

Is Your Culture Still Putting Your Firm at Risk?

By [Michael D. Short](#) on September 5, 2017

In my last blog I posed a simple question – [is your firm's culture putting your firm at risk?](#) My thoughts at that time were built entirely from the law firm perspective and were focused on internal issues and lawyers' preferences. This month I want to add to this discussion some vitally important "voices" critical to the successful evolution of any culture – those of the clients. Their perspectives link your culture to the demands/needs of the most important people to any law firm – those who pay for your services. Ignoring this connection can also put your firm at risk.

While most lawyers view their firm's culture as an agreed upon set of behavioral norms developed between/among each other, the clients' demands and needs must be served by the culture as well. Otherwise, the clients will notice the shortcomings and find a competitor who behaves in a manner more closely aligned with their expectations. For example, consider a law firm that is internally "selling" a lifestyle culture to recruits and laterals and has commensurately lower billable hour requirements yet externally pays full market compensation for talent because some or all of the Partners are pursuing large clients known for fast-paced transactions that often require all-niters. At some point a Partner will miss an important deadline because of this lack of cultural focus on 24/7 service. That client will be sure to tell all relevant peers to avoid your firm.

There is a broad range of cultures within law firms and an equally broad array of descriptions of these cultures. Once we get beyond all of the universally applied and equally undifferentiated adjectives (e.g., collegial, respectful, client-focused) and get to the core of the environment, we see organizations such as:

- **The family/klan** – a small firm that is run as a group of equals so no one can be the official leader and all decisions require 100% support;
- **The lifestyle firm** – this is typically a 9 to 5, no weekends law firm for many of the lawyers but not for the few Partners who bring in the lion's share of the business and feel obligated to keep the firm going;
- **The entrepreneurial firm v1** – this is the law firm where every Partner celebrates the fact that "I can do whatever I want" and "management leaves me alone," which results in no valid market position or brand beyond the reputation of a few successful individuals;
- **The (work/life) balance firm** – the hours are longer in this firm than in the true lifestyle firm, but there are still limits to overall expectations;
- **The business with family values** – in this firm the clients come first but the firm then does everything possible to strike balances during less busy times and provide more support during the very busy times;
- **The entrepreneurial firm v2** – in this highly managed environment everyone is encouraged to bring ideas to firm leadership, who then determines which concepts merit investments in support of a firmwide brand; and
- **The hard-edged business** – metrics and performance against goals are very important to the lawyers in these firms.

This list is not intended to be all inclusive. There are many variations on these but this is intended to be a small sample to add some structure to this post.

Now look at this list through the eyes of your largest clients. Based on what you know about their businesses, legal needs, and stated expectations for their law firms, which culture would they select for your firm? If that choice does not align with the message you are promoting internally and selling to laterals and recruits then you have a serious problem that can put your firm at risk.

Many Partners view their culture as an inward-focused description that defines a unique working environment that is shared only among lawyers. They also think they unilaterally determine the culture and everything it entails. Unfortunately, this is only half of the calculus for a cultural evaluation. *Your culture determines the types of clients your firm wants because it defines the types of clients that will want your firm.* As with all aspects of law firm leadership, consider the client's voice in this important and defining discussion.