly global consulting practice. Gerry is the author of the highly acclaimed book, *The Successful Lawyer*, and co-author of *Practice Development: Creating the Marketing Mindset*; *Herding Cats*; and *Beyond Knowing*. He has served on the Conference Board of Canada, is a Visiting Fellow of The College of Law in London and a Visiting Professor to the Gordon Institute of Business Science at the University of Pretoria in South Africa.

AS LAW FIRMS GAIN A GREATER UNDERSTANDING OF THE IMPORTANCE OF THEIR CULTURE, MANY ARE ASKING AN IMPORTANT QUESTION:

"IS CULTURE 'HARDWIRED' INTO A LAW FIRM'S ORGANIZATIONAL DNA, OR ARE THERE THINGS THAT A FIRM CAN DO TO MAINTAIN OR CHANGE ITS CULTURE?"



The answer is that firms can exercise some control over their cultures to maintain important aspects or to change parts they don't like. And... it might be easier than they think.

THE BASICS OF CULTURE

Without going into great detail, it is important to understand that culture is the identification of four features about an organization:

- The manner in which people within the organization deal with each other;
- How the people deal with the firm as an institution and how the institution deals with them;

- How the firm interacts with the outside world; and

- The firm's self-image and vision of itself – where the firm is going and how it will get there.

A law firm's culture is, in many ways, similar to a human personality. Although we talk about people having a "good personality," there is really no such thing. There are features of a personality that we may consider to be positive, e.g., people who are gregarious and outgoing are often deemed to have a better personality than people who are shy. However, it is equally possible that some people may be intimidated and repelled by gregarious people and find the trait a feature of a bad personality. The same is true for a law firm culture. A firm with a strong self-



A LAW FIRM'S CULTURE

image that is pursuing a strongly held vision may be a sign of a strong culture to some, while coming off as being driven by others. Culture is both the presence and absence of certain traits and how those traits interact with each other.

CAN A LAW FIRM CONTROL ITS CULTURE?

We know that an individual can feign certain aspects of a personality. With enough effort a shy person can affect an outgoing nature, or a person who is highly self-centered can adopt a caring nature. And, if one takes on personality traits for long enough, those traits will become second nature and effectively part of a person's core personality. Similarly, it is possible for an organization to purposefully take on the characteristics of a desired culture

and, with dedication and time, effectively make that characteristic a permanent part of the overall culture. Similarly, to maintain its culture a firm must actively protect

It is possible for an organization to purposefully take on the characteristics of a desired culture and, with dedication and time, effectively make that characteristic a permanent part of the overall culture.

the important aspects from outside influence.

There are two important facts that must be recognized by a law firm seeking to exer-

cise control over its culture. The first is that cultures are viewed differently by different observers and their observations make up their perception of the culture. The combination of these perceptions effectively makes up the definable firm culture. A person's view of a law firm's culture, regardless of whether he or she is a partner or works in the mailroom, is made up as much by what the person is told as by what is observed. A major part of most law firm cultures is a core value of ethical behavior. Yet, few people have the opportunity to observe ethical behavior actually occurring. Instead, it is the assumption and belief that the firm's

lawyers will in all cases act ethically and the absence of behavior to the contrary that creates the culture.

Accordingly, the second point is that cultures are fragile. A law firm culture of family-like ties within the firm takes years to build but can be torn down by a downsiz-

ing or the inappropriate termination of a respected employee. This fragility is present whether the aspect of culture in play is deemed to be positive or negative. Therefore, just as acts consistent with a person's perception of the culture support and strengthen their view of the culture, acts to the contrary of an undesired characteristic can create huge strides toward creating a more desirable culture.

WHY WOULD A LAW FIRM WANT TO CONTROL ITS CULTURE?

Culture is not static. Change is natural and culture is affected by the mixture of people as well as events. Therefore, every time a person joins or leaves the firm there is an impact on the culture. In fact, relatively small changes can have major effects on a firm's culture. In most organizations there are people who are cultural standard-bearers. They, by their presence, are a reminder of the firm's culture. In a large Cleveland firm, a senior litigator set the standard for the relationship among lawyers through his attention to and hearty congratulations of young attorneys upon taking their first deposition or arguing their first motion, and celebrations such as his elaborate presentation of a rubber chicken to a lawyer upon winning their first jury trial. If that senior partner were to leave, it is unlikely that anyone else could step in and maintain the culture in the same way. In a mid-sized Chicago firm, known for being an enjoyable workplace with low associate and staff turnover, the admission of a lateral partner who lacked people skills permanently changed the culture and sent employees streaming for the exits. Culture is a volatile chemical mixture and, like a drop of iodine in a barrel of water, small amounts of change have lasting effects.

For law firms that like and take pride in their cultures, natural cultural change is insidious. Change typically occurs very subtly. In the words of one managing partner, "I woke up one morning and I found myself in a very different firm than the one I thought I was running." In other situations, change is desirable and to implement change it is necessary to change culture. A common example is law firms who have grown up making decisions by consensus. As the firm grows, gaining consensus is a functional impossibility, especially if it opens multiple offices. Management concludes that, while it values much of the firm's culture, to get anything accomplished the firm must modify its consensus culture. Simply stated, for some law firms culture is too important to be left to serendipity. Indeed, some managing partners view the management of their culture as their most important role.

MANAGING CULTURE

There is no magic to managing a law firm's culture. It is largely common sense. What is required is an understanding of a firm's current culture and, if change is desired, what the desired culture should be.

The Relationship Among People

The manner in which people deal with each other – in terms of things like civility, communication, mutual dependence and trust – is, in large measure, determined by the culture of the law firm. Both empirical research and anecdotal experience tell us that if we move a person from one organization to another, they will rapidly begin adopting the traits valued by the new organization. So, a person moving from a firm where confrontation and distrust are part of the culture to a firm that is highly trusting and direct confrontation is avoided, the person will change.

