

ON MANAGEMENT



Richard Gary

So You Think You Want to be Chair

10 questions to ask yourself — and the firm — before you make the leap into firm management.

Managing a law firm is a complex undertaking. Consider that even the smallest firm in the Am Law 200 generates more than \$80 million in annual revenues. That's sizeable by any standard. Leading one of these firms, or a law firm of any size, can be enormously challenging, satisfying, and frustrating — often at the same time.

Let's suppose you're interested in the position of firm chair. Here are 10 questions to ask yourself — and the firm — before you throw your hat into the ring. As you think about these questions, remember that there are no right or wrong answers in an absolute sense. But there are right and wrong answers for both you and your firm.

1. Why do you want the position? Be clear about what's motivating you to seek a leadership role. Are you simply attracted to the status of the position? Or are you fully prepared to do the day-in, day-out hard work that's required? Over the course of more than a decade leading an Am Law 100 firm, and selecting partners and others for important leadership assignments, I learned that if you want the best people in senior management positions, you need to choose individuals who are genuinely interested in the work that

comes with the assignment and the title. The fact that a partner is the senior member of a practice group or office — or controls more business than anyone else — doesn't mean that he or she is best qualified to head that group or office.

2. What is your vision? The principal role of a firm chair is to establish the firm's overall direction and set priorities. The chair needs to know where he or she wants to take the firm — and why. That means you'll need a very clear vision for the future. And remember that if appointed or elected, you'll receive plenty of advice from your partners about what direction the firm should take. But you need to know what *you* think — and be able to sell your vision to your partners.

3. What are the principal issues facing your firm? Profitability? Strategy? Growth? Marketing? Integration? Performance disparities among practice groups or offices? Resolution of each of these issues requires different leadership skills. For instance if the

issue is profitability, you'll need both the financial background to understand what needs to be done and the ability to make, and then implement, the hard decisions necessary to turn things around. Whereas if the issue is growth, you'll need to enjoy recruiting and be able to sell the firm to lateral candidates. Whatever the issue, be sure you have both the necessary skill and determination to get the job done.

4. What is the selection process? Is there a nominating committee? Are there so-called "free and open" elections in which any partner may seek the position? Will you have competition? Regardless of the selection mechanics, make sure you're up to the scrutiny that the process requires.

And now fast-forward to completion of the process. Let's assume you have a pretty good idea of what you'll do if you're selected to chair the firm, but suppose you face competition and someone else is chosen. Are you prepared to be gracious in defeat? Will you support the successful candidate? It serves no one's interests not yours, and certainly not the firm's — if you seek the position of firm chair without knowing in advance that you're prepared and will be able to accept the outcome of the selection process, win or lose.

5. Is it a full-time position? If not, should it be? In *The American Lawyer's* recent

Leader's Survey of Am Law 200 firm chairs, this group said they spend about two-thirds of their time on management issues and another fifth on marketing and client development.

That leaves very little time — perhaps several hundred hours a year — for the practice of law. So expect that your practice will inevitably suffer. If you're a business lawyer, you won't have time to manage a complex transaction; if you're a litigator, you'll be unable to handle a lengthy trial.

Show me a firm where the chair handles major business transactions or important trials and, in most cases, I'll show you a chair who isn't doing justice to his or her leadership position.

6. How long are you willing to serve? When your term is over, what will you do, especially if the position has been full-time? Remember that the longer you occupy the chair position, the more difficult it will be to rebuild your practice when your term is finished.

It's difficult to know how you'll feel at some indeterminate point in the future, but don't neglect to think about it. The only thing you can predict with certainty about your term of office is that it will end. And remember that you may — or may not — control the time when you're faced with a decision about what to do next with your career. Tenure in the chair position is subject to both internal firm politics and external market forces. Most chairs hold the position at the pleasure of their partners. And like leaders of all businesses, law firm chairs generally last in office only so long as both they and their firms are successful.

