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ALM

Keeping Restless Laterals From Jumping Again

Despite popular belief, such departures are often less about money than other factors

By **AMY K. SAVAGE**

These days, the ability to hire strong lateral partners is an essential component of a successful law firm hiring plan. Retaining those partners, however, can be difficult. That is often due in large part to an expectations gap.

Though most law firms have dramatically improved their integration efforts, there is still quite a gap between what laterals expect and what they get when it comes to practice support, integration into the workings of the firm, and expanding their own client base.

Perhaps nothing will ever fully bridge this gap. There is only so much that can be revealed about expectations through “due diligence” before a lateral partner and firm actually begin working together. Nonetheless, the likelihood of a successful and lasting relationship with a lateral partner will be increased if law firms listen to and address expectations with lateral partners at every stage of the process, from negotiating their hiring through integrating them into the firm’s practice.

See if this scenario sounds familiar. After devoting months to secret negotiations, a law firm announces the hiring of a new, razzle-dazzle lateral partner. Big, splashy ads announcing the hire are placed in all the major periodicals. The firm and partner huddle for countless hours trying to conjure that magic word—synergy—to build the firm’s practice. Yet a year or two later, the partner abruptly packs his bags for another firm.

At the surface, this appears to be an easy story to explain: The lateral partner left to make more money. But is it that simple? Our experience suggests not: Human beings, whether in law firms or otherwise, tend to seek situations where they can feel good about the people with whom they work, overcome challenges, fit in with

peers and colleagues, prove their worth, be successful, and grow personally and professionally.

Clearly, much more needs to be done. We suggest that law firms take the following concrete steps to improve the success of their next lateral hire.

- First, listen to lateral candidates’ expectations about important issues. It’s fun to learn about candidates’ golf handicaps, but you also need to ask the questions that matter in the long run. This isn’t about identifying someone to hang out with but about bringing in someone you can trust to build your business.

Reed Auerbach, managing partner in the New York office of McKee Nelson, summed it up when he said, “We ask them [lateral hires] what we need to do to double or triple their business, who they would add to their dream team if they could. In short, ‘How can we build an empire together?’”

- Find out what your new lateral partner means by practice support. Does he want to offer his existing clients a one-stop shop? If so, craft a plan for introducing them to each of your firm’s practice areas and make sure those practice leaders reach out to them.

- Determine what are the candidate’s expectations and understanding of the firm’s current financial status and debt management policies. This is obviously a sensitive area, and one needs to be careful about how much is shared with someone before she is hired. Establish a balance of protecting the firm while enabling the candidate to make an informed decision about the firm’s financial status.



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Now that you know the key areas to address, do something about it. Remember that this isn’t a one-off series of questions; it is an ongoing dialogue evaluating where the firm and the lateral stand.

Take action, and decide whether to maintain the status quo or implement changes. Acting on the information gathered can yield tremendous benefits. If you listen to laterals’ suggestions, show that you are taking them seriously, and support them properly, it will go a long way toward keeping them motivated and committed to the firm, which in turn will improve their performance and the team’s

morale while minimizing turnover. ■

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