

PLC MAGAZINE:

ACCELERATE YOUR COMPETITIVE ADVANCEMENT THROUGH TALENT MANAGEMENT

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The last six months have sparked unprecedented changes in the legal industry, shaking up established models of business and talent management within law firms. Never before has the legal industry come under such scrutiny, while infallible expert legal advice is ever more critical in business and government. This time of change is going to reveal which law firms are agile enough to meet new client expectations and anticipate demand for expertise, as well as foster an internal climate that promotes sharing of information, resources and client relationships. Success will depend on access to and development of the right talent for the job. In a business driven by knowledge workers, this is the time for law firms to ask themselves: How are we positioning ourselves in the industry moving forward? How does that guide our recruiting and professional development of Lawyers? And what aspirations drive the performance, success and loyalty of our next generation legal experts?

The current context in law firms makes it difficult for young Lawyers to develop their expertise in the same way that today's Partners advanced in their careers. The leverage model, which has increased the average Associate-Partner ratio to 6-1, gives individual Associates less exposure to stakeholders and the processes of negotiation and legal reasoning that provide foundation for the work they are asked to deliver. Further, the increasing reliance on IT in execution is not conducive of the Partner-Associate mentor relationship and the legal reasoning skills that developed thereof, which were critical factors in the formative years and success of those partners who make up the senior layer of legal experts in today's firms. Additionally, as the client landscape and scope of legal matters also grow increasingly global, teams of lawyers may work together from various countries and offices virtually, which further undermines this dynamic. Considering these developments, one Partner in an international firm recently stated the worst case scenario: "Our Associates will advance to become excellent technical Lawyers, but lack the ability to synthesise information and negotiate or solve complex legal matters that is required of our firm's Partners, and which is the core of our firm's value proposition." For these reasons, it is not surprising that there is high emphasis on the need for professional development and mentoring in our surveys of law firms.

Moreover, young Lawyers have a different set of values that drive their choices and achievements, and only with understanding of these drivers can a firm make sure that it is retaining and bringing out the best in its largest group of contributors and secure its long-term success. Studies show that only 37% of law firm associates aspire to the traditional career milestone of Partnership, while 10% aspire to non-Partner roles such as Counsel. This leaves us with over 50% of young Lawyers who plan a career outside their firms at some point in the future. How beneficial would it be for their firms if they could influence when? And to where they will go?

From the Management's perspective, a Partner traditionally has at least six sets of responsibilities, including solving legal problems for clients, developing business, managing client relationships, managing cases and transaction teams, contributing to firm administration, as well as developing young Lawyers. Each of these roles has grown increasingly complex over the last decade. Global clients and scope of legal matters is now the norm. And with regards to business development, what traditionally used to be a simple call from the client to get engaged in a matter has turned to a pitching competition against several other firms. Clients may now be based anywhere in the world and it is more difficult to foster solid relationships with them. In a market environment like this, what seems to suffer first is the dedication to people development.

However, according to our findings from conducting focus groups with law firm Associates across Europe and America, what Associates need to be effective and loyal to a firm besides compensation are stronger Partner-Associate relationships, career development and guidance, a sense of community, and supporting the firm's success by contributing to strategic planning and business development. Firms therefore have the opportunity to invest in development efforts that meet multiple strategic needs and can provide powerful platforms for individual lawyer's and the firm's success.

The enormous capacity of Talent Management to communicate and reinforce strategic goals, solve real problems, and promote behaviours beyond the basic frameworks for management is most often under-leveraged. Multiple opportunities to strengthen marketing efforts, improve teamwork and foster creative problem solving lie in the design and delivery of management support systems and training programs, and the synergies between them. Too many Development curricula consist of independent courses that are not integrated. With programmes that are tailored and synchronised to nurture the organisation's strategic orientation and reinforce desired behaviours, the repetition and consistency between modules have a greater impact on participants' real behaviour than sole concepts taught independently.

First, a strategy for supporting management and evaluating performance against firm objectives needs to be based on a carefully crafted competency model. Tailored to the firm's business goals, a competency framework provides lawyers with a roadmap for managing their careers and assessing performance against specified criteria within each area of practice for each year. A competency framework helps the firm predict and measure development opportunities, identify potential impediments to performance, and inform tailored programmes for managing top talent.

As part of the professionalisation of managers' development in this environment, building business development and sales skills are a high priority. It is our understanding from having coached almost 150 law firm Partners that Business Development is largely a responsibility Senior Lawyers hold for their practice individually. This not only limits their capacity and potential to be successful in all client related activities, but it also inhibits identification of possibilities for cross-marketing. Additionally, it deprives Associates from valuable opportunities to research client needs and develop and demonstrate their marketing skills. Strategic business development and client relationship management seminars support lawyers at all levels in articulating the firm's value proposition. With increasing seniority, lawyers should develop marketing strategies to capture opportunities and foster a co-ordinated and collaborative approach to Business Development. Facilitated Business Development planning sessions serve to integrate the full spectrum of views from the firm's practice groups and are the basis of distinguishing the firm's offering as a force in the market. They further help individual Lawyers define their unique contribution and merits towards the firm's goals. Such opportunities also foster a stronger community and sense of pride around the firm's knowledge offer, with positive effects on cross-selling.

In addressing the lack of mentoring opportunities and direct exposure to key developments, we cannot stress enough the impact of regularly briefing young Lawyers from disparate functions on current cases or trends in relevant industries, similar to the Harvard Business School case study model. This expands participants' practice knowledge base, forges cross-divisional relationships and generates solutions that can be applied in future cases. It further fosters discussion and problem solving, and allows managers to share insights and experience from previous cases or circumstances.

Executive coaching has also become a widely used way of facilitating Senior Lawyers' effectiveness in managing their many responsibilities, as well as handling stress and conflict, in that it helps an individual gain insight into habits that impact performance and facilitates new choices. An effective relationship with a qualified Executive Coach can enhance a Lawyer's capability in the areas of client development, people management, transitioning into leadership responsibilities, as well as offer a sounding board for effective decision making. Coaching is also greatly appreciated in the way it can help Lawyers create work-life balance and align their personal goals with professional and firm objectives.

Moreover, seeking continuous input from young lawyers on firm management and responding to their needs is immensely powerful in maintaining high morale and improve productivity. There are several ways firms can solicit valuable feedback and ideas, including online surveys, focus groups, and solicitation of proposals. For obvious reasons, it is also beneficial to identify and implement best practices from other firms through input from lateral hires.

This downturn has thrown even the largest firms off their keel. Those firms who do not take the time now to reposition themselves and chart a new course for their business risk falling behind

their competition at the very sign of business recovering. By the time we move into an upturn, your ability to create your context is diminishing. The ability to build strong relationships within and around the firm in the current context will be the most influential factor in sustaining a successful legal practice and attracting and retaining talent. This is the time for firms to review their business drivers, and selectively invest in the competences and management support systems that will accelerate their competitive advancement in the next market upturn.

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