

PRACTICE GROUP LEADERSHIP 2.0

If you are like many, for a number of years now you've been attempting to get your practice and industry groups to function effectively . . . with only limited success.

You appointed professionals to positions as practice group leader whom you thought would do the job (and who promised you that they would try); you provided them with some basic training; you endeavored to meet with them all as a group, periodically, to provide a bit of a pep talk; but in spite of all of your efforts, you have only a few of your groups that are functioning as you had hoped. So what to do? Well, you've now decided to embark upon "Practice Group 2.0" and start fresh, largely by changing most of your leaders and hoping that some new recruits might do a better job.

If I've learned anything over the years, it is that your challenge is not so much a people issue, as it is a structural issue.

To be specific: twice a year I have the privilege of conducting a one-day master class for practice group leaders, usually held at the University of Chicago and hosted by the Ark Group. Over the years I have now conducted about a dozen of these sessions and in all cases the participants come from firms of over 100 attorneys in size including the likes of Jones Day, Kirkland & Ellis, Morgan Lewis, Sidley Austin, Weil Gotshal, Winston & Strawn and many others.

I usually begin the day by posing a few questions to the assembled participants. First, I ask, by a show of hands, how many of them have a formal written job description. At my last

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master class, out of a group of 26 participants, ONLY four hands went up – which is pretty typical of the responses I usually elicit.

My second query is to determine how many have a formal, clear understanding of precisely how many non-billable hours they are expected to spend managing or leading their particular group. With this question, I rarely get even one hand going up.

Then I ask: “How many of you work in a firm where the partners have been required to choose one ‘core or primary’ group, wherein they will invest 100 percent of their non-billable time to working on projects that will progress the ambitions and best interests of that group?” The response, again, is a couple of participants acknowledging that this is indeed how it works in their firms.

Before we go any further, please note what we have now determined (by the answers to these three questions) to be the norm in Practice Group Leadership 1.0. Most practice leaders concur that they have accepted the ‘Job’ – without knowing what the job is; how much time they are expected to invest in *doing* the job; and even, *who* specifically is in their group. Now there is a recipe for success!

In other words, before you concern yourself with who occupies the role, you need to verify whether there is any integrity to your structure. Otherwise, history will repeat itself and most of your new practice leaders will fail.

My work with literally dozens of firms and hundreds of practice leaders over the past decade confirms for me that there are 10 structural impediments, in no particular order of impor-

tance, but all of which MUST be addressed if you hope to have effective groups.

1. A Formal Written Job Description

Reflecting back on those who answered this question in the affirmative, what I’ve now learned to ask as a follow-up question is – “tell us specifically what your job description covers?”

While working with one firm, in my preparatory briefing with the managing partner, I asked the usual one about formal job descriptions. I was informed that indeed, a written job descriptions had just been developed in draft form. I learned that this job description was formulated during an exercise conducted to determine what tasks and activities these practice leaders should be held responsible for executing.

I received a copy of the draft, all four pages of it, entitled, ‘Practice Group Leader Position Responsibilities.’ This document covered EVERYTHING – from developing an annual budget to approving marketing expenditures and signing-off on quarterly WIP reports; from coordinating file distribution to workload management; and from circulating draft agendas in advance of meetings to coordinating the performance reviews of students and associates. This was the most exacting laundry list of *administrative minutiae* I had ever read through. It included everything . . . EXCEPT anything to do with the activities involved in actually leading a team.

My response to the managing partner was: *I will be surprised (almost alarmed) if you don't hear from some of your practice leaders, after having reviewed this job description, that it is a touch “overwhelming.” I personally think that the practice leader's job description should be evolutionary such that you begin by identifying a few ‘mission critical’ tasks that you will absolutely hold people accountable for achieving and then slowly progress to adding more responsibilities.*

This particular managing partner had no idea what I meant by “a few mission critical tasks” and so I set out for him the following:

I would, if I were drafting this job description, start with what I believe should be your two mission critical objectives which are the highest value use of the leader's time (and not addressed anywhere in the draft job description):

- **Mission Critical Objective Number One:**

You job as the practice leader is to invest time in getting to really know the individual members of your team; getting conversant with their strengths and career aspirations; and coaching and helping (one-on-one) each individual member become even more successful than they would have been, had you not been the practice group leader.