The way people deal with each other is surprisingly easy to change. People are eager to adapt and be accepted by their peers and significant changes in culture can occur quite quickly. Unfortunately, this also means that this aspect of culture is fragile and desired cultural traits can be easily lost. This is an area of culture that is most immediately affected by mergers, layoffs, lateral hirings or other significant personnel actions.

Some tactics that firms have used to change or maintain their relationship among people include:

Identify and stress core values.

Stated core values are the manifestation of what people observe in their day-to-day relationships. Constant reinforcement of these values (including the Ritz Carlton technique of having employees carry around laminated copies of their "credo") is amazingly effective. Firms that are serious about their core values point out incidents where their core values are exemplified and are open to reporting of incidents where they are not.

Harmonization of experience.

It is not uncommon for law firms with multiple offices (or even multiple floors in an office) to develop different culturally accepted ways of people dealing with each other. It is difficult to maintain a culture in isolation, so law firms often go to great lengths to make sure that working in one office is as culturally similar as working in any other office of the firm. Some firms do this by constantly having attorneys and staff members from each office working in other offices by encouraging temporary and permanent inter-office and practice group transfers.

Cultural training.

Because the interpersonal aspects of culture can change so easily, many firms spend significant amounts of training time on establishing and constantly reinforcing cultural issues. Often the training is an add-on to other activities such as practice group meetings or staff meetings. The importance is the seriousness and value that is placed upon it, and the frequency of its repetition.

CASE STUDY: A large law firm merged with a smaller firm in a new city. The smaller firm had an “eat what you kill” compensation system that created the atmosphere of a group of sole practitioners sharing office space. The “acquiring” firm took pride in its collegial culture based on cooperation and team work. Its partners felt so strongly about their culture that the motion to merge required that changing the smaller firm’s culture be the main priority in implementation. The implementation plan involved five steps:

1. The new office’s partner-in-charge and administrators would be transferred from another firm office.
2. The firm’s core values would be the center of all training and every hour of functional training or orientation would be matched by an hour of cultural or core value training
3. For the first six months, all practice group, industry group and client service team meetings would be held on Saturdays or in the evening by conference call and attendance was mandatory by all attorneys.
4. An all attorney lunch was established in the new office once a month.
5. An all attorney and staff TGIF party was scheduled once a month with the partner-in-charge and administrator going door-to-door throughout the office to encourage attendance.

A cultural inventory was taken one year after the merger and compared to the inventory created during initial merger

discussions. While there were differences, the culture of the new office was much closer to the overall firm. Interestingly, the large firm’s culture had changed slightly due to both the impact of the new office and the perceived shift of management’s focus from maintaining the firm’s culture to changing the culture of the new office.

The Relationship Between People and the Firm

In firms where a strong bond between the firm as an institution and its partners and employees does not exist, people are often disconnected from their work and the clients they serve. Characteristically, people are unwilling to take on positions of leadership and hesitant about working with people outside their immediate office or practice group. This feature of a firm (which is often called Involvement) is among the most difficult to develop if it is not present, but is also among the least fragile, often living on in organizations even after the firm’s leadership or objectives radically change.

The reason it is difficult to make Involvement a key part of a firm’s culture is that it requires a change in long-standing firmly held viewpoints and perceptions by both the firms’ leadership and its employees. These changes can be very uncomfortable for both sides. For example, the following are some tactics that law firms have used to strengthen the relationship between people and the firm:

Greater sharing of information.

Law firm partnerships are often secretive about their internal workings even when little harm would come from disclosure. A simple technique used by firms that want to build this

part of their culture is to share more information on performance, competition, key clients and similar issues throughout the organization. To be involved in an organization, people have to know what the firm’s goals are and how it is progressing toward them. It is not uncommon for firms with a strong culture of Involvement to distribute financial statements to associates and staff members.

Make teams the primary means of leadership and management.

Law school teaches lawyers to function in a self-reliant, internally competitive organization which make teams a foreign concept. Conversely, MBA programs require almost all projects to be done in teams and it is the entire team that receives the final grade. To change this inbred predilection by lawyers, firms need to provide opportunities for working in teams and constantly reinforce their use. To build a more team-oriented culture, some firms force the use of teams by changing the compensation system to reward performance by a team rather than an individual.

“Bottom-up” input in decision making.

To make people feel more invested in firm goals the culture must make them feel a part of the process. One technique for achieving this involves routine meetings at all levels in which the firm’s future plans are discussed and input is obtained. Another increasingly popular way of building Involvement is 360-degree performance appraisals where people at all levels have an opportunity to provide comments on the performance of everyone they deal with, regardless of their position in the firm.

CASE STUDY: A very large national firm created a strategy of using client service teams to secure its key clients and increase their share of those clients’ business. At its core, the strategy depended on

developing a culture of teamwork among the firm's attorneys in various offices and practice groups. The firm had traditionally prided itself on not "over working" matters through a culture of "one riot, one ranger." Certainly the firm assembled teams on matters where the workload demanded it but, even in these situations, lawyers worked independently on their portion of the matter. To change the culture, the firm mandated that two partners work on every matter, regardless of how small. Whenever possible the partners were to be from different offices and practice areas. The practice group leaders were responsible for managing the initiative.

At first, the team work directive was honored more in the breach, but after a year - and a lot of consistent nagging - working in teams became the rule rather than the exception. Now, four years later, when a partner receives an engagement, his or her first reaction is to assemble a team.

The Firm's Relationship With the Outside World

It is not uncommon for business organizations to have an inward focus and have difficulty responding to clients, competitors and new ideas developed in the marketplace. The result is the inability to understand and respond to client needs and desires and, instead focus management efforts on internal rule making and enforcement.

Law firms that have a strong client focus, the willingness to take measured risks and

the ability to adapt to change, have a huge competitive advantage. Accordingly, this cultural trait, which is known as Adaptability, is almost universally found in the most profitable law firms.

Some tactics used by law firms to make Adaptability a strong part of their culture include:

Visit clients.

