

Book review

The Complete Guide to Lateral and Integration Best Practices for Law Firm Leaders

By IOMA, The Institute of Management and Administration Inc. (New York, New York 2005).

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As a legal recruiter, when I heard about The Complete Guide to Lateral Hiring and Integration Best Practices for Law Firm Leaders as a new resource for law firms seeking to grow through acquisition, merger, or the hiring of lateral partners, I had to investigate. The Guide, prepared by IOMA and Omega Legal, could be another repetitive, out of date compilation of opinions on how to best manage this challenging business area for attorneys. It also didn't have that Amazon price tag of \$50 or so. The Guide could prove to be a wasted investment of time and money for hiring partners at law firms facing these issues or thinking about growth through acquisition. In fact, the Guide proves to be a helpful, worthy investment for certain law firms for the following reasons.

The Guide is 132 soft-bound pages, broken into three main sections. The first section contains profiles of four law firms and their efforts to grow via lateral partner or law firm merger and acquisition. One theme that emerges from this section of the Guide is that each law firm has a distinct and custom approach to attorney compensation and billing practices. Also, each firm had its own reasoning and logic regarding growth. Some decided to utilize management consultants, some didn't. Some utilized acquisitions of other firms, while others focused on vetting out the best and the brightest via focused lateral partner hiring. These case studies must be read with the thought process in mind to synthesis the most relevant information and creatively apply it to your law firm.

Profiled in the Guide are Ogletree Deakins (Atlanta, 1999- 125 attorneys, today, 270); Baker Donelson (Memphis, mid-1990s, 200 attorneys, today over 400); Spilman Thomas (Charleston, 1998- 42 attorneys, today 87); and Sullivan & Worcester (Boston, 182 attorneys). One common challenge addressed in the Baker firm profile was how to resolve billing issues in a merger. The acquired firm allowed their partners to set rates and offer special billing discounts/ flat fee arrangements for clients. That is, the acquired law firm had a relatively loose billing system. Baker Donelson, on the other hand, had a highly centralized billing system that gave little discretion for individual partners to set rates. The compromise reached in the merger allowed the acquired firm's attorneys to have some ongoing autonomy for a set period of time post-merger, to set rates and provide special fees particular to clients who were remaining with the firm. There are a number of other good anecdotes in this section which hiring partners considering laterals and mergers may find extremely useful.

The second section of the Guide is a series of short articles on interviewing techniques, do's and don'ts, risk management checklists, and articles addressing the "warning signs"

to help you spot problems with lateral acquisitions. This section comprises approximately 50 pages of the Guide and would be best utilized by a law firm administrator or recruitment coordinator rather than the hiring partner in a firm. Of particular importance are the boxed-out summary notes within this second section, such as “The Top 10 Questions to Never Ask,” and “The Art of Law Firm Interviewing.” Some noted sample questions include “Where do you see yourself in five years?” Also, “What does growth mean to you?” The section also provides an interesting summary of the primary factors influencing job changes of lateral associates. The source of the survey, NALP, notes the highest factor influencing job change of all respondents is professional development. More recent graduates put more weight on financial incentives. Over 60% of all respondents noted that practice area interests were a primary factor in influencing job changes.

Some of the short articles in this section can be breezed over, as they suffer a bit of stating the obvious. One example is the two-pager, “Warning Signs to Help you Spot Problems with Lateral Acquisitions.” Most hiring partners can hopefully figure out that an attorney who is known for being a difficult person, disgruntled about their old firm is probably not a good hire. One article also suffers from inarticulately describing one way to incorporate a new partner into your firm: assign them a “buddy.” In a corporation, this is more articulately known as “on-boarding and one of the ways to address it is to assign a group of partners to take turns having a daily morning meeting for a set period of time with the new partner. Not that we all wouldn’t like a “buddy.”

The last section is the Appendixes, and is one major reason to invest in the Guide. Sullivan & Worcester share their lateral partner recruitment and retention checklist, due diligence checklist, and lateral partner questionnaire. Also included is one legal search firm’s survey on lateral partner satisfaction. The survey itself is included, as is a listing of the 253 law firms that were surveyed to come up with the results.

All in all, The Complete Guide to Lateral Hiring and Integration Best Practices for Law Firm Leaders is a good investment for law firms looking for guidance on how to grow. It is also a great investment for any attorney who is involved hiring or planning for the future.

For more information you may contact me at rks@oxfordlegal.com. The Guide is available on-line.