

When a "Family" Culture Will Harm Your Law Firm

By LawVision on December 17, 2019

We have heard law firms describe their culture different ways. "We're a family" is one. While this sounds nice, it is not meaningful until we review the culture in detail.

A family-like culture can help or hinder a firm's performance. The distinction is with whether the firm's "family" is dysfunctional.

Think of your own family. Families experience highs and lows together over the years. Some family members carry each other through challenging times when non-family members would bolt. Some families are constructive and some are self-destructive.

In a law firm with a constructive, family-like culture, people support and care about one another, feel excited to come to work most days, and produce positive results for the firm. Weaknesses are systematically addressed and improved. People experience personal and professional growth on an individual basis and as a team. Achievements are celebrated and celebrations are shared and meaningful.

A family-like culture that is self-destructive can manifest itself in many ways within a firm. Specific behaviors one might find may include but are not limited to:

- arguing about relative worth and compensation like quarreling siblings;
- · forgetting the firm is a business first;
- management disclosing sensitive and personal employee information when it's not necessary or appropriate to do so:
- shouting at people who make mistakes and frequently being seen losing one's temper;
- tolerating meetings where people communicate disrespectfully;
- practice groups or individuals avoiding each other for years after having some sort of falling out over an issue that was never properly addressed; and
- hanging on to under-performers because "they're family."

These poor behaviors ultimately set the baseline of performance that is acceptable within a law firm. People who "grow up" in this "family" learn what is and is not allowed by observing others and modeling their behaviors after their peers'. What's worse, after working together for years, members of a firm with a dysfunctional family-like culture may believe the behaviors within their firm are the norm for law firms…but whether they realize it or not, when lateral hires don't stay long and performance metrics aren't improving, a firm's culture may be the culprit.

Here are a few examples of harmful behaviors and potential resulting outcomes which may be found in a family-like culture that is holding the firm back from its own success:

Behavior #1: Avoiding difficult but critical conversations with those we care about.



<u>Example:</u> A senior partner hangs on too long to a client relationship and hoards billable hours that should be passed down to the next generation of attorneys. The managing partner tiptoes gently around the topic of succession planning with this partner, but the partner gets offended and any discussions end without resolution. The managing partner lets it go for now and resolves to revisit this topic with this partner in a year or two.

Result: While the firm's managing partner meant well, "kicking the (succession-planning) can down the road" exposes this firm and its clients to risks.

- The client quietly wonders how long this relationship can last, whether they are being overcharged for work that an Associate could be doing, and whether they should take their work to another firm that has formal succession plans and client teams in place.
- Younger talent, if they do not see a pipeline of professional and client development opportunities, may leave this firm when that recruiter comes calling with a competitive offer from the law firm next door.
- If anything were to unexpectedly happen to this partner, institutional knowledge and the client relationship could be lost. Incomplete matters create a liability for the firm.

<u>A better approach</u>: As with helping an aging loved one transition into the next phase of their life, having a succession plan in place with a senior partner and having conversations about it early and often will help the senior partner transition to their next phase and ensure the next generation of law firm talent and clients see opportunities to thrive. This benefits everyone.

Behavior #2: The favorite child isn't expected to follow the rules.

<u>Example:</u> A rainmaker exhibits behaviors that do not match firm values and policies. For instance, when a firm leader calls meetings, the rainmaker tends not to attend. Some firm leaders might look the other way. They do not dare ask that rainmaker to adjust those behaviors for fear of rocking the boat with their star revenue driver.

Result: The problem is, when rainmakers and other highly visible people within your firm are left to do things in a way that conflicts with firm values and policies, people notice these exceptions being made. Others learn that the rules don't apply, firm values and policies aren't meaningful, and that they, too, can get away with poor behaviors if they compensate by bringing in business or sitting in a leadership position. Employees become resentful when they are punished for deviating from the rules when others get off scot-free. Making visible exceptions sends the message to everyone that less-than-exceptional performance and participation will be tolerated (and, as a result, less-than exceptional performance and participation is what you'll get).

A Better Approach: Desired behaviors must be modeled from the top. However, before prescribing a better approach, it is important to properly diagnose the situation. Aside from being pre-occupied with client development, there may be another explanation for why the rainmaker regularly chooses to avoid these meetings. Is the firm doing a good job of regularly communicating meeting attendance expectations? Maybe these meetings have earned a reputation for being ineffective or perhaps the leader calling the meetings is not well respected and, therefore, rainmakers and others skip them because they do not believe these meetings are a valuable use of their time.

An effective cultural assessment will identify behaviors within your law firm that are hindering performance, their root causes, and help you create a roadmap for cultural improvement.



What makes your law firm's culture unique?

There are specific ways to assess and address the weaknesses and strengths of your firm's culture. If you are interested in learning more about having your law firm's culture assessed, please reach out: Yvonne Nath, ynath@lawvision.com.