- **Mission Critical Objective Number Two:**

Your job as the practice leader is to work with your group, as a team, to identify and implement specific joint action projects intended to increase the group's overall morale; enhance the visibility of the group in their competitive arena; improve the service and value delivered to clients; secure better business; and work towards developing a dominant position in some niche area(s) in your marketplace(s).

From that as my start, I would then include perhaps one page of only the key, essential items that have been documented over the 4-page attachment, as simply supplemental action points to accomplishing these two mission critical objectives.

Further, I would respectfully delete any reference to ‘Financial Management’ for two reasons: I believe that these activities lead practice group leaders into unconsciously behaving like policeman rather than coaches; and I think that much of this should be in the job description of the office managing partner or executive director. (and in the case of your office manag-

ing partners, consider: what is that individual's responsibilities? And how do they interface with your practice leaders?)

2. Clearly Defined Non-Billable Hour Commitments

In an environment where we normally measure the billable hour to the nano-second, when it comes to how much time we expect people to spend managing their groups, we completely ignore the non-billable (or as one managing partner calls it – “investment”) time.

Once you've chosen the individual expected to lead a particular group, you owe it to that person to have a frank one-on-one discussion to determine how much time this job is going to require. The time required is likely to depend on the size of the group and any travel requirements (related to the geographic coverage of multiple offices). It is not uncommon to see practice leaders investing anywhere from 200 to 500 non-billable hours.

The very best example I ever heard was from one firm leader who described is like this: “We have a minimum and maximum expectation of you. The minimum amount of time we would like you to spend is 300 hours and we would like you to track your time in our system. If you spend less than 300 hours we will need to talk about how you're managing your time. The maximum amount of time we would like you to spend is also 300 hours. In other words, if you invest more in working with your group, we will be delighted; but please do not use any excess investment as an excuse for your own billable performance.”

Where practice groups are fairly large and dispersed over numerous offices, it is not uncommon to see some model of shared leadership emerge. At Skadden Arps, Jack Butler, the practice leader of their global restructuring group related to me how he had a couple of deputy

leaders, each responsible for certain activities. And when the firm wanted to make a solid commitment to further their knowledge management effort, rather than burden the practice leaders, it developed a model where partners were selected from within each group, given responsibility for KM, and then collaborated together across groups and offices.

3. An Internal System of One Core (or primary) Group

Many practice or industry groups are formed for the primary purpose of harnessing a group of professionals to engage in activities that will bring in business – especially in this economic period of declining demand. Much of what is required to build the practice is not capital intensive. Throwing money at advertising or branding the group will not necessarily deliver increased revenues. The most important asset the group possesses is the cumulative non-billable time of its members – working together on projects and activities deemed to be beneficial. This becomes very difficult to accomplish if your structure allows partners to be members of as many groups as they wish, without any acknowledgement of where they will invest their marketing time. In other words, you cannot expect a partner to divide their finite, precious non-billable time amongst a number of different groups. It just does not work! It only serves to frustrate the practice leader and provide the partner with a handy excuse as to why they weren't able to follow through on their specific promise to accomplish something.

What does work is requiring each partner to select, *voluntarily*, the “one core or primary group” that is their first choice to invest in. They should be informed that they:

- may also choose, as a “resource or secondary” member, to join as many other groups as they wish (thus able to attend meetings, participate and receive minutes of meetings, but are not obligated to invest any specific

- time in doing anything for the group);
- may (depending upon the culture of the firm) still perform client work in practice areas that are not their core group; and
- may change their mind, at a later stage, should they feel that their core group is not performing.

4. Selecting The Right Individual

It's an old story but it still remains true in far too many cases. In Practice Group Leadership 1.0, you selected as the practice leader that partner who either was the most senior, the gifted luminary or the best rainmaker to initially become the practice leader. Now you realize that except for taking the title, nothing much has happened. You're tempted, in your vision of launching Practice Group Leadership 2.0 to replace this individual, but now you have a different issue. Your problem now is to determine how do you get him or her to relinquish the title without them being embarrassed and losing face. Even worse, you have a little chat with the individual to subtly explore whether they really do want to continue as practice leader, only to be told that they really don't want to do the work required, but having the title contributes to their client origination results and . . . you wouldn't want to jeopardize that, would you.

