

Leadership in Law Firms – 6 Key Skills for the Future

by Rosemary Ryan of Represent Ltd



Photo Credit: Scales of Justice – James Cridland 2010

Ten years ago, one of our clients was employing 80% lawyers and 20% support staff, now they employ as many non-lawyers as lawyers. This shows how much has changed in the legal sector over the last ten years. As providers of leadership development in the sector, we wanted to find out how the environment is changing and what this means for the development of existing and future leaders.

Interviews with our clients took place in order to gain a picture of how the different players see these changes and what they think leaders need to focus on in the next 5 - 10 years. The interviews were with a mix of managing partners, senior partners, HR directors and aspiring partners. They are purely a blend of perspectives rather than an academic analysis of the sector but we can all take lessons from the practitioner perspective as these are the individuals who are living with the day to day reality.

To set the context for why the role of leader needs to change, we need to understand what is driving this change. There were three key factors that came up in most interviews:

1. External Drivers of Change
2. The Millennial Generation
3. Pace of Change

“ While I don't think that there will be a reduction in the number of lawyers, there will be a change in the roles many fulfil. We will see a generation of legal technologists – who will be a bridge between the law and the tech. ”

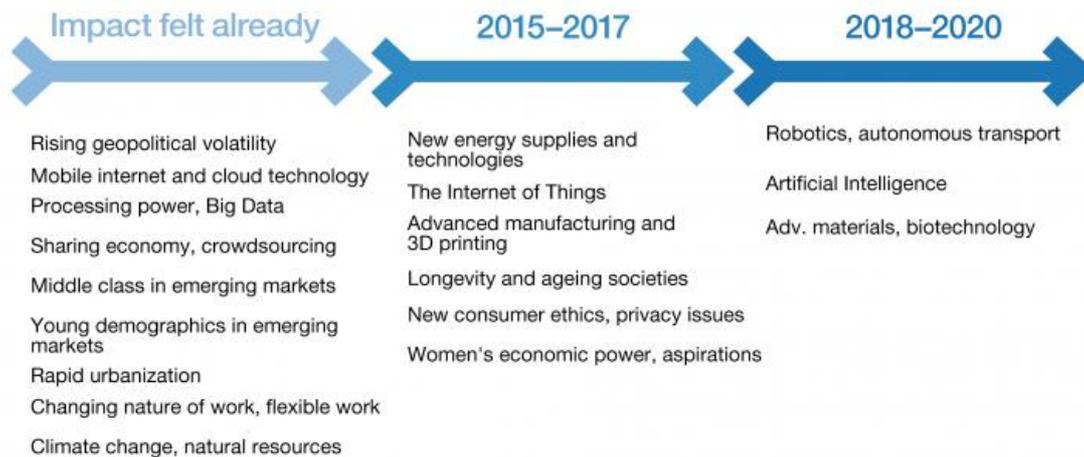
Philip Rodney
Chairman, Burness Paull

External Drivers of Change

Risk - cyber security, terrorism, money laundering, regulation regime. The ability to manage risk and build systems that protect the Firm is an increasingly tough challenge taking major investment and time. This needs to be at the top of the agenda for senior leaders. They need to surround themselves with the right technical experts to deliver the right solutions.

Deregulation of the market - leading to pressure on fees, fixed fee expectations, a contracting market with fewer bigger players making it a more competitive environment. Large clients are increasingly expecting a global service and the ability to make the right mergers and acquisitions is a key leadership responsibility. This business acumen together with the ability to identify potential alliances relies on leaders focusing more on the external market and financial drivers of the business. Reviewing the structure of the business and having the courage to change it is a key role for leaders.

Time to impact industries' business models



Source: Future of Jobs Report, World Economic Forum

IT and Artificial Intelligence - The introduction of IT and artificial intelligence required to provide services at the right cost and with the right MI. The growth of artificial intelligence can be very enabling but is a challenge for lawyers to accept that they need to overturn their traditional ways of operating in order to reduce costs and meet changing client needs.

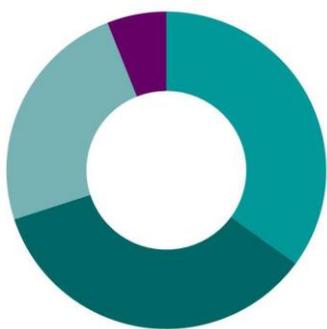
These external factors present challenges for leaders in all firms but are particularly tough for smaller firms without the people power, resource or technical skills to focus on the investment and strategic change needed.