Lawyers are often accused of having greater interest in technical legal issues than overall business objectives. Spending time at clients' businesses reinforces client concerns by experience and provides lawyers with the insights that help anticipate issues.

Reward risk-taking.

Lawyers view their job to be that of removing risk, to the extent possible, from any situation. To encourage innovation and risk-taking, some firms have special compensation funds to reward new ideas, even if it means accepting a level of failure. To stimulate the use of fixed fee engagements, one firm, for a three year period, removed profitability on an engagement from the compensation system.

Outside board members.

Several firms have appointed non-voting members of their boards of directors or executive committee from outside their firm. Typically these members are bankers, accountants or consultants (I have the pleasure of serving on the boards of several clients), and sometimes clients; outsiders provide a very different vantage point to law firm practices and services.

CASE STUDY: A mid-sized firm was virtually out of office space with no realistic expansion options when it was presented with the opportunity to laterally attract a small practice group from another firm. The firm converted six of its seven conference rooms into offices and doubled up its paralegals for the four years before the lease expired. This required lawyers to hold more meetings in the client's offices and occasionally use club or hotel meeting rooms.

After two years the Managing Partner reports that, in almost every instance, client interests play a huge factor in the firm's decision making and, without really trying, industry groups (a concept long talked about but never accepted by the firm) have evolved reflecting the lawyer's new appreciation for the competitive interests of their clients. It is also worth noting that the volume of cross-selling has risen dramatically and it is rare that a lawyer returns from a client facility without a piece of new work.

The Way the Firm Views Itself and Its Future

A simple truth: law firms that have a vision of where they are going and how they are going to get there have a more positive and optimistic view of themselves. This trait of defining a path is among the most powerful drivers of culture and profitability and is among the easiest for a firm to effect. In large measure, it is about leadership and the culture's willingness to be lead toward a specific vision for the future.

Among the tactics used by law firms to make this area of culture (sometimes called Mission) a more prominent part of their firm include:

Spelling out a vision and repeating it often.

It is leadership's job to lay out a clear and understandable vision of the future, together with the basic strategies necessary to achieve the vision. In correlations between culture and profitability, vision is the most significant factor positively affecting profitability. It almost makes no difference what the vision is; simply having a clear vision designs the self-image of the firm which is a leading aspect of culture.

Clear expectations.

Firms with a strong mission culture have made sure that they express to every partner and employee what their role is in fulfilling the mission. For people to accept the firm's mission, it must be personalized and the greater the expectations expressed to individuals regarding their performance in support of the vision, the more inculcated it becomes in the culture.

CASE STUDY: Virtually every law firm that has gone through a strategic planning process (especially one that involved broad-based input) has experienced a cultural shift to some degree. Sometimes the results are nearly miraculous. A 150 attorney law firm lost almost a third of its most productive and profitable lawyers over several years and changed from a highly congenial and non-confrontational culture to one where there were constant attacks on the compensation system and the process for counting origina-

tions. There were threats from the lawyers who controlled the most business that they would leave if the "non-productive" partners were not fired immediately. The firm's management committee adopted a "bunker" mentality and, although they frequently met, rarely made any decisions or communicated with the firm.

Experience is demonstrating that firms can not only control their culture, but even manipulate it to create a specific culture of their own design.

The management committee undertook a strategic planning process (viewed as rearranging the deck chairs on the Titanic by their critics) which expressed a clear vision of focusing on just two of their strongest practice areas and essentially being viewed as a boutique, even though there would be no actions to eliminate other existing areas. The fact that there was a vision was sufficient to convince two of the strongest dissidents to stay with the firm, and the boutique focus helped the firm attract several laterals who might otherwise have never considered the firm. Within a couple of years, three things happened: the most vocal critics of the firm left but took far less business than anticipated; one of the focus areas expanded greatly and the firm clearly became a dominant player in the marketplace; and the culture of pride and collegiality returned and is, in fact, stronger in some areas than ever before.

MORAL

The simple take-away from this experience is that culture is not an ethereal concept over which a law firm has little control. Firms can exercise reasonable control and can manage their culture with surprising effectiveness. In fact, the actions

