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ALAS MANAGING PARTNER BULLETIN

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At this year's ALAS Managing Partner Program, Susan Raridon Lambreth, co-founding principal at LawVision, will speak on structuring practice groups to enable optimal outcomes, with an emphasis on how managing partners can empower practice group leaders to communicate effectively with other firm leaders, general counsel, and the lawyers in their charge. In this article, she shares six key tips to help firm leaders cultivate high performance practice groups at their firms.

Six Elements for Practice Group (and Practice Group Leader) Success

Law firms need practice management to address many of their most significant internal and external challenges today. In most firms, effective practice management is critical to the firm's strategy, profitability, and overall success.

Recently, I spoke with a firm's management about training needs for their practice group leaders. They argued that they did not have enough good people for all the leadership roles. I respectfully disagreed. I have worked with nearly half of the Am Law 200 firms on some aspect of their practice management structure. In my experience, most firms have enough leaders for these roles, as long as they have the right structure and incentives in place.

As a managing partner and top leader in your firm, you can ensure the success of your practice groups and their leaders. Below are six of the most crucial elements that will set them up for success.

1. Partner Buy-In to the Practice Management Approach

The most effective practice groups are empowered. It is up to firm management to make the business case for empowered practice groups. The best business case provides a WIIFM—"What's In It For Me"—to the partners. What *is* in it for them? When partners operate within a strong practice group structure, they function as real teams—engaging and inspiring talent, leveraging resources efficiently, attracting better-quality clients, and enhancing the firm's profitability. Moreover, when a firm has strong buy-in, it does not need a partner with a large book of business and a forceful personality to lead the practice groups. Suddenly, there are many more viable leadership options.

Partners, however, cannot be expected to buy in fully to practice management if they do not know what will be expected of them, the practice group leaders (PGLs), and firm management under the new structure. Partners are energized by practice management when they fully understand these connections and believe the firm strategy is compelling—not to mention that this is a more rewarding and collaborative way to practice.

Once partners buy in to the collective practice group goals, the job of a PGL is not only much easier but also much more enjoyable. It is then about harnessing a lot of great energy toward common goals, rather than reining in the autonomy of individual partners who are only begrudgingly working toward group objectives.

2. Clear Roles and Responsibilities

Some lawyers may view written job descriptions or roles as overly corporate and bureaucratic. But, in fact, research shows that it is clarity of roles and responsibilities that drives performance in most organizations. For effective practice groups in law firms, start by defining three fundamental areas.

First, provide leaders with a thorough understanding of what is expected of them and what authority versus responsibility they have. This means having a job description for each leadership role, including PGLs, department heads, and industry or client team leaders. These job descriptions provide transparency so that the roles are understood firm wide.

Second, set clear and measurable expectations to drive the desired outcomes. Of course, not every practice group or PGL can be expected to perform at the same level or achieve the same objectives. The role of the managing partner should be to work with each PGL to set a small number of realistic performance goals (no more than three) that are aligned with firm objectives, practice strengths and opportunities, and market realities.

Keep in mind that practice group and PGL performance are not necessarily the same. A group may have certain goals and the leader may have different, even confidential, goals set by firm management. For example, you may have a practice group that has internal dissension issues that require significant PGL time to resolve. Assuming the PGL does the right things to work on these issues, the PGL would be rewarded for that effort, even if the group does not see an immediate improvement in areas like financial performance.

Third, clarify expectations for partner and associate contributions to the groups or teams. For example, some firms specify the investment time that partners and associates are expected to put toward their primary practice group and any secondary industry or client teams to which they belong. Without this, the full weight of running the practice group falls on the PGL, who is typically one of the busiest partners in the group, with a personal practice to maintain along with PGL responsibilities.

Moreover, each PGL has strengths in some areas and not in others. Therefore, it is important for the PGLs to be able to delegate parts of their roles to other partners and trust that those partners will be involved in and committed to accomplishing those roles or tasks. That involvement, or shared leadership, helps ensure superior accomplishment by the practice group and creates greater partner buy-in to collaboration. Associates can also play important roles in the group's success. They will only do so, however, if partners consistently model the desired practices of shared leadership.

3. Alignment of Compensation Incentives to Support Group Performance

Regardless of what you discuss at firm retreats and partner meetings, partners will do what gets rewarded. When the reward structure primarily emphasizes individual performance, i.e., production and bonus generation, few will spend time on group activities, training and development, teamwork, and other collaborative efforts.

Practice groups are most successful when lawyers put a significant part of their investment (nonbillable) time toward group activities and implementing the group's plans. This means that the compensation system should reward the activities involved in practice management. These include:

- Working toward the group's business plan goals
- Training and mentoring of junior professionals
- Sharing work and resources
- Working on group projects and targets
- Developing new services or products
- Innovating approaches to their area of work

Review the questions used in your annual partner compensation interviews to ensure they address these topics. You may also want to include questions like:

- "What have you done to contribute to the practice group's success?"
- "How have you supported others in the practice?"

But remember, despite reports to the contrary, measurement is not the magic panacea to improved performance. You need to ensure that investment time is properly acknowledged and "valued" or appreciated. Lawyers want to feel like the time they spend is valuable and valued by the firm. If you call it "non" billable, denigrate it, or fail to recognize it, few will want to invest in it. On the other hand, compensation questions like those above serve to reinforce a holistic performance system.

4. Regular Practice Group Meetings

It is likely impossible to have a truly cohesive practice group working toward goals together if it does not have regular meetings. “Regular” means at least once a month. Many times, I hear PGLs say they cut back on the number of meetings because they feel like there are too many meetings or that people are not attending regularly. This is a mistake. Practice group meetings are critical to group engagement and cohesion. If people do not prioritize them and participate actively, something else is wrong.