However, no matter the size of the firm it is a matter of mindset and attitude that will make the difference. Senior leaders need to embrace the idea of change and realise that IT, technology and AI is no longer an agenda item once a year on the business planning cycle but at the top if their Firm is going to thrive in the future. Many existing partners entered the profession in a pre-internet age with no need for IT skills or technology. Some Firms are introducing reverse mentoring where tech savvy graduates are mentoring senior partners on how to use technology and how to use social media for business development.

The challenge for leaders now is that their legal expertise is a given and their ability to demonstrate strong IT skills and an ability to work with technology is what their clients expect and demand. The concept of legal techno lawyers is emerging with the introduction of virtual courts, paperless offices and a whole transformation in how business is done. Senior leaders need to be at the fore- front of these changes, rather than taking a luddite view of no need for change. Some partners near retirement may think they will be out of the race before they need to adapt. The danger for those left behind is obvious.

Global Workforce

by generation in 2020¹



35% Millennial
35% Gen X
24% Gen Z
6% Boomer

Millennials are used to a faster-paced world, they want varied careers that progress more quickly.²

The Millennial Generation

This leads us to the second key leadership challenge for leaders: the emergence of the millennial workforce who are becoming more senior with different expectations and needs from their employer. This generation are coming through to become senior associates and expect more responsibility, more development and better feedback on how they are getting on.

Leaders need to adapt their style from the old style command and control to a more coaching and participative style of leadership that engages people and actively supports their development.

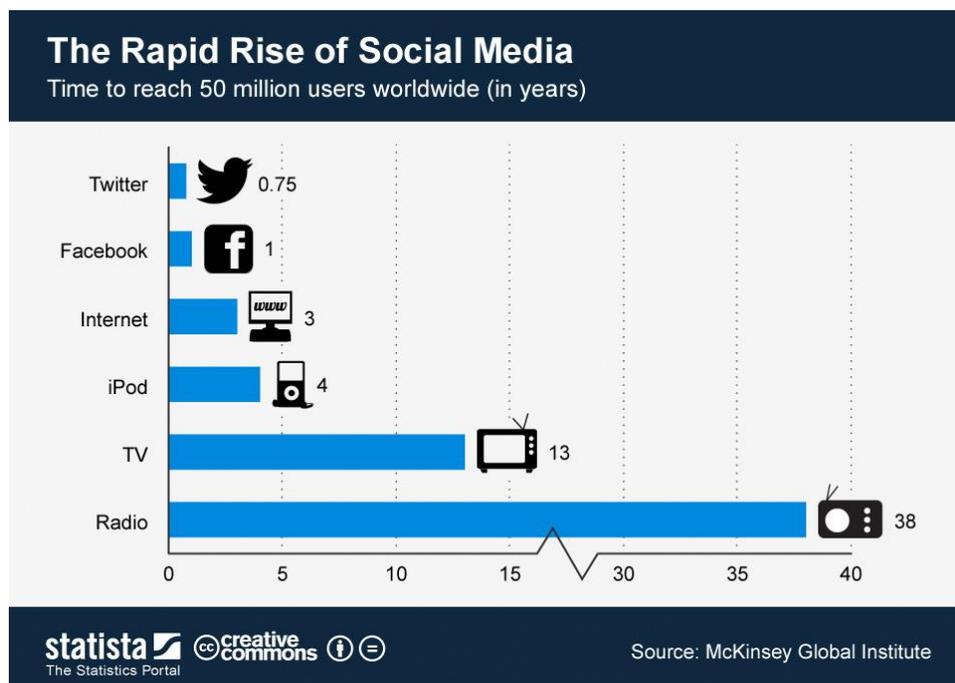
Leadership skills are more important to this generation of leaders. Leaders need to retain, develop and engage their best lawyers and non-lawyers or they will lose talent to those firms who do invest in the development of

their people. In a flatter organisational structure, a more consultative leadership style is key to creating a culture of empowerment and accountability. It should also be said that the expectations of a more flexible work life balance, democratic leadership and a feeling of belonging are not just wanted by millennials but by most employees, whatever their generation.

Leaders are responsible for creating the climate for others to perform at their best. The day of the "rock star" lawyer performing on their own is coming to an end.