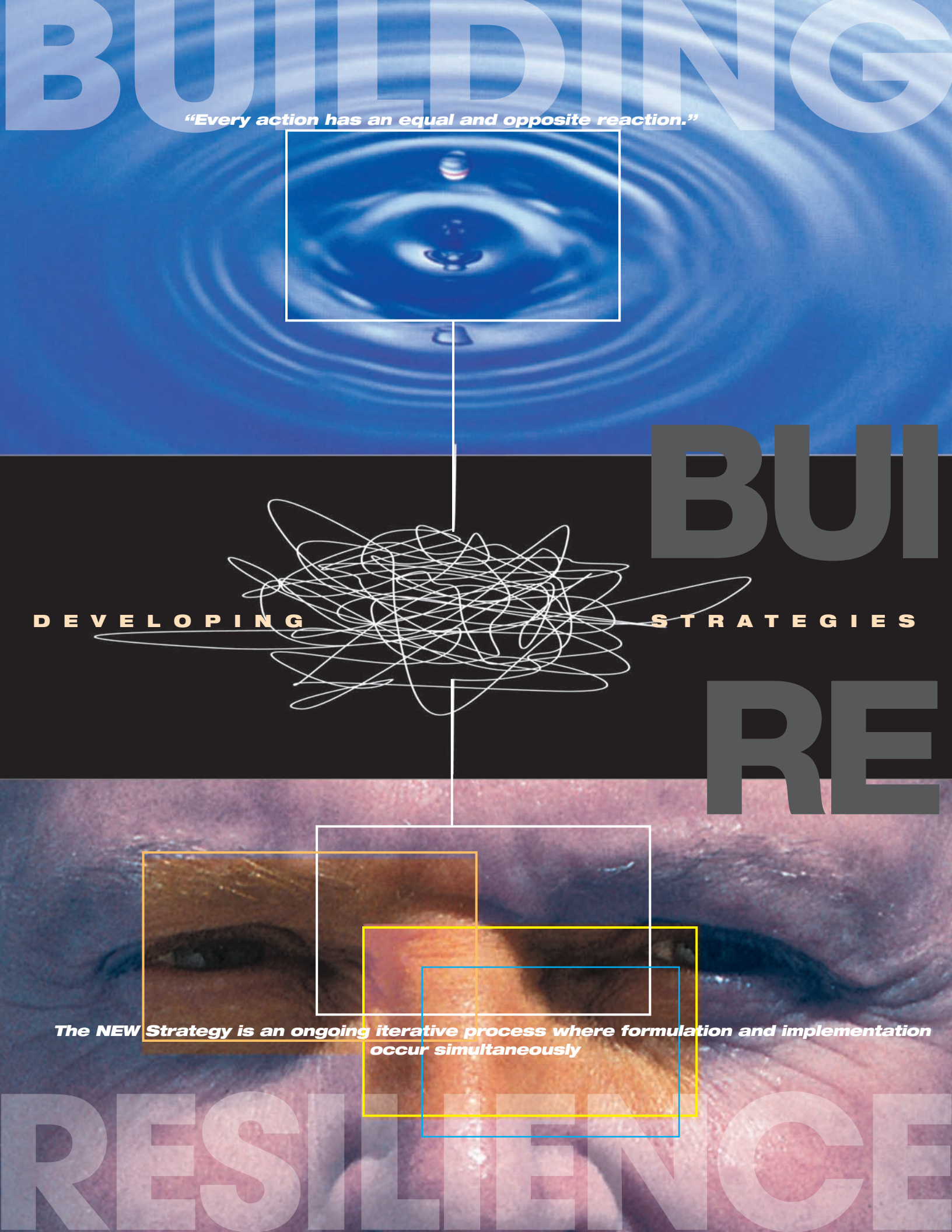
required are often simple and self-evident. What is required is an understanding of what the firm's culture is

(preferably through the use of a cultural inventory), consensus about which aspects of the culture are important to the law firm and which should be changed, and the political will among the leadership to actively go about shaping the firm's culture.



Edward Wesemann

Ed Wesemann is a Principal with Edge International where he focuses his practice on law firm strategic issues. He is considered the leading international expert on law firm culture. Ed can be reached at 1-912-598-2040 or by e-mail at wesemann@edge.ai.



BUILDING

"Every action has an equal and opposite reaction."

BUI

RE

RESILIENCE

DEVELOPING STRATEGIES

The NEW Strategy is an ongoing iterative process where formulation and implementation occur simultaneously

by Robert Millard, **EDGE** INTERNATIONAL

There was a time when life was simple. The laws by which we lived were nearly always constant. “Every action,” Isaac Newton taught us, “has an equal and opposite reaction.” There was perceived order in the chaos around us, comforting us with the knowledge that we had only to learn from the past in order to forecast the future. Systems, we knew, tended towards equilibrium and chaos was uncomfortable, but temporary. If something broke, you fixed the defective component. Just like clockwork.

This thinking represents only a phase along the continuum of our understanding of the universe, over the course of human history. There have been previous understandings. There was a time, not too long ago in the greater scheme of things, when comets and erupting volcanoes were seen as symbols of a deity’s anger. Just sacrifice a few members of the tribe, preferably virgins (to emphasize to the gods that we were REALLY sorry about whatever it was that we had done to annoy them), and everything would be all right again.

In their time, both the above paradigms represented “state of the art” thinking. Today, although some residual truths may or may not remain, they are both largely defunct. We have learned far more about both our universe and ourselves. We have moved on. Our firms, of course, are an integral part of our universe. Our thinking about how they work, and how we craft strategy for them, needs to move on too.

LDING

T H A T T H R I V E O N C H A N G E

SILIENCE

COMPLEX SYSTEMS IN A COMPLEX WORLD

Today, we know the world in which we live is anything but ordered. Chaos is the norm and not the brief transition between equilibriums. Life is a spiderweb of inextricably intertwined interrelationships. The complexity makes accurate forecasting of the future impossible. Entirely new fields of science such as quantum mechanics, chaos theory and evolutionary biology have emerged to explain these new insights. Today’s view of the cosmos, from the galactic to the sub-atomic, is of a hierarchy of interrelated complex adaptive systems, each with its own dynamics.

These complex adaptive systems are far, far too complex to think about in the linear ways that we are so used to. Basic assump-

tions like cause and effect no longer apply in anything like the same way. This is not to say that there are no rules, or that everything is random. If one mixes two chemicals in fixed proportions, under the same conditions, then the same reaction will still materialize time after time. If one places a lion and an antelope in a small enclosure, it is still likely that one of them will become lunch and it is safe to predict that it will not be the lion!

What is new is our understanding of the implications. Where processes occur “in the wild” (as opposed to under controlled circumstances in a laboratory), then the influences of other processes will often, perhaps even usually, produce unanticipat-

ed results. Every action, it turns out, does not necessarily produce an equal and opposite reaction. Often, the reaction is out of all proportion to the action, and in a completely different direction. Although cause and effect still exist, the complexities of the intertwined relationships in a complex adaptive system lead to unanticipated consequences. Sometimes dramatically.

Today, we know the world in which we live is anything but ordered. Chaos is the norm and not the brief transition between equilibriums.

At the macro-level, though, there is also order. Complex adaptive systems that are sustainable have underlying cycles. Once understood, these become powerful means of influencing the system. In nature, one might think of the geological cycle, the nutrient paths up a food chain and energy cycles. Apparently random patterns in nature, when viewed at the macro level, often yield highly structured forms called fractals. At the local level, a pride of lions tearing a buffalo apart or a raging forest fire are the epitome of chaos. At the macro level, both fire and the cycle of life and death are essential aspects of the ecosystem's process of renewal and perpetuation. We abhor chaos, yet life itself cannot exist without it.