What a number of the more progressive firms have done is create a *title* for their senior, luminary, rainmaker – called Practice Chair. This is to acknowledge the individual as both a subject matter expert and a substantive mentor to others in the group. The Chair is required to invest a minimal amount of their time to assist group members on substantive matters, contribute to internal CLE efforts, and provide a bit of help on client development issues to those in the group with need.

That leaves us to now look for some partner in the firm who either has an interest in leading the group (would actually like to do the job)

and a partner who has the aptitude for actually helping their fellow partners. In other words the job of being a practice leader isn't so much about having certain skills as it is about having the right attitude. We need to select that partner who can get satisfaction out of helping others succeed.

I've joked with many a managing partner that I think we made a huge mistake in calling our people practice 'leaders.' For one thing, everyone wants to be known as a leader, and all too often the concept of leadership is taken to simply mean being a "role-model." Or put slightly differently, "I was clearly promoted to this role of leadership because I am such a successful practitioner. So if you too want to be successful just do what you see me do." Perhaps we should have more firms adopting the title of practice group coach – which removes the glamour and enhances what is really required of the individual occupying the position.

5. Determining Practice Group Leader Term Limits

One of the challenges inherent in any leadership position is having the incumbent get bored and stale after a number of years. In my article "Tenure Trap" I reported on academic research that clearly proved that at some point (13 years on average), job mastery gives way to boredom; exhilaration to fatigue; strategizing to habituation. Inwardly the leader's spark becomes dim and responsiveness to new ideas diminishes.

The more progressive firms have introduced term limits for practice leaders. From my research, the most common term is usually 3 years, renewable for two further terms, or a maximum of nine years of service. This usually fosters a sense of leadership succession and the idea of introducing new leadership of the group without unduly embarrassing some leader seen to be stepping down.

6. Obtaining Practice Leader Input Into Partner Compensation

Another element necessary to structural integrity is allowing practice leaders formal input into the compensation of the partners in their group. Did this individual attend the meetings, contribute to the group's success, implement the projects they volunteered for, and help others in the group? It would be naïve to believe that leaders will not occasionally have to deal with severe degrees of non-compliance, such as some partner who never follows through on his promises. It helps when that partner knows that each group leader is being invited to provide specific input into how each member has contributed (or not) to the collective effort.

Your job, as firm leader, then becomes to communicate to partners at year-end on the results of their contributions. Are you able to actually point to a definitive bonus or penalty that accrues to some partner as a direct consequence of their actions. Without this feedback loop, your practice leaders lose all credibility and partners are perceived to be free to do whatever they wish.

7. Defined Non-negotiable Expectations of Groups

Whenever I seem to ask firm leaders what they expect of their groups, I tend to get some vague notion of how the groups should meet periodically and that perhaps they should develop a business plan . . . but no real precise and consistent definition of what is required of ALL practice or industry groups.

I can report that the firms that get this right, set out very specific expectations, most often in writing, for their groups. Those expectations usually include things like:

- Every practice group *must* meet at least once monthly, for a minimum of one hour, with an agenda dedicated to exploring and executing joint projects intended to advance

the position of the group in the competitive marketplace.

- Every partner is required to devote a minimum of 60 non-billable hours to:

- (1) doing some task/project that will benefit the interests and goals of their core/primary group (with any activities undertaken to benefit that partner's personal practice commended but not sufficient); and
- (2) promoting the group's profile and visibility through active membership and participation in some selected industry or trade organization.

- Each practice group must devote some time and attention to:

- (1) exploring and discussing how they can enhance the value they deliver to clients; and
- (2) accomplishing client matters at less cost with a written progress report delivered to the management committee quarterly.

8. Ensuring Every Practice Group Has A Formal Written Plan

Now this is one of those questions, that when I do ask attendees of one of my master classes, usually elicits a good number of affirmative responses. Except that when I dig deeper, I find structural impediments that have us still coming up short.

