

Searching For Opportunities Amidst The Gloom

by Patrick J. McKenna

As if the gloom of each day's economic malaise isn't enough to deal with, we were recently perusing our good friend Richard Susskind's latest treatise – *The End of Lawyers?* Richard tells us that the question mark in the title should hint that he is not out to bury lawyers but to investigate the future of the profession. And investigate he does. We are treated to eight chapters rife with observations, predictions, useful anecdotes, marvelously detailed case studies, and presented with the kind of insight that only an IT expert with Richard's decades of experience could execute.

We were particularly struck by one of his observations concerning how law firms achieve innovation. Richard explains: *“Management textbooks might suggest that innovations will flow elegantly from the insights of management consultants, from lengthy strategy documents, from market research, and from away-days devoted to blue-sky, out-of-the-box and lateral thinking. Not a bit of it. The reality is that the overwhelming number of innovations have evolved from the efforts of mavericks within law firms who pursue ideas that are regarded in the early days as peripheral, irrelevant, and even wasteful.”*

The efforts of mavericks? HUGE Kudos to Richard Susskind!

A new discipline emerges – maverick management . . . the art of nurturing and encouraging your mavericks.

We not only STRONGLY agree with Richard's assessment, but we are reminded of a number of partner retreats we've facilitated wherein we had electronic voting machines available to the participants. During a number of those sessions we had the opportunity of posing this question: *“How many of you have thought of some new idea, potential new practice or initiative, that has the potential to generate new revenues for the firm?”* The usual answer from partners is somewhere in the range of 69 to 83 percent in the affirmative. In other words a good portion of the partnership have some new idea that might have revenue potential. What happens to these ideas?

Our obvious follow-up question then becomes: *“How many of you have shared your new idea with some member of the firm's management – be it the managing partner or a member of the executive committee?”* Curiously, we can report (hand on heart) that we rarely elicit a response in the double digits. So why do your partners not share their commercial and potentially lucrative ideas with anyone?

Aside from the usual critical and analytical responses that one would expect any new idea to elicit from their beloved partners: we do not have the time to develop such a practice, I'm not sure anyone else is doing this, my clients wouldn't be interested, it's not time for this kind of initiative, and so forth . . . the reality is that most law firms do not have any sort of formal system or infrastructure to nurture new ideas and practices . . . irrespective of whether they may be enormous money-makers!

So what does this mean? Well if Susskind is right in that mavericks are the research and development departments of the twenty-first century law firm, and our experience suggest

that he is dead right – then we need to find the way to gestate and commercialize these new ideas.

Unfortunately there are only a handful of law firms, that we're aware of, that have figured out how to encourage their mavericks and wrap some strategy and structure around their innovative ideas.

And here is the PUNCHLINE. The firms that we're thinking of, have initiated (largely at our insistence) a minimal \$100,000 internal Venture Fund that is available for partners to access by putting forward their ideas and having their initiatives encouraged and financed. Now that might have seemed frivolous during the boom times, but we think that it is just what a lot of firms need today to encourage enthusiasm, entrepreneurial spirit and innovation amidst the gloom.

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