

Planning for succession: How to cultivate a business development culture in your firm

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Has your firm created a succession plan? Why not consider rolling it into and combining it with your strategic plan or marketing plan? Here is a template you can use to establish a more aggressive business development culture and at the same time prepare for the senior partners at your firm to retire.

I believe the largest challenge in creating a succession plan is that it will involve changing the culture of the firm. As you already know, that is not going to come easily and it is not going to happen overnight. It will take small methodical steps. It can best be accomplished by starting from the ground up rather than the top down. Most of the push back already comes from the top, so it will be easier to adopt new practices with younger members of your team.

Start right from the beginning, with recruitment. Look for keen students who understand the need for business development within a law firm. Start grooming them as early as possible. Business development all comes down to relationships, so it makes sense that the earlier your lawyers start building them, the sooner they will be building a practice and bringing in their own clients.

Next, identify keen current associates who demonstrate the willingness to go out and find business. Create a plan that involves these associates receiving ongoing training, development and support. This has to be an ongoing program. This is not about simply creating a business plan; this is about implementing that plan. Start small and go slow until you have results to point to. Given the competitive nature of lawyers, when they start to see and hear about success from other lawyers they are more likely to buy in. How many times have I heard from senior associate clients, "Well I certainly wished I was given this training and support as a junior associate"? Think about the compounding factor this will create. The sooner you have your associates thinking like entrepreneurs, the faster your firm will grow.

By giving your associates the right training you are also going to alleviate some of their stress. Instead of being told in year five, "Ok it's time for you to start bringing in your own clients", you will have given them the training and support needed to accomplish this and by year five they will have begun to show results. This will lead to better retention and a lower cost of human resources, not to mention the increase in business for your firm. It's at this stage where you are starting to cultivate the next generation of leadership.

By starting with business development skills, you are providing your lawyers with a business understanding of the law firm and a more effective approach to working with clients. People skills and leadership skills will follow.

The next level to look at is the practice group and client teams. Are your practice group leaders and team leaders the future leaders of your firm, or have they been simply slotted into place? Are they equipped with the necessary business management skills to effectively lead their practice groups and teams? Do they



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Planning for succession—cultivating a business development culture

understand how to manage people? This is where in addition to business development training you will want to look at leadership and management training. You cannot expect your lawyers to embrace a leadership or management role and be effective in it if you have not given them the proper tools and training.

Most practice group leaders I know despise the time they waste at meetings. They resent taking time away from billable hours to attend meetings that never produce results. Their meetings are unproductive because they have never been shown how to lead, or how to build in accountability and buy in. Lawyers typically are not people managers. They are information managers and must be shown how to lead effectively. At this stage the strongest leaders in your firm will thrive.

The next generation of leadership at your firm will become obvious. Some of these lawyers, with adequate and targeted training will learn to love the business side or management side of the law firm. These are the lawyers you will want running your firm in the future. And in order to offset any potential income loss as a result of billable hours, they need to be financially rewarded for their management and leadership contribution to the overall success of your firm.

The next step would be to work with the managing committee to build in a team approach. By now, ideally the people you wish to manage and lead have a clearer understanding and well developed approach to the business side of the firm. They are looking at the firm as a corporation and this should lead to the practice of moving and building the firm in a more aggressive manner. Work with the managing committee to make sure that all the pieces are coming together.

Now it's time to align the professional management of the firm with the lawyer management of the firm. Ensure that they too are operating as a team and overlapping effectively. Provide them with adequate leadership and team coaching.

The final stage to an effective succession plan is to provide direct one-to-one leadership and management coaching for your managing partner. This can be done in tandem with the other steps, but unless you have a managing partner who is keen to lead and manage the firm as a business, you may want to wait until all of

the other pieces are in place. Again, ideally, your managing partner has been groomed at the practice group or team level and is well prepared to take the helm of the firm.

Work with the managing partner and give him/her the tools and skills to effectively lead the firm. With a team that understands business development, management and leadership, this will prove to be less painful experience for everyone. Everyone from your most junior associate right up to and including your managing partner and the firm management will now understand what running a law firm as a business is all about. They are less likely to be apprehensive about marketing, business and client development and their role in moving the firm forward.

By starting at the ground and working your way up, you are in effect changing the culture of the firm over time. The most senior partners who may provide push back will realize that this makes for good business sense. After all, who is going to buy them out when they want to retire?

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