LESSONS FROM A NATIONAL PARK

As a young man, following my period of national service in the South African army, I spent several years managing 425 square miles (1100 square kilometers) of wilderness in the Etosha National Park in Namibia (then still South West Africa). It was a wild and rugged life, with very few indeed of the modern conveniences that we take for granted. Not even electricity. But spending every single day for several years in close proximity to lions, elephants, antelope and other game, not to mention the extraordinary birdlife and the lesser animals and plants, left an indelible impression on me. The most fundamental insight that was burnt into my psyche, that profoundly influences the way that I view organizations and strategy, was the inter-connectedness of everything.

It is still an absolute miracle to me that we as humans are made up of the same biological building blocks as the leaves on a tree. Or that nature manages to achieve a balance despite short-term cataclysms and disasters. That energy flows through the varied and complex facets of the ecosystem with absolutely no waste. That we are still, in the 21st century, only just beginning to scratch the surface of our understanding of the real processes at work in the wilderness.

Man cannot hope to control the ecology of a national park. The inter-relationships are too complex and the ecosystems are in a constant state of flux. At best, man can exert influence, to encourage a trend in a particular direction.

Unanticipated consequences are rife. Reduce the numbers of predators and the antelope flourish to begin with, leading to happy tourists, but then overgraze the grasslands that they feed on and massive die-offs follow, not to mention soil erosion and alteration of the species mix amongst the grasses. Fail to control burgeoning elephant populations, and they literally trample trees in the savannah until it becomes grassland, leading to the local extinction of other animals that relied on the trees, like the majestic sable and roan antelopes, and the highly endangered hook lipped ('black') rhinoceros.

Heavy-handed management action aimed at actual control almost invariably does more harm than good. I observe very similar phenomena, and a similar level of interconnectedness and complexity, in professional firms.

The relationships between different elements in a wilderness ecosystem are complex, dynamic, self-organizing and subtle.

Sometimes even incomprehensible.

In exactly the same way, the relationships between different elements in a professional service firm are complex, dynamic, self-organizing and subtle.

Sometimes even incomprehensible.





A mechanistic approach to strategy or management in either case is not assured of success.

Like a wilderness ecosystem, a professional service firm is not like a clock, where elements that malfunction can be excised and replaced. Newtonian physics does not work perfectly in either nature or our firms.

UNANTICIPATED CONSEQUENCES






In complex adaptive systems, cause and effect can be completely unpredictable. A minor act in one part of the system can have dramatic and unanticipated consequences elsewhere.

A telecommunications network is one example of a complex adaptive system. On January 4, 1991, a backhoe crew from AT&T accidentally put their shovel through a fiber optic cable. The immediate result was:

-  100,000 telephone calls were instantly terminated
-  The New York Mercantile Exchange was shut down and the Commodities Exchanges disrupted
-  Air Traffic Control in Boston, New York and Washington DC was disrupted
-  60% of telephone traffic into and out of New York was cut off.

In an unrelated event three days earlier, one single character in one line of computer code caused a malfunction that left 12 million people in the USA without a long distance service for several hours.

Whether they are national parks, telecommunications networks, galaxies or professional service firms, complex adaptive systems have the following common characteristics:

-  They are complex in terms of structure and process.
-  They are governed by complex and variable relationships.
-  They are made up of diverse elements.
-  They evolve over time.
-  They exhibit emergent behavior. (That is, local decisions may lead to global consequences that are difficult to predict.)

RELEVANCE TO PROFESSIONAL SERVICE FIRMS

It does not take much thinking to develop a whole series of metaphors from the above, to illustrate what we observe in professional service firms. And, it does not take much more thinking on top of that for the realization to dawn that these are not metaphors at all, but parallels. The similarities are there because exactly the same rules apply. Professional service firms are perfect examples of complex adaptive systems.


While we strive for order and a state of comfortable equilibrium in our firms, the reality is that disruptions come so frequently and with such dramatic and unanticipated effects, that change and uncertainty are the norm rather than the exception. As in nature, chaos is critical for renewal and advancement to take place in the firm. A new direction cannot be 'born' without the old direction 'dying,' and that death can be very traumatic for those that have an attachment to the old direction.

The practice of law, in many respects, comprises the same paradox of chaos and order intertwined. Law is practiced in large measure as it has been for many centuries. Yet it evolves all the time, sometimes unpredictably. Legislation itself may remain constant, but case law is derived from a complex collection of precedent spanning the same centuries. Chaos is very much a reality as precedents are overturned and replaced by those resulting from new situations. Ambiguities are commonplace where the relevance of conflicting precedent has to be assessed, and outcomes are far from certain. To the outside world, the chaos is hidden. It is cloaked beneath traditions, methodologies and rituals that have evolved to ensure the integrity of the process. Beneath the cloak, the familiar characteristics of a complex adaptive system emerge here as well.

DISRUPTION AND CRISES

Sometimes a disruption creeps up on us unseen, with the stealth of a thief in the night. At other times, it breaks loose from the forces that have been trying to subdue it, with the force of a tsunami. Or of Boeings ploughing into office towers. Furthermore, change is accelerating. Both the pace and the intensity in the 21st Century are unprecedented in human history.

THERE ARE AN INFINITE NUMBER OF POSSIBLE DISRUPTERS. FOR INSTANCE:

-  A key fee earner or a whole practice group defects, taking along one or more key clients.

