Getting Succession Right: Remember – It's Personal

By Joseph B. Altonji on March 17, 2016

In multiple posts over the last several weeks, including *"Succession Planning Challenges – No Surprises Here"* and *"The Impact of Succession Challenges in Smaller Markets"*, my partner, Mike Short, has explored various aspects of law firm succession planning – a critical topic in many firms today. In this post, I want to examine an additional and complex component of success that is often overlooked or taken for granted – in the end, getting succession right, especially in first generation transitions, is often a matter of recognizing and managing intensely personal relationships, emotions and their related challenges. Law Firm leaders are much more comfortable with the systemic and process-related aspects of succession planning, such as developing plans, changing compensation rules, interacting with clients, and dealing with intergenerational expectations. This human dynamic piece? Not so much.

Many firms facing the most significant succession challenges today are those founded by incredibly successful lawyers who now realize that, one way or another, they are approaching the end of their careers. While they might prefer to "die with their boots on", they do recognize that sooner or later someone else will pick up where they leave off…but that doesn't mean they need to be happy about it! The emotions involved with handing off their firm, practices, and clients to the next generation will be an intense mixture of pride, anxiety, and loss. For some, it will also involve a very personal lost sense of purpose. This will be complicated even more in the many firms where the next generation of partners was brought up solely to service the work generated by those larger-than-life founders. As a result, the hand-off that must occur will be one that skips a generation (or two) and puts the seniors in a position of handing off their legacy to a generation they don't fully understand and trust. They identify better with the group just a few years younger than themselves but recognize in many cases these are not the lawyers who will carry the firm forward. (We will leave aside, for now, the complications posed by the generation being "skipped." In firms where this is necessary, the emotional complications are coupled with a wide range of economic and structural challenges, all of which must also be managed.)

On the other side of the equation, many in the group that must assume leadership over the coming years are themselves poorly positioned to recognize the emotional complexity of the situation in which they find themselves. Lack of appropriate or sufficient experience, a history of having their own way paved for them, and other factors have placed them in a position where, for the first time, they need to take responsibility for something more than themselves. And, while the seniors don't fully understand the dynamics of these younger partners, this generation of partners in turn usually doesn't fully understand the emotional dynamic the seniors face. The "youngsters" are anxious to take their turn at bat and feel it's their right, but often don't fully appreciate how hard it is for the founders to let go. After all, the firm is the product of their professional lifetimes.

Successful transition, then, requires that the emotional needs of the respective participants be recognized, acknowledged and incorporated. The seniors will not easily let go if they feel that transition is forced, demanded or required against their personal preferences. They need it to be (or at least perceived to be) their effort, idea, and initiative while handled in a way that preserves their dignity, honor and personal self-worth. The process is often best facilitated when their contributions are acknowledged, celebrated and honored. Concurrently, those who must step up to leadership and ownership will benefit from learning to understand the emotional needs of those whom they would lead – beginning with those from whom they expect to be entrusted with the work of a lifetime. Communication, dialogue and a meaningful effort at personal investment will go a long way toward achieving this goal. Patience will also be critical.

Transition and succession are never easy, but plans and processes that ignore the underlying emotional dynamics of the people most affected are unlikely to fully succeed. Managing through a succession challenge is one of the strongest tests of leadership a firm will face – both for the leaders passing the firm on, and for those newly assuming the mantle of leadership. Learning to understand each other's respective emotional needs is an important place to start. In the end, the firm's success will be highly correlated with developing a leadership team sensitive to the needs of those whom they would lead.