LEADERS, MANAGERS & BULLIES

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During a recent personnel audit at a mid-size firm, I interviewed a courthouse runner with a valuable perspective. He had been the President and CEO of a manufacturing company for many years. When the company folded, he found himself virtually unemployable, and wound up at the law firm starting a new career. He shared with me his observations regarding the decision–making process of the law firm, or as he saw it, the lack thereof. He simply couldn't comprehend how an organization could survive trying to make even the simplest decisions on a consensus basis, when there were so many "voices" to be heard, and so many differing opinions. He described the process as unwieldy, ineffective, cumbersome, and wasteful of resources which would be better spent elsewhere.

As I listened and took notes, my mind summoned up an experience I had over twenty years ago, at my first law firm position. I was in a budget meeting with the three most powerful partners of the firm. We were discussing the "Dues and Subscriptions" line item. What ensued was a debate of over two hours about which magazines in the reception area should be renewed for another year. I was astounded that this discussion seemed to have the same importance as other line items of more consequence, like staff raises and new equipment purchases. Everyone vigorously expressed their opinions and defended them.

I remember mentally adding up the dollar value that the three partners were "investing" at their billable rates, in debating whether or not to renew a $9.95 magazine subscription. Eventually I brought the discussion to an abrupt halt by blurting out that dollar value, and suggesting that perhaps they might just let me make the judgment call and get on to more important line items, so that the meeting could conclude in my lifetime.

Ok, I'll admit that I certainly could have been more subtle. The shocked look on their faces let me know on no uncertain terms that I had crossed some invisible line. But I had spent more years than I care to admit in various corporate environments prior to the position at that firm. My perspective was different to say the least. I was accustomed to one or two people above me quickly and nimbly making key decisions, while delegating a significant degree of authority and autonomy to me to make all decisions below a certain level. The lack of delegation, and the inability to prioritize the use of their resources, was shockingly inefficient.

As I shook off the cobwebs of memory and returned to the current task at hand, I realized how far I had come from that experience, but not necessarily in a good way. Over the years I have become so "ingrained" in the law firm style of inefficient management that I am no longer shocked at the waste of resources or plodding creep of progress. I've stopped short of accepting these practices, but I must admit that the misspent time and micromanagement has largely fallen below my radar screen. It took the fresh perspective of a relative newcomer to turn on the spotlight again.

First and foremost, law firms need true leaders. These are visionaries who see the firm not as it is, but how it might be. They somehow see a path being forged through an uncertain future laden with obstacles and marketplace hostility. True leaders inspire. Leaders create collective "buy-in" because they have sufficient charisma to invoke a desire in others to follow the same path. They promote alignment, direction and progress in the organization as they lead intelligent people to pull their oars in rhythm.

Often, though, leaders are "big picture" people, and do not want to, or are not equipped to get bogged down in or pay sufficient attention to details. As the saying goes, "the devil is in the details." So leadership is not quite enough in today's law firm to ensure future success.

Law firms need good managers. Managers are usually detail–oriented people. Often scoffed at by their peers as the "paper clip counter", effective managers, such as managing partners, have knowledge and control of the thousands of details necessary to successfully grease the wheels of the law firm mechanism. They carefully monitor the financial health and key statistical indicators of the firm, so as to anticipate and avoid cash flow problems. They make sure the firm has invested sufficiently in technology without wasting dollars. They make sure the firm is "right-sized" with professional and support staff. They make sure policies and procedures are well thought out and followed. They bring issues of importance to the partners for discussion and decision. And they make sure the facilities of the firm are well maintained and properly reflect the firm's self–image.

Key to the role of a manager in today's competitive marketplace is the ability to create an environment where dissent is welcomed but managed effectively, where factors other than dollars create career satisfaction, where fostering effective communication is a high priority, and where feedback is sought after and accepted well.

Unfortunately, good managers are rarely leaders. They are so immersed in "today" that they rarely have time to take a long–term look at where the firm should be heading. Many managers also lack the ability to delegate and give up control of many of the details they must oversee. But to be cost–effective and efficient, workflow must be delegated downward to experienced professional managers, such as law firm administrators, and not micromanaged thereafter.

You may have heard the expression that managing attorneys is like "herding cats." It's true. Attorneys have a much higher need for autonomy that the average person. They will often take a "devil's advocate" position, or even perform self–destructive or firm–destructive acts in order to carve out their individuality and separate themselves from the pack. For this reason, leaders and managers are often thwarted in their attempts to implement even the simplest of procedures or changes. And that's where the bully comes in.

Firms run by a "benevolent dictator" or a "900 pound gorilla" are often the most successful. Both have in common a dominating "bully" personality. Usually the dictator is a founder of the firm who still maintains control and is respected and often revered. The gorilla is usually someone who has a disproportionately large book of business such that he or she has more power than other partners, is not afraid to wield it like a weapon, and is generally feared.

There is a minimal amount of disruption from "renegade" partners who refuse to submit timesheets, or play by any other of the established rules when a bully runs the firm. There is little time spent in endless debates to build consensus — decisions are made quickly and efficiently by the bully, and then swiftly enforced. Disagreement is not well tolerated or encouraged. Because these firms tend to be financially successful, people stay for the rewards. But the message is always clear — my way or the highway — as compromise is not a high priority for the bully.

Unfortunately, firms run by bullies tend to have life spans which do not transcend that of the bully. A second generation often does not develop sufficiently to take the reins over successfully if and when the bully leaves, dies, or retires. And just as often rivalries with other partners whose power level approaches that of the bully can result in factions splitting off from the firm. Depending on the level of committed overhead the firm has incurred in leases, loans and so forth, the surviving entity after a split may not generate sufficient revenues to survive.

I believe that to be successful, a firm today must have a leader to inspire a vision of the future that all can share, a manager to tend to the day-to-day operations and build a solid infrastructure, *and* a bully to be the enforcer and ensure that partners do what they have committed to do, and are held accountable to each other. Some firms are fortunate indeed when one person can fill more than one role capably. But that is increasingly rare. The top managing body of the firm, its executive committee, should have each of these roles capably filled by partners who knowingly work in concert to collectively lead and manage the firm. And they must effectively delegate downward to the office administrator every responsibility possible, and not micromanage the details. In doing so, the firm will accomplish change easily, carve a path through an uncertain and often hostile marketplace, and create a firm which is well managed, attractive to job applicants, builds partner loyalty, and is financially successful.

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