7. How interested are you in the nuts-and-bolts of firm leadership? In the Leader's Survey (*The American Lawyer*, Dec. 2004) the respondents cited the following as their biggest challenges: growth management, integrating laterals, expanding key practice areas, anticipating client needs, finding new business, and expanding aggressively while maintaining firm culture.

Chances are good that your firm's chair needs to excel at — and enjoy — dealing with these issues. And don't forget that if you become firm chair, you'll also need to respond quickly and effectively to unanticipated events: such as partners with multi-million dollar books of business who announce on your vacation getaway

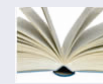
day that the firm no longer adequately supports their practices and that they're moving to one of your long-time competitors. And did I mention conflicts of interest, sexual harassment, substance abuse, and mental illness? You'll also need to become knowledgeable in these areas.

8. How good are your people skills? Law firms are collections of interesting people — highly intelligent, highly motivated, and often difficult. While I don't subscribe to the "herding cats" theory (because it demeans lawyers, albeit in a good-natured way), I do believe that the best law firm chairs have outstanding people skills. They understand human behavior; they are excellent speakers, writers, and listeners; and they're good team players. They know the value of teamwork — of finding the best people, putting them in positions for which they're well qualified, setting organizational goals, and then giving these people room to perform.

9. Will you stand your ground? Are you prepared to relinquish the chair position, if necessary, on fundamental issues where your views differ from your partners? I have always believed that if the principal role of a firm chair is to hold a mirror up to the partnership and reflect back the partners' wishes to themselves, the position will be neither meaningful nor attractive to the firm's best and brightest people. Strong leadership is more important to law firms than ever before. That said, one of the most useful skills a chair can possess is the ability to persuade the firm's partners. Partners don't like being told what to do. They want to be consulted on important issues and to feel their views are valued by firm leadership.

10. Are you prepared to put the firm's interests ahead of your own? I left this question until the end, but that doesn't mean it's any less important. The best law firm chairs I know are people who put their firms first. They show others the way, leading by example. They're people of high integrity — honest and straightforward — and, of course, very hard-working. Their greatest reward is seeing the firm prosper, from reading in the paper about their partners' successes rather than their own.

The firm chair is responsible not only to its owners or partners but also to its profes-



SUGGESTED READING

Most law firm chairs don't have significant management experience and must learn on the fly. And because it is often difficult to find help inside the firm, they often seek guidance from external resources — managing partner roundtables, personal coaches, conferences and seminars, and reference materials.

Here are four books I found to be extremely helpful. I recommend them highly.

Aligning the Stars, by Jay Lorsch and Thomas Tierney, Harvard Business School Press (2002).

Emotional Intelligence: Why It Can Matter More Than IQ, by Daniel Goleman, Bantam (1995).

First Among Equals: How to Manage a Group of Professionals, by Patrick McKenna and David Maister, Free Press (2002).

Primal Leadership: Realizing the Power of Emotional Intelligence, by Daniel Goleman, Annie McKee, and Richard Boyatzis, Harvard University Press (2002). — R.G.

sional and support staff employees and to its clients, landlords and, in many cases, lenders. Having chaired an Am Law 100 firm, I understand the benefits and burdens of these positions. If you can answer the questions listed above in a way that's satisfactory to you, and if you're selected to chair your firm, I'm betting you'll look back on the experience as the highlight of your career. That's certainly the case with me. **LI**

This article is reprinted with permission from the January/February 2005 edition of LAW FIRM INC. © 2005 ALM Properties, Inc. All rights reserved. For information, contact American Lawyer Media, Reprint Department at 800-888-8300 x6111. #014-05-05-0002

GARY ADVISORS

P.O. Box 1066, Tiburon, CA 94920
415.381.0976 (office)
415.381.8376 (fax)
415.828.8997 (mobile)
rngary@garyadvisors.com
www.garyadvisors.com