- ⦿ A client that has historically yielded significant revenue moves its business away from the firm.
- ⦿ New technology emerges that allows a service that the firm provides profitably, to be automated.
- ⦿ Legislative changes to the laws governing the profession; for instance, the external ownership of law firms and multi-disciplinary practices and provisions of reserved legal services by companies other than law firms in England from 2007 (in terms of legislation resulting from the Clementi Review).
- ⦿ The macro-economics (interest rates, economic growth, war and peace, etc) change upward or downward.
- ⦿ The expectations of entry-level people change dramatically as the profile changes from "Gen X" to "Gen Y."
- ⦿ A firm in India offers services similar to your firm's at 10% of the fee.
- ⦿ Et cetera

ALL THIS HAS EXTREMELY IMPORTANT IMPLICATIONS FOR STRATEGY. STRATEGY (AS OPPOSED TO BUSINESS OR OPERATIONAL PLANNING) IS USUALLY ABOUT THE FOLLOWING:

- ⦿ The *long term direction* of the firm.
- ⦿ Developing some sort of *strategic advantage* over the firm's competitors.
- ⦿ The *overall scope* of the firm's service offering and its delivery to clients.
- ⦿ *Growth* of various kinds (e.g., market share / profitability / revenues / percentage of wallet).
- ⦿ *Allocation of resources* (people, time, money) to different priorities.

Many firms have responded to the increasing complexity and variability of their environment by simply shortening the strategic planning cycle, typically to between one and three years (although one year gets dangerously close to being operational planning rather than strategy.)

Of course, shortening the timeframe does make forecasts more reliable. There is less margin for error. Oil prices will likely fluctuate less in a week than a year. Ironically, though, this increased reliance on certainty may reduce the firm's resilience and ability to adapt if, inconveniently, a major disruption occurs. If a crisis results, then the firm may be ill-equipped to deal simultaneously with both the crisis itself and the need to change direction. The reason for this is simple. The reliance on certainty creates an

CONCEPT	OLD STRATEGY
MARKETS	Markets are fixed and definable in time
WORLD VIEW	The future is largely an extrapolation of the past, with variations for new developments. Strategy is about determining the forces that are and will be at play in the market, and fixing goals and striving towards them, so that one can plan ahead.
DRIVERS	Cause and effect are important factors and outcomes of actions and other influencers or drivers are predicted with the assumption that the prediction is accurate.
CONCEPT OF THE FUTURE	The firm's view of its future is embodied in a summary vision or mission statement (that can be framed and hung in the reception area). The vision is given form and substance through goals and objectives.
PRIMARY OBJECTIVE	Identify key competencies or areas that should be otherwise concentrated upon; define goals and objectives, and a plan to achieve them, in order to achieve competitive advantage.
PROCESS	Strategy formulation is a periodic activity interspersed with periods during which the strategy is implemented.
MANAGEMENT CONTROL	Aimed at ensuring that people adhere to 'the plan' and that progress is made towards defined objectives. People are told what is required and then supervised to ensure compliance.

illusion that it can dispense with developing the resilience and flexibility that is required when circumstances change, and concentrate on “the plan” instead.

It is relatively common for commercial organizations generally to survive crises, but it is far less common for a professional service firm that “hits the wall” to bounce back. Unlike factories and retail companies, the assets of a firm reside between the ears of

its people. As such, they are heavily dependent on the state of mind of those people. They are also highly mobile. As a crisis deepens, fee earners often defect, worsening the crisis into a spiral that leads to a firm’s demise. Clients may defect when they hear of problems, accelerating the worsening cashflow, and the death knell usually comes when additional working capital is required and either the partners or the bank (or both) decide not to advance it.

NEW STRATEGY

Markets are flexible and can (and do) change periodically, perhaps unexpectedly and fundamentally.

We now know that the future cannot be accurately extrapolated from the past. Internally, a firm’s future is largely a function of how the firm reacts to its environment NOW. Strategy is about developing the ability to be competitive under a range of possible futures.

While there are primary drivers that can and should be identified, it is recognized that there are probably others that are not obvious. Except for obviously predictive effects (which are also treated with suspicion), it is assumed that unanticipated consequences will arise.

The firm’s view of its future is a description or narrative that is detailed, accurate and descriptive enough for everyone to understand the “desired end-state” regardless of changes that may occur along the way.

Define the key performance areas and the boundaries within which the firm will operate in order to maintain them, and develop systems to encourage accountability for subunits to move towards the “desired end-state” within these parameters. Ensure that the firm is able to change direction frequently and quickly, as required by market shifts.

Strategy is an ongoing iterative process where formulation and implementation occur simultaneously.

Aimed at ensuring people work within defined boundaries and that the firm’s performance is acceptable in terms of specific key performance areas. People are empowered to do what is required and held accountable for their actions.

What, then, is the solution? How should professional service firm strategy be crafted in order to meet the challenges of today’s complex, adaptive environment that is different than before? Clearly, the first step is to realize the specific ways in which the world has changed, so that the firm’s view of strategy can follow. Some of these changes are summarized in the table to the left.

A BLUEPRINT FOR ACTION

The important thing to realize is that this new approach to strategy is not simply another way of doing things, or an alternative that may or may not be better than the “conventional” approach. Rather, it is a response to our new understandings of life around us, in the broadest sense. These understandings both inform us as to why our old approaches didn’t meet expectations, and provide guidance on how we can be better at crafting strategy for our firms.

Just as some continued to use horse drawn carts after automobiles became widely available, so there will be a transition in the way that firms approach the crafting of strategy. In time, approaches that acknowledge and capitalize on the complex and adaptive nature of firms will become the norm. The ‘risk free’ solution of not changing is an illusion. In both nature and business, the end of that road lies in extinction.

It is unlikely that firms will make the transition immediately, although many have already begun it without being actively aware of it. It is understandable, and to be expected, that those professionals who grew up with traditional approaches to strategy (and who thereby achieved great success) will firmly resist the fundamentally different approach I am recommending here. The new way requires very sophisticated understandings of strategy and management. It relies on more effective and focused leadership than has been traditional within law firms. It also requires more time, which is always in short supply, and therefore an accompanying recognition of the enormous return on investment that will flow from that additional time.

HOW CAN FIRMS MAKE THIS TRANSITION WITHOUT SACRIFICING SHORT-TERM COMPETITIVE ADVANTAGE? HERE ARE EIGHT STEPS TO BEGIN THE PROCESS.