Pace of Change

The third key challenge facing professional services leaders is the ability to embrace change and lead the change process with others. The pace of change is increasing and the ability for leaders to recognise the need for personal change, courage to implement it and ability to inspire others to follow is what will differentiate the great from the average. The speed of change is different across the globe with tighter regulation in the US leading to less change than in Asia and UK. Leaders need to be able to adapt in different ways according to the needs of their different client groups.



Lawyers are trained to deal with certainty. Change leads to uncertainty and leaders to be able to operate successfully in an uncertain climate, able to flex their plans and move quickly. The ability to deal with uncertainty, take risks and make decisions quickly without full knowledge of all the facts is not a set of attributes that many lawyers would perhaps pride themselves on.

The 6 skills Senior Leaders need for the future

There was common agreement on many of the key skills needed for the future:

Change Leadership - the ability to be open to change personally, an open mindedness to new ways of working and the ability to lead change and enthuse others to innovate and adapt.

Process Management - the ability to make things happen and implement change effectively and quickly, by using trusted technical and specialist advisors. Understanding the process of strategic project management and building teams that can work together to deliver results quickly and cost effectively

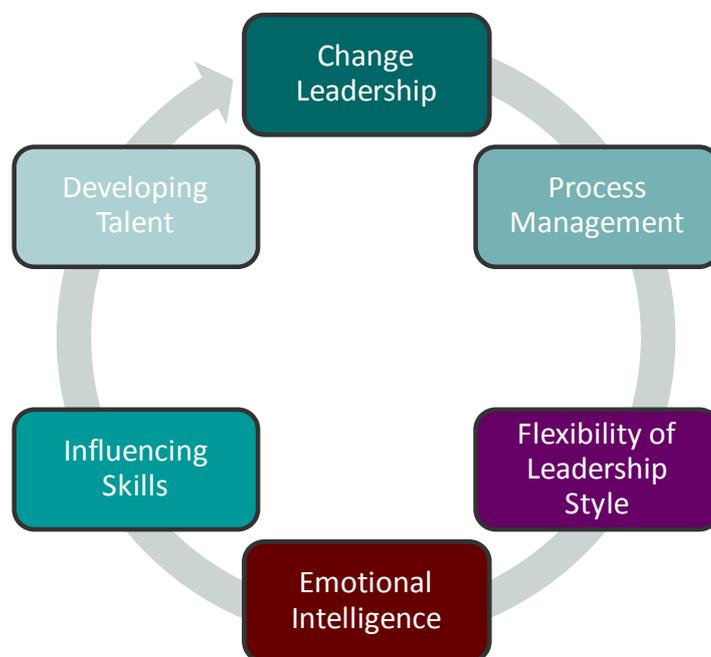


Figure: 6 skills needed by senior leaders to flourish in a brave new world, Represent 2017

Flexibility of leadership style - the ability to lead people in a way that works for them, engaging the more junior staff (not just lawyers), coaching them and delegating more responsibility at an earlier stage. Leaders need to be agile in how they lead in different cultures and with different client groups, listening more and adapting in the moment.

Emotional Intelligence - Lawyers often describe themselves as a different breed and our experience would back that up. The personality attributes, which can lead to becoming a great lawyer and doing great client work, can also make lawyers difficult to manage within the Firm. Developing the self-awareness of own strengths and areas for development is key.

Leaders need resilience to persist in the face of changing client demands and the ability to empathise with others and build close working relationships, becoming more approachable and engaging with their teams and clients.

Influencing Skills - the ability to bring people together in collaborative teams and make them feel valued. There is a greater need to influence by Pull rather than Push, rather than the old style “command and control” if they are to engage and inspire those who work with them. Leaders need to be courageous and imaginative in how they create followership and build momentum for change.

Developing Talent - Creating a diverse culture and developing talent from a diverse range of backgrounds and specialisms. “The Old Boys” approach to recruitment and promotion is not a model that will serve the Firm well any longer. Clients are diverse by nature and they expect to be served by an equally diverse and adaptive team of professionals. Senior leaders need to develop the capability of their teams to provide real added value to their clients based on strong client relationships and business understanding. The trusted advisor concept may be an overused term but it has never been more important.