Impediment One. In too many instances we relegate planning to some four-page template that each practice group is expected to complete. I don't know where these templates originate, but I see similar documents in every firm. It asks things like:

- list five current clients for which your group can expand the volume and scope of the work handled
- list five prospects that your group will target for business
- develop four ideas for collaborating or cross-selling with other practice groups
- list the client entertainment activities you

have planned for the coming year

I have crassly come to call this “wet dream marketing.” It sometimes goes well beyond being aspirational. I’ve seen group plans that show them targeting prospective clients, so out of step with reality, that one just knows that no one has bothered to question them on their thinking.

Impediment Two. After the written plan is submitted, I dare you to ask any of the partners in the group to tell you about their group’s business plan. I issue that dare from knowing that in too many cases the practice leader will have simply taken the template home and filled it in, without consulting any of the group’s members. I know that from hearing them tell me that this is “just one more bureaucratic exercise to appease the marketing department.”

Impediment Three. In most cases there is absolutely no feedback loop from your firm’s management committee to individual practice leaders to see how the implementation of that business plan is progressing – except maybe, maybe at the end of the year when it’s too late to offer any constructive suggestions or make course corrections. And then we do it all over again the next year thinking that this time it will work out better!

What practice groups need to do is get everyone together (think of it as a half-day mini-retreat) to assess their work, the clients they serve, the competitors they face-off against, the trends that are impacting their practices and determine specifically where their greatest opportunities are and what they should specifically do to capitalize on those opportunities.

9. Minutes of Group Meetings Provided to Management Committee

Whenever I’ve been called in to work with a firm’s practice groups, one of my first questions of firm leadership is to please send me copies

of the groups’ meeting *minutes*. The response I usually get is . . . “Minutes? What do you mean by minutes?” Which tells me everything I need to know.

I find that too many practice group meetings are simply a convenient excuse to have lunch and find out what everyone has been up to lately. The most effective practice groups spend their time action planning, determining some joint projects that the group would benefit from working on and having partners volunteer to implement certain tasks.

The acid test is: are your groups really doing anything meaningful? The only way for firm leadership to determine the answer is to get the group’s minutes and see whether there are specific tasks/projects underway with specific partners committed to implementing those projects – and ideally those projects should line up with the business plan that each group created.

As the firm leader if you are receiving the monthly minutes from each of your practice groups, you can fairly easily determine who’s being effective and who is off track, who’s working on implementing their business plan and who is not; and which practice leaders you might need to spend some time coaching and which you need only send a “good work” note to. Alternatively, without regular minutes you will not likely find out how any of the groups are progressing until the end of the year, if then.

10. Regular Quarterly Meetings of All Practice Group Leaders

It has become increasingly common for firms to periodically bring all of their practice leaders together, usually for a couple of hours over lunch. When I ask practice leaders about what is on the agenda of those meetings, I’m informed “it was simply a management data dump!” In other words, it was an opportunity to report on the firm’s initiatives, activities and

financial progress, perhaps with reports to each practice leader on who in their group needs some remedial attention. All subjects deserving of time and attention, but also capable of being communicated by email without the necessity of a physical meeting.

Again, the more progressive firms do meet and meet at least quarterly with the firm leader and all of the practice leaders. That meeting is not a data dump. That meeting usually has three consistent agenda items:

Agenda Item One: Help With Problems

“In a moment, I’m going to go around the table and I would like to hear from each of you about some problem, frustration or headache that you are confronting, that perhaps others here may have experienced and that we can help you with.”

Agenda Item Two: Replicate Successes

“In a moment, I’m going to go around the table and I would like to hear from each of you about some success that you or your group has experienced that could be emulated, duplicated or leveraged by other groups in the room.”

Agenda Item Three: Explore Cross-selling Opportunities

“In a moment, I’m going to go around the table and I would like to hear from each of you about ONE timely, hot and pressing legal issue that you are currently helping your particular clients successfully deal with, and an issue that other clients in this firm may also be facing.”

CONCLUSION

As I stated at the beginning of this article, to make Practice Group Leadership 2.0 work you need to address each and every one of these – ten actions to help make your practice groups function effectively.