1. With your colleagues, develop a detailed three to five-year "desired end-state" of what you would like your firm to achieve. Agree and document its values and also the boundaries and limitations within which it will operate. Be ambitious, targeting objectives that everyone agrees would be a "stretch," but attainable. Jim Collins¹ called these "big hairy audacious goals" or BHAGs. A BHAG is ideally a text of several pages, with various headings about the firm (from clients to personnel to premises to office locations to practice areas to industries served to technology employed) incorporating in each area particulars/specifics of lofty heights to be attained. Realizing all the time that even the BHAG may (and should) change as the market shifts. It is a "living" document that needs to be reviewed frequently.
2. Develop a formal, effective competitive intelligence capability to constantly inform of the ongoing changes before they arrive or become crises. The structure of a formal competitive intelligence capability is beyond the scope of this article, but typically it would include a formal process for collecting data about, for instance, clients, competitors and the market; collation and processing of the data into a format that is useful inside the firm, and communication of the intelligence to those that need to act on it.
3. Delegate authority far down into the firm, holding mid-to-junior-level leaders accountable for performance but empowered to do their own planning.
4. Create mechanisms for people in the firm to routinely have quick, focused discussions about issues. Existing technology allows this to be quick, easy and inexpensive. It is simply a matter of DOING IT. For instance, IBM developed a highly effective system called "jamming," that allows its 8000 employees worldwide to provide almost instant input on important issues. Blogs on the intranet and similar mechanisms can also be used effectively.
5. Pay attention to the different aspirations of the "Gen Y" professionals entering the firm. Leverage off the fact that they are not tainted by Newtonian thinking and are tech-savvy in ways that we cannot comprehend. Include them in strategy crafting not just to be inclusive, but also to genuinely draw out and capitalize on their insights.

6. Invest heavily in driving organizational learning (which is not the same as knowledge management). Use proactive learning processes such as business driven action learning, coaching and mentoring.
7. Reward mistakes made in good faith, that do not transgress values or boundaries. **Punish** failure to take risks within values and boundaries.
8. Make sure that the firm's management focus — and especially the performance evaluation and compensation systems — actively rewards the correct behavior! (Yet another reason, if you need one, to move away from a system that measures and rewards primarily billing and pays only lip service to other drivers of the firm's performance.)

This is the essence of the new strategy. In today's world, the sequential process of analysis followed by strategic planning followed by implementation has been roundly discredited both in academic business circles and through the appallingly low rate of success that has been achieved in execution. Perhaps the best book on this subject is Henry Mintzberg's "The Rise and Fall of Strategic Planning." (Free Press, 1994.)

There is a HUGE advantage to moving early. The magic in the new thinking is not in the knowledge. It is in the iterative cycle of concurrent formulation and implementation; one step at a time, feeling one's way to find what works (or not) in the unique environment that is your firm. As such, it becomes something that is impossible for competitors to emulate without going through the same process themselves, which makes it very difficult to catch up.

Now that's competitive advantage!



Robert Millard is a Principal of Edge

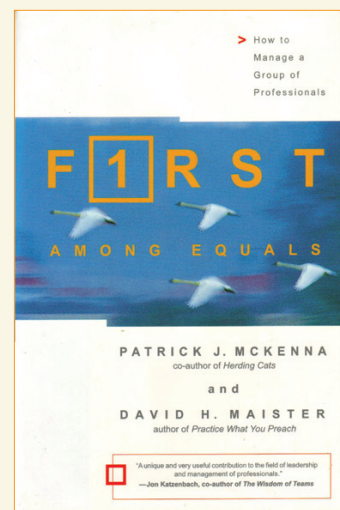
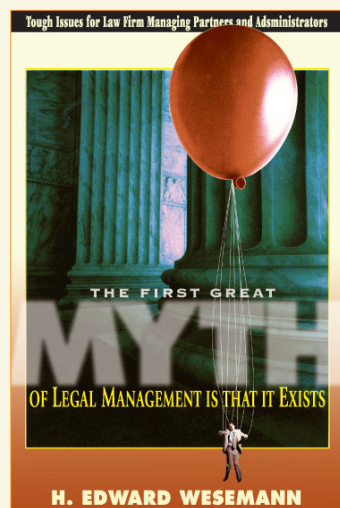
International Inc. Robert has a multi-faceted, eclectic background. An MBA graduate of Henley in England, he led a South African consulting firm for a decade before joining Edge. As a young man, he served as a company commander in the South African Army and worked for several years as a ranger in the Etosha National Park in Namibia. Robert's passion is helping firms develop the dynamic resilience to grow and evolve in rapidly changing environments. Currently, he is working towards PhD in business administration. Robert can be contacted by email at millard@edge.ai

¹ Collins, J.C., 2001. *Good to Great*. Harper Business (the best selling business book of all time, incidentally).

THE FIRST GREAT MYTH OF LEGAL MANAGEMENT IS THAT IT EXISTS

by H. Edward Wesemann

Every month thousands of law firm managing partners, administrators, management committee members and practice group leaders read Ed Wesemann's e-mail messages. As a self-proclaimed destroyer of sacred cows, Ed's articles take on the myths and "me too" thinking that cause law firms to "never quite get around to doing anything." The good news is as Woody Allen says, "80 percent of success is showing up." The law firm that takes action—virtually any form of action—wins. Hardcover **\$21.95**.