The role of HR in developing the leaders for 2025

Research was carried out by Dr Larry Richard, a lawyer-psychologist and former principal with Altman Weil in USA into the challenge of providing leadership development for lawyers. He referred to a study by Caliper and Altman Weil where they studied the personality attributes of a set of highly successful lawyers and found that a number of key attributes differentiated successful lawyers from other members of the general management population. The four key characteristics were:

Lawyers ranked in **90th**
percentile for Scepticism

Scepticism – people who score highly on this trait tend to be judgmental, questioning and cynical about information they are given. Lawyers scored in the top 90th percentile for this trait.

Lawyers scored **20%**
above norm for Urgency

Urgency – a high score on this is characterized by impatience, a drive to get results and focus on task completion. The group of successful lawyers scored 20% above the norm on this trait.

Lawyers scored **12.8 %**
for Sociability

Sociability – The excellent lawyers scored an average of 12.8% compared to the average of 50% on this trait. Sociability is described as the desire to interact with others and initiate closer relationships.

Lawyers ranked in **89th**
percentile for Autonomy

Autonomy – Again, the group came out in top 89th percentile in this trait suggesting they resist being managed by others, preferring to work things out for themselves.

The mix of this impatience, cynicism and desire to work on their own is not very conducive to lawyers being open and willing to participate in group development programmes that take them out of their comfort zone and more importantly, adversely affect meeting their hourly targets and delivering the immediate task in hand.

HR can only facilitate lasting change in leadership capability by developing strong alignment with the Board and ensuring that the learning and development strategy fits with the overall strategy of the Firm. Strong commitment and sponsorship by the board is key to the success of any leadership programme and HR need to ensure that development programmes are closely aligned with day to day business improvement rather than being seen as a separate unrelated activity.

Secrets of Successful Leadership Development Programmes

Our experience has shown that there are 5 key criteria for making leadership development programmes more successful in terms of creating long term behavioural change.

Credibility of providers: people with high skepticism want to work with people who have a proven track record and know their industry sector well. Word of mouth means more as they trust their colleagues and own network to rate the providers. External providers need to demonstrate proven credibility in their delivery methodology and be prepared to show previous successes.

High speed and Short: individuals want information delivered quickly, concisely and in a way that is practical to apply to their specific roles. Short masterclass sessions, lunch time knowledge sharing, maximum one day programmes spread out over several months rather than the long residential three to five day programmes so popular with the Business Schools, not taking the needs of their clients into account.

5 Key Criteria for Successful Leadership Development

Credibility of providers

High speed and short

Mix of participants

Focus on people skills not
technical skills

Individual coaching

Mix of participants on the programme: more than any other sector, we would suggest that cohorts need to be of a similar level so they feel free to disclose their issues on a group setting. They hugely value the views of their peers and the networking opportunity is seen as a key benefit. We have had several examples of large scale revenue generation as a result of individuals making links on the development programmes due to getting to know who does what across the Firm.

Focus on people skills not technical skills: use on line learning for technical skills and knowledge building. Focus on skill building and development of self-awareness in face to face delivery. Do not expect lawyers to learn the art of management, delegation and coaching without the need to practice and feedback in a live setting.

Individual coaching: our experience would suggest that leaders in this sector are naturally averse to disclosing their skill gaps and concerns in front of others. Individual coaching between group development sessions is far more effective in working on specific development needs and enabling the individuals to create practical strategies for adapting their behaviour for the long term. Coach your best people and it will be seen as aspirational for others.

By investing in the development of the six key leadership skills, leaders will build engaged, competent and profitable teams who add value to their clients. The business model may change but the desire for people to do business with people they trust will be with us for a long time to come.

This article was written by Rosemary Ryan, Director at Represent (rosemary@represent.co.uk). Represent work with a number of highly successful global law firms who believe in the development of their leaders as vital for the continuing growth of their Firm.

Thanks go particularly to Liz Bryne, Warren Foot, Neil May, Caroline Wilson, Alison Morley, Nigel Spencer and around 20 senior lawyers, in a number of Firms, who kindly gave their time to be interviewed for this article.

Additional Resources:

<http://www.manpowergroup.com/millennials>

<http://www.mckinsey.com> - "Four forces are upending everything you thought you knew" by James Manyika

Sources: 1. Manpower Group – Analysis of UN population data. Millennial = people born between 1982 to 1996. 2. Manpower Group – Millennial Careers: 2020 Vision