You should first ensure your meetings are focused on the right things. The goal of the meetings is to make the members feel engaged, informed, and valued. In the most effective meetings, members feel that the group can achieve synergies that surpass individual accomplishments. When properly executed, group meetings will enhance the engagement of group members, create greater cohesion, and set the stage for the implementation of the group’s plan.

An effective meeting, however, requires a significant amount of preparation time to ensure that the topics are of interest, that you have active participation, and that numerous individuals are speaking during the meeting. In addition, regular practice group meetings are not the forum for training or discussion of tactical implementation minutiae (e.g., the conference the practice group is organizing or speaking at next fall). For more ideas for effective practice group meetings, see my blog posts **here** and **here**.

5. A High-Functioning Practice Leadership Team

The firms with the most successful practice management structures have regular meetings involving managing partners or firm chairs, PGLs, and others in related roles, such as department heads and industry or client team leaders. In most firms, this leadership group meets at least quarterly for several hours. It may also be a day-long meeting. These meetings provide a critical forum that allows leaders to:

- Share best practices
- Discuss market and client intelligence
- Explore new business and client service opportunities
- Address common cross-group management issues

In today’s market, the last point on cross-group management issues often includes talent concerns, such as retention, training, mentoring, and diversity, equity, and inclusion. It may also deal with ever-present issues regarding conflicts or financial management.

During these meetings, managing partners or firm chairs can also relate important firm developments on behalf of the executive committee and test the waters on strategic matters for which buy-in and support from the leadership group will be needed.

Although managing partners typically preside over these meetings, the meetings should not degenerate into monologues. The most effective meetings are dynamic and structured to promote active participation by all.

You can optimize these meetings by having one-quarter to one-third of the leadership group at each meeting present their annual goals or discuss other opportunities with the other members. This has three critical objectives:

1. It helps the leaders understand the key priorities of other groups and how they can support them.

2. It provides a level of accountability—as leaders present group goals and priorities, they are holding themselves and their groups accountable to follow through.

3. It results in the inevitable discovery of cross-practice opportunities and productive brainstorming.

I find that leaders leave these meetings inspired and more connected to each other. Such meetings also send the message that the leaders are truly an important part of overall firm management, and the leaders gain confidence that their contributions are important to the success of the firm.

6. Accountability to Firm Management

In addition to meetings between the leadership group and firm management, managing partners should meet individually with PGLs periodically to track progress against goals, address issues that may be affecting performance, discuss resource needs, and make sure duties are being fulfilled. I recommend that managing partners have formal meetings with PGLs quarterly so that impediments to performance goals can be minimized.

Managing partners should also be visible and available to PGLs in their locations on a regular basis. If you cannot physically walk the halls, do it virtually. This may mean biweekly virtual check-ins by video call with your PGLs. It is an opportunity to monitor progress, coach and offer guidance, troubleshoot, and simply lend a hand to the firm's PGLs as needed.

Moreover, managing partners must impose a level of accountability on their PGLs to not only motivate the desired behavior but also to demonstrate the firm's commitment to high-performing groups and successful practice management. In return for high levels of empowerment, PGLs are expected to be accountable for performance goals and metrics. This means establishing consequences for falling short.

A 2018 *Harvard Business Review* article titled "The Most Common Type of Incompetent Leader" identified the "absentee" leader as the most damaging kind—worse than a nasty one. There are a sizable number of PGLs in law firms that do little in their roles. There is a huge opportunity cost to the law firm when a leader fails to perform, particularly in the midst of our current “war for talent” where having a “boss who cares” and “knows me” are driving factors in retention.

In addition to progress meetings, there are several ways that firms hold their leaders accountable. Some firms use an “upward review” where the group members and firm management provide feedback to the PGL on their performance. This kind of feedback is critical to enable PGLs to enhance their leadership effectiveness. Other firms go a step further, factoring the results into the PGL’s compensation.

In the past, most firms shied away from dealing with an underperforming PGL, not wanting to alienate the partner. But today, law firms cannot afford to lose talented associates or cause other risk management or client issues, so more firms are implementing 360-degree review processes and collecting feedback from all levels. This provides the hard data necessary to help coach a PGL into better behaviors.

Most, if not all, PGLs want to perform at a high level. They may be ineffective, however, for several reasons:

- The PGL has not been provided with a job description that contains clear expectations.
- The PGL has not been adequately trained or coached.
- Other partners have not bought into the empowerment of practice groups and PGLs, and thus the PGL struggles to get the practice group members to actively participate.
- The PGL does not have or cannot learn the relevant characteristics, behaviors, or skills to be effective.

The latter, on its own, is rare. More often, it is a combination of these factors that undermine the overall effectiveness of PGLs.

Leaders Needed

In today’s increasingly competitive environment, many of the old rules do not apply. This is due, in part, to more demanding clients and associates with different values and priorities, not to mention the hundreds of “alternative” providers or law companies that are chipping away at the traditional value chain.

A solid practice management structure is key to generating the accountability needed to create high-performing practice groups. With active involvement, support, and guidance from the managing partner, PGLs can be better prepared to meet and even exceed performance expectations and create the successful practice groups that are needed for the future.

About the Author

Susan Raridon Lambreth is a founding principal of LawVision and the founder of the LPM Institute. She leads the LawVision Practice Management and Legal Project Management practice. She has over 25 years of experience as a consultant to the legal profession and is widely recognized as a thought leader in LPM, practice management, and leadership in legal organizations.

Susan is the author of three books on practice group management, four books on legal project management, and a brand-new book on legal operations published in December by Practising Law Institute. Click **here** to read more or connect with her on **LinkedIn**. Email: **slambreth@lawvision.com**.