

## Business & Careers

# Aging, unprofitable partners need to be shown door



**Gary Mitchell**  
**The Coach**

I was out recently for a beer with a former client and now friend. He started into a rant the minute he sat down about his growing frustration with the senior partnership at his firm. He explained that while he had worked hard to attain partnership, it wasn't all it was cracked up to be now that he was among the ranks. He continued to explain that several senior partners were basically dead weight. This is not the first time I've heard of this.

There is a perfect storm brewing on the

horizon. I know there's been a lot of doom and gloom in the past, but this is really happening in many larger regional and national firms across Canada. With the demographics of firm partnerships aging and not retiring as they have in the past, there is a serious threat to the financial sustainability of these firms.

Many senior partners have ceased being profitable to their firms. Well beyond retirement age, they are "hanging on." For whatever reason—financial, personal, or the need to have somewhere to go—they are becoming a drain on the firm, resting on their laurels while younger partners do the heavy lifting. This is a recipe for disaster.

At the same time, the 30- and 40-something lawyers are becoming resentful that they are carrying these partners with their own efforts. We see many of them leaving their firms already. This is where this gets serious. Without those younger partners who

are bringing in the business, all that's left are junior associates who might not yet have the skills or experience to generate new clients, and the senior partners who are not contributing. Do the math. This is not sustainable.

One successful solo practitioner, and the former managing partner of a regional firm, says "big firms with senior partners who are out of touch with today's lawyer marketplace stand to lose the best and brightest of their junior lawyer recruits. These firms have a long history of building their firms with excellent lawyers, but that model will crumble if they can't provide viable opportunities for their junior and intermediate people because of the demands and expectations of their most senior people."

While I highly respect the wisdom and experience of the elder lawyers, if they are not contributing to the bottom line then it's time for a change. I'm not suggesting they be cut off from practising law altogether, but they need to be removed from the partnership. They could become senior counsel and stop being a drain on the firm's profits.

At the same time this is happening, and to fill the middle ranks, firms are going to need to attract lateral partners with a track record of generating work. This has to happen in tandem so there are enough new partners coming in to allow the buyout to occur with underperforming senior partners.

Another part of the solution is getting

your intermediate and senior associates on the partner track by helping them to become more effective at business development. The good news here is that the new generation of millennials coming along want to be coached and mentored. They're hungry for knowledge, want to be a part of the action and like to work in teams. Harness this energy to your advantage.

If this is not dealt with in the near future, more regional and national firms are going to implode. It's no wonder so many 30- and 40-something lawyers are leaving these firms and going out on their own. They can see the writing on the wall.

There has been no succession planning and now it's going to hurt. My advice to the senior partners is cash out now while you still can. Give your firm a chance to survive. It's a win for you because you get your buyout. It's a win for the firm because it improves their bottom line. You still get to practise law, so you're not giving that up. If you don't do this and your firm implodes, you get nothing.

*Gary Mitchell is the Principal at On Trac Coach where he works with lawyers, law clerks and law firms across Canada. He is the co-founder of Legal A Team, and his second book, Raindance Two: A Blueprint for Growing Your Practice, is now available. He can be reached at gary@ontraccoach.com or 604-669-5235.*

## ANNOUNCEMENT

We are pleased to announce that Robert Gabor and Joshua Himel have joined the team of lawyers at Diamond & Diamond.

We welcome Robert Gabor to the team at Diamond and Diamond. Robert brings with him 20 years of experience practicing exclusively in plaintiff personal injury. Robert has built a solid reputation focusing on motor vehicle accidents, slip and falls and product liability cases. He can be reached at robertg@diamondlaw.ca. As always referrals respected.



Robert Gabor, B.Sc., LL.B

We would like to welcome Joshua Himel as an associate at Diamond and Diamond. Joshua joins us after articling at a prominent personal injury law firm in Toronto. He can be reached at joshua@diamondlaw.ca. As always referrals respected.



Joshua Himel, B.A., J.D.

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