

Definitely Mabey

New voice but same words

T. S. Elliot once unknowingly demonstrated insight into the legal profession when he wrote:

"For last year's words belong to last year's language and next year's words await another voice . . ."



Stephen Mabey, CA
Principal & Managing Director

The challenge in the legal profession is not that voices don't change (albeit sometimes too slowly) but the words never change. If a frank and open survey was conducted of law firms of all sizes this January, I would bet the issues and challenges identified as facing their firms in 2013 would differ only so slightly from the ones identified in a similar survey conducted last January.

There are likely as many reasons for the absence of "doing" as there are firms, including:

1. The magnitude of the issues are such that it will take years of repeated effort to solve them;
2. Because new challenges arise, we have to keep adjusting our priorities, and these issues—while serious—were bumped for more serious ones; and
3. We were not sure where to start so we worked on other issues while we developed a strategy on how best to deal with our more serious issues.

Much of the law partnership business—large and mega firms excluded (but perhaps they should not wear the title of partnership to begin with)—is conducted on a consensus basis.

In January 2012, H. Karen Gardner, an assistant professor of business administration at Harvard University, authored a paper titled *Performance Pressures as a Double-Edged Sword: Enhancing Team Motivation While Undermining the Use of Team Knowledge*. For purposes of this column in layperson English, her research suggests innovation is smothered by consensus decision-making.

The legal profession is a classic example. Everyone knows of the need to make significant changes in many aspects of its business processes and procedures, but there is no real wholesale movement in the profession. In a simple chain of events Gardner's research would seem to point out that:

- ⌚ high pressure results in teams needing to reach consensus;
- ⌚ consensus causes the focus to be on common knowledge;
- ⌚ common knowledge results in a deference to status in the firm's hierarchy of power;
- ⌚ the deference results in a conformity to the hierarchy's knowledge; and
- ⌚ conformity of knowledge results in no innovation.

Without the old fallback of consensus decision-making we are asking law firm leaders to take risk and make

recommendations and execute strategies and directions that are independent of "what are the other firms doing" and the perennial conversation ender "the partners will never agree to this." Likely many of you have heard personality assessments and studies time and time again suggesting lawyers score a significantly higher aversion to risk than the general public. Therefore, expecting leaders who are lawyers to take risks may not be a prudent bet!

"...expecting leaders who are lawyers to take risks may not be a prudent bet!"

I would add one further complication to achieving innovation in law firms and that is, as Tracy Williams said in the *Harvard Business Review* regarding the book *Playing to Win*: "Strategy is not complex. But it is hard. It's hard because it forces people and organizations to make specific choices about their future—something that doesn't happen in most companies."

With these two serious inhibitors of the innovation required to maintain long-term prosperity you might think, and unfortunately in 2013 it will likely be the case for some firms, all is hopeless and firms should systematically go about closing up shop.

I don't believe this to be the case at all. Rather, I think there are a number of steps all small to mid-size firms can take to help them both work their way through these two natural obstacles and successfully pursue long-term profitability.

These steps include:

1. Select a leader whose strengths are communication, judgment, and interpersonal skills. Future success of law firms will very much depend on the ability of their leaders to engage, motivate, and instill hope in the partners to get them to meet and exceed their capabilities. Having the largest practice and/or largest clients can no longer be the deciding factors;
2. When you have selected your leader, agree on what has to come to the partnership and what doesn't and then back off and let them lead. A note of caution here—don't disappear on them, just give leaders room to make decisions and try new, untested approaches: give them an opportunity to fail with a free pass;
3. Make the leadership tell you the three (and only three) things that must be accomplished in each of the next three years and then hold their feet to the fire to accomplish them. Barring some incredible unforeseen circumstances, change out your management if they are not achieved or if the goals are unimaginative or lack innovation;
4. Invest in business development research of both existing and desired potential clients to not only know their business today but what challenges they face in the future (five to 10 years out). Then figure out which of your existing legal services you need to increase their awareness of or what legal services you need to develop to meet future needs and then make sure clients are aware the firm offers those services;
5. Invest in "sales" training for all your lawyers with the aim of exploring their individual strengths. Everybody has a natural talent that can be utilized in the firm's overall sales effort;
6. Manage your professional complement very closely—a group of lawyers modestly overworked and sharing in a growing compensation "pie" are and always will be happier than a group of lawyers not working at the level they want sharing in a compensation pie that is flat;
7. Stop striving to be as poorly lead, managed, or

"...give leaders room to ...try new, untested approaches: give them an opportunity to fail with a free pass."

administered as your competitors by banning the phrase "what are the other firms doing?"

"...ban the phrase "what are the other firms doing?"

The last step will likely cause the greatest discomfort for you but can be the easiest (and least expensive) to do if you dare to try—talk amongst yourselves about your dreams of what your firm can become!

According to psychologist Timothy Pychyl, *"Until we have a vision of who we are and who we want to become, we can't accomplish much."*

Pychyl explains the interconnectedness between identity and agency as follows: *"Identity is that knowledge of who we are. Agency is the belief we are in control of our decisions and responsible for our outcomes. It means we make a difference; we make things happen, we act on the world. Thus, being an active agent depends on identity, or knowing who we are."*

Until next month, to paraphrase Benjamin Franklin:

"Let the end of 2013 find you a better firm than you were at the start."

Comments or Questions?

*First Published in **Canadian Lawyer** January 2013. Copyright © Applied Strategies Inc.*



Print PDF Version