

Challenge

Life Time Achievement Award presented to the Legal Profession – Challenge Management



Stephen Mabey, CPA, CA
Principal & Managing Director

A simple definition of management is “*the process of dealing with or controlling things or people*”. Over time a number of types of management have been identified. In a May 2013 edition of *Simplicable*, which is published by Morning Clipperton, Anna Mar identified the following 21 types of management:

- Strategic Management
- Sales Management
- Marketing Management
- Public Relations
- Operations Management
- Supply Chain Management
- Procurement Management
- Risk Management
- Change Management
- Quality Management
- Innovation Management
- Financial & Accounting Management
- Human Resources Management
- Information Technology Management
- Research & Development Management
- Engineering Management
- Program Management
- Project Management
- Design Management
- Facility Management
- Knowledge Management

For the vast majority of the above types of management the focus is a task (a piece of work to be done or undertaken) or goal (an observable and measurable end result having one or more objectives to be achieved within a more or less fixed timeframe).

Many law firm cultures do not lend themselves to alignment with these typical management approaches and their tasks and goals. Rather, the definition of “challenge” syncs better with the culture of law firms.

For purposes of this discussion, a challenge is defined as “*an objection or query as to the truth of something, often with an implicit demand for proof*”.

There are three reasons that come to mind why attempting to manage lawyers has resulted in a twenty second management type best labelled challenge management.

1. Personality traits of lawyers in general

Dr. Larry Richard is widely acknowledged as having the greatest body of knowledge on the personality of lawyers. He has spoken and written on the topic for the last couple of decades and additional research continues to support his earliest findings.

The following table compares the percentile scores for lawyers compared to the general public:

Personality Trait	Lawyers	General Public
Skepticism	90	50
Urgency	71	50
Sociability	12	50
Resilience	30	50
Autonomy	89	50

Individuals with high scores in skepticism, urgency and autonomy tend to exhibit the following traits:

- Judgemental, argumentative, and self-protecting
- Impatience and sense of immediacy
- Resist being managed, value their independence and not like being told what to do

Individuals with low scores in sociability and resilience tend to exhibit the following traits:

- Interactions that emphasize “the mind rather than the heart”, and rely on existing relationships
- Defensive, resist feedback and hypersensitive to criticism

The combination of the above traits results in management sessions that more resemble cross examinations with a demand for proof or outcomes even when the issues being dealt with are conceptual in nature. Autonomy being what it is, it is a misstep to assume as the starting point that the lawyers even want to be managed.

2. Structure of laws firms

The partnership structure breeds misalignment, misdirection of focus and lack of accountability.

Unlike a corporation, the owners of a partnership are involved in the actual generation of revenues and expenditure of funds on a daily basis. The selection of tasks or goals can have a direct bearing on their incomes and personal circumstances can change their view point after the fact. This tends to result in challenges even after tasks or goals are agreed upon and underway.

3. Training or education

Law students go to law school to learn to read the law. Then they spend the next few years after graduation learning to be a lawyer. Nowhere in most of the law school curriculums and the subsequent law firm training regimes is there any real focus on management of the business side of the practice of law.

History has shown in many firms that a lack of formal training or knowledge does not inhibit the dominance of the skepticism trait. One could almost accept that the phrase “don’t confuse me with the facts” originated in a law firm.

Lawyers in general and most law firms specifically do not embrace risk and the associated possibility of failure.

As a result of the lack of knowledge lawyers are being asked to consider, decide and sign off on concepts that are outside their training and the most common result is to challenge the issue and require proof that is hard to produce without having embarked on the recommendation.

Successful Leadership Styles in a Challenge Management Environment

It would be leaving you with a false impression if you have drawn the conclusion that there is no way to successfully embrace challenge management!

The following are the three different leadership styles that appear to have achieved the greatest management success in law firms:

1. Servant Leaders¹

Leaders fostering the servant style of leadership recognize and acknowledge that the strength of an organization is within its people, thus, they will devote themselves to fulfilling the needs, to the extent possible, of their lawyers and staff. Servant leaders know that a healthy person and a healthy organization are better positioned to learn, grow, change and adapt, so they become actively engaged in boosting self-confidence, promoting effective management practices and seeking better ways to communicate and interact. They are our stewards of good practice and positive support.

Servant leaders have listened and observed, and have perspective about the realities in which people and organizations find themselves. They recognize limitations and obstacles, and know that any progress must begin at the beginning, where the person or group finds themselves at any moment. And they recognize the variable competencies people and organizations own and can draw on to step, or leap, forward.

2. Visionary Leaders²

Visionary leaders are authoritative, not authoritarian. They excel at painting a picture of success and then inspiring people to move forward toward a shared vision. Visionary leadership is usually comprised of two parts: determining direction and getting others to follow. While strategy is important, it is only half the battle: The harder part is what the visionary leader does so well—clearly articulating the strategy, repeating it, and inspiring lawyers so they move in that direction. Firms led by visionary leaders are often characterized by hope and excited anticipation for the future.

3. Participative Leaders³

This style of leadership is probably more common in law firms than in other types of organizations. Why? The nature of partnerships is such that a leader among equals, by his or her very nature, must approach leadership in a participative manner. The participative leader, sometimes referred to as a democratic leader, works hard to govern by consensus. This style requires patience, the ability to put one's own agenda on hold, and a genuine ability to listen to others. Participative leaders try to give their constituents an opportunity to have some control over their own destiny.

One of the positive developments that many firms have experienced as a result of the millennial influence is a heightened need for transparency. This requirement itself serves as re-enforcement of the concept of challenge management.

The most effective style really is a blend of all three, as firms are faced with a myriad of challenges and no one style excels at dealing effectively with all the challenges.

To my way of thinking, the right leadership traits (versus style) are critical to those trying to navigate the challenge management found in law firms. In a 2013 Definitely Mabey column I noted the following six critical traits (not in order of importance):

1. **Firm-first mentality:** law firm leaders must have the trust of the partners that they will always put the interest of the firm/practice/department ahead of personal gain or interest of the few;
2. **Understanding the motivation of others (empathy):** able to push/motivate people to want to take on challenges, push personal and practice boundaries, and thereby create new opportunities for the firm and themselves by understanding emotional buttons and hitting the right ones;
3. **Receptacle for new/different ideas and approaches:** balances self-opinion with the ideas of others, irrespective of origination and quality;
4. **Business acumen:** keenness and quickness in understanding and dealing with a business situation in a manner that is likely to lead to a productive outcome;
5. **Personal capital (credibility):** most changes in law firms involve some degree of infringement of individual autonomy and it is critical that the person is seen to have credibility when arguing on behalf of the change, whether it is having a real grasp of the impact of the change, the ability to ensure the proper execution, or the necessity to make the change; and
6. **Communicator:** without strong, interpersonal verbalization skills it becomes almost impossible to create the desired collaborative environment while not shying away from confrontation when absolutely necessary, by being prepared to conduct "walk around" conversations, confrontation is minimized.

Conclusion

Given the nature of some of the challenges faced by law firms today which include - cyber security; internet delivery of legal services; pricing; over supply & under demand; legacy planning; expanded field of competitors; and need for continuous innovation - understanding challenge management and the "best in class" ways to succeed at it is mission critical.

Comments or Questions?

Copyright © Applied Strategies Inc.



[Print PDF Version](#)