FIRST AMONG EQUALS

by Patrick J. McKenna and David H. Maister

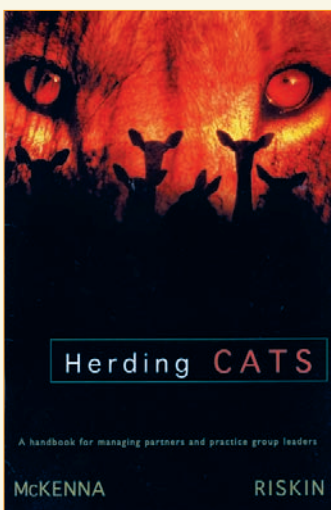
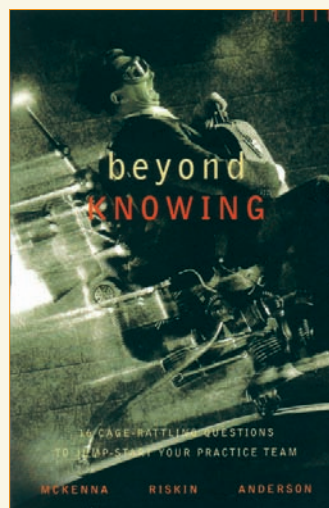
Whether you have just been appointed as a group leader or you are a battle-scarred veteran, you know that managing professional people is difficult! In this strikingly unique "play book," professional service experts Patrick McKenna and David Maister provide real-world examples, a wealth of self-evaluation materials, and offer concrete advice on stressful day-to-day management issues that every leader of professionals will welcome. The authors offer penetrating insights into the basics of coaching, dividing their attention equally between energizing and guiding the individual performer and the group. Hardback **\$26.00**.

BEYOND KNOWING:

16 CAGE-RATTLING QUESTIONS TO JUMP-START YOUR PRACTICE TEAM

by Patrick J. McKenna, Gerald A. Riskin and Michael J. Anderson

This book is not intended to be the latest diagnosis of prevailing market trends or some serious academic tome...but rather a collection of unusual, quirky, provocative and bizarre questions to clear out the cobwebs at your next meeting, jump-start your creative thinking, launch your partners minds moving in productive directions, pop some new ideas out of your intellectual toaster, and get energized to take action. **\$6.95**.



HERDING CATS:

A HANDBOOK FOR MANAGING PARTNERS AND PRACTICE GROUP LEADERS

by Patrick J. McKenna and Gerald A. Riskin

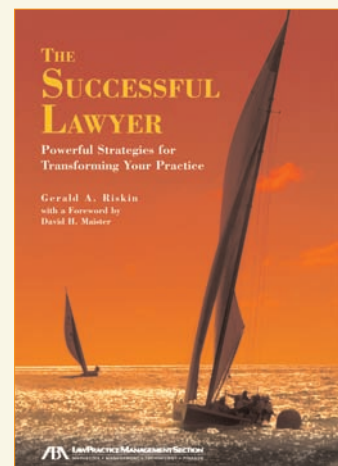
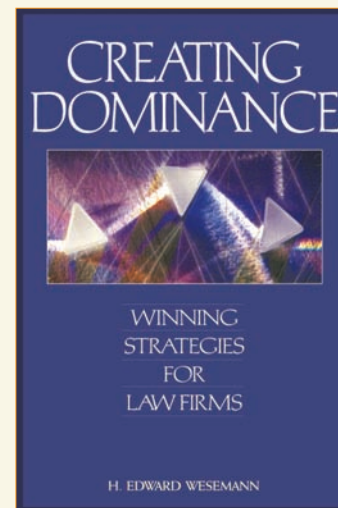
The performance of any professional services firm is primarily driven by the performance of the managing partner and those professionals responsible for leading the practice groups. The essential quality of an individual in this position is the ability to inspire others to accomplish more than they otherwise would. From studying successful law firm leaders, this book gives 18 specific guidelines on how to manage your professional services firm or practice group for extraordinary performance. In Electronic format. **\$6.95**.

CREATING DOMINANCE:

WINNING STRATEGIES FOR LAW FIRMS

by H. Edward Wesemann

In any marketplace, a few firms dominate and get the lion's share of all the best work. These firms dominate their market and their competitors. Ed Wesemann, an international expert on law firm strategy, explains how law firms achieve a dominant position and gives specific geographic, practice, growth, pricing and industry strategies to accomplish dominance. Hardcover. **\$29.95**.



THE SUCCESSFUL LAWYER:

POWERFUL STRATEGIES FOR TRANSFORMING YOUR PRACTICE

by Gerald A. Riskin
with a Foreword by David H. Maister

Available in both a book and an audio-CD version, this comprehensive and inspirational program explains how you can transform your practice into a more exciting, fulfilling, and profitable one by taking control of your destiny. "Bravo!"—Tom Peters, co-author of *In Search of Excellence*, and author of *Re-Imagine! Business Excellence in a Disruptive Age*. To purchase: <http://www.aba.org>

The trick to running a law firm is getting all the pieces to **FIT TOGETHER**

CULTURE

is what defines a law firm. In a business where all of the assets ride up and down the elevator every day, the glue that makes a law firm work is its culture. In fact, research has demonstrated an indisputable direct correlation between profitability and culture.

But, ask a law firm managing partner to describe the firm culture and you'll hear euphemisms like "collegial" or "democratic."

The fact is that most firms really don't know what their culture is and can't describe it. Yet, a recent survey of large law firms showed that one of their partners' greatest fears was "losing their culture." How can a law firm preserve what it can't describe, doesn't recognize and won't communicate?

The Edge International Cultural Inventory is based on 15 years of research by Dr. Daniel Denison of the University of Michigan School of Business, involving more than 44,000 respondents from over 1,800 businesses, including over 100 law firms. The database allows the identification of the specific traits that determine an organization's culture.

It's a simple choice. A firm can continue to grow, take in laterals, merge and hope that its culture won't change. Or it can devote a partner meeting or retreat to understanding and protecting its culture.

Of course, all firms are collegial and democratic...aren't they?

BECAUSE TODAY'S COMPETITIVE CHALLENGES DEMAND A HIGHER LEVEL OF PERFORMANCE



EDGE INTERNATIONAL 1 800 944 3343

CANADA
1 800 921 3343

UNITED STATES
1 800 944 3343

UNITED KINGDOM
0 800 964 911

SOUTH AFRICA
0 800 999 849

AUSTRALIA
1 800 123 366

GERMANY
0 800 101 706