

New Partners

Celebration, Orientation and Induction

As you plan the orientation of your new partners, give consideration to the many ways you can accelerate the journey from associate to partner – from employee to owner.

How many lawyers will your firm welcome to the partnership this year?

How will you celebrate that event?

What does your firm do in order to accelerate their development as partners and leaders of the firm in the future?

What does partnership mean to you?

More, what does partnership mean to them?



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There are few moments of true celebration in a professional career. In law, being called to the bar is one, and making partner is another. Both of these events should be celebrated far more than they are. Oh yes, plan to celebrate the day you retire, too – you'll have earned it.

In response to the growing numbers of associates who say they aren't interested, many Canadian law firms are conducting sessions for associates in an effort to demystify partnership. As some would say, making partner is akin to a pie-eating contest where the prize is more pie – a ticket to more work, more stress, and the liabilities of ownership. Essentially, some associates see the reward for doing a good job as more work. As a law firm leader, you need to ask an important question: what does partnership really mean in your firm? Does it mean job security, or do you need to make partner every year in order to stay in the partnership?

This new focus on career development is a recent trend, and generally this focus exists only in firms large enough to justify a non-practicing lawyer who will develop and deliver programming. Most current partners were likely told "if you stay around long enough, you'll figure these things out." Most current partners didn't have access to the kind of support the younger associates enjoy today. Indeed, many partners, particularly in larger firms, don't really know how the firm is managed and what the indicators of profitability and durability are unless they have been in a management role. Take the time to properly orient your new partners in their new role, responsibilities, and challenges. Here's an overview of some areas you need to touch on.

Capital Contributions and Personal Liability

In many firms, there's a delay between the invitation to join the partnership and the date

the new position takes effect. During that gap, firms in this position take the time to orient their new partners on the financial side of the business. Should capital contributions be required, these firms introduce new partners to the firm's banker so that arrangements for capital loans can be made. If your firm is naked in/naked out, talk to new partners about the value of what they are inheriting. As well, your management team should provide information on personal liability risks, so new partners have time to organize their personal affairs and to, perhaps, get the house transferred to a partner or spouse.

Compensation, Draws and Benefits

While it may be obvious to partners that most firms won't have the upcoming year's draw schedule figured out until the compensation process is complete, it's far from apparent to those associates about to cross the threshold. Explain how new partners will be paid during the first three months, and how their draw will be set for their first year as a partner. Explain that they are now responsible for benefit premiums and how group benefit plans are designed – in particular, that partners cannot opt out of the group plan and why this is the case.

Improving the strength of a law firm is about talent management, succession planning, and performance improvement, as well as leadership: about leading self, leading others, and leading in the legal community so that you make the firm stronger.

About the Firm

No matter how much you think your firm communicates with its associates, these new partners have been insulated from management issues within the firm. These recent invitees are often unaware of the firm's history and how the firm is run. Make it a priority to educate them on the scope of the managing partner's responsibilities, the mandate of the executive committee, and the types of issues that are taken to a vote of the partnership. If your firm has a strategic plan in place, this orientation period is a good time to talk it through and explain how practice groups and individuals support that plan. Finally, new partners need to know what the key performance indicators are. Remember, before making partner, associates live in a world where their billable hours are the only performance indicator they worried about. New partners need to know the indicators of profitability and durability so they can begin to influence those key performance factors as they begin to have influence within the firm.

Leadership

*The best time to plant a tree was 20 years ago.
The second best time is today.*

– Chinese proverb (in *The Speed of Trust*, by William M.R. Covey)

Much has been written about the lack of future leaders. How many managing partners have a talent pool of future leaders at various stages of succession? Lawyers are trained in law – and with few exceptions, they're not formally trained in management and leadership. Leadership succeeds where its importance is recognized and nurtured.

There is no time like the present to begin developing future leaders in your firm. In the words of John C. Maxwell in his book *The 360 Degree Leader*, “leadership is influence, nothing more, nothing less.” Leaders, he goes on to say, have two characteristics – “they are going somewhere and they can convince people to follow.”

Another attribute equally important in a partnership is followership. Followership does not mean acting like sheep. Partners should be encouraged to ask good questions, to debate the issues that are important to their firm. Partners also elect colleagues to leadership roles in the firm. Followership is about supporting decisions – about walking the talk and about acting sometimes in spite of doubt.

Conversations about leadership help to create a common language that will create both a foundation and a future for your firm.

Stewardship

All partners have a duty to leave a firm stronger than it was when they joined – and that’s a tall order. Improving the strength of a law firm is about talent management, succession planning, and performance improvement, as well as leadership: about leading self, leading others, and leading in the legal community so that you make the firm stronger. In order to ensure good stewardship of your firm, talk to new partners early – encourage a mindset of stewardship. You owe this to the generations that follow you.

Trust

Probably one of the most engaging business books I am reading as I write this article is *The Speed of Trust*, by Stephen M. R. Covey. Covey articulates things about trust that many of us have felt but couldn’t put into words. He writes:

“Trust is a function of two things – character and competence. Character includes your integrity, your motive and your intent with people. Competence includes your capabilities, your skills, your results and your track record ... results are vital to establishing trust and that we have to hit our numbers every month. When we achieve them, the organization trusts us more, our leaders trust us more, our peers trust us more ... everyone trust us more. When we don’t, we lose trust and budgetary support. It’s that simple.”



With your new partners – and frankly with every timekeeper in your firm – put the need to achieve their results in the context of trust. It might be one of the most important conversations you have.

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