

## When Should a Firm Leader Leave? Tips on Timing and Planning the Exit

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Ask yourself am I really hungry to do another term? Can I really take this firm to the next level? Do I have the energy, drive and fresh thinking to successfully lead for another term?

In history, from Julius Caesar to Margaret Thatcher, there are a myriad of examples of political leaders who have stayed too long and been forced from office in ignominious circumstances (although few suffer the fate of Julius Caesar with a fatal knife in the back).

This is not just the fate of politicians but also of business leaders and law firm leaders. Unfortunately, previously successful and highly regarded leaders can stay too long and suffer the ignominy of an unplanned exit and their achievements being airbrushed out of their firm's history. Both the individual leaders and their firms deserve better.

From many years of advising firms and law firm leaders on the topic it is clear that 10 measures can be employed to help to identify when a leader's time to go is approaching and then to organize an orderly transition to the next cadre of leaders.

**Keep grounded.** A law firm partnership when working well is an effective business model but can rapidly become fractious and unstable. The leadership must continually engage and discuss with the partners and ensure that the partners support the direction and management of the firm. If leaders talk at rather than with their partners, there will increasingly be a disconnect between the two.

**Have effective management bodies.** Effective and diverse boards and executive teams provide a range of input, opinions and constructive challenge and engagement with the firm's leadership. If these bodies comprise the leader's buddies or are disengaged, the leaders may think that their mandate and authority is strong but, it is starting to ebb away.

**Have help.** The pressures of leading a major law firm are immense. The travel requirements may be brutal. A good team including strong professionals covering finance, HR, marketing, IT and operations, can help maintain the focus on what is really important and where the leader's time is best spent. If the leader is too overpowering, every minor decision will be delegated upwards thereby overwhelming the leader and disabling and disenfranchising those who should be making the decisions.

**See the clients.** Although in larger firms a leader may be unable to maintain a client workload, regular effective engagement with clients and other business leaders (at least once a week) is essential to ensure that the leader truly understands current trends and retains credibility with the partnership.

**Have a sounding board.** As a leader it can be difficult to discuss certain issues, even one's own longevity, with colleagues in the firm. They may have their own agenda or tell you what they think you want to hear. A trusted outsider, whether inside or outside the law, can provide invaluable support, constructive challenge and different perspectives that can enable a more nuanced or rounded view to be taken. Many top corporate CEOs use professional coaches but rather too many law firm leaders see the use of a coach as a remedial rather than developmental step.

**Ensure there are successors.** A key part of the stewardship role of a leader is to develop a group of people capable to lead the firm in the future. All too often leaders try to avoid doing so for fear of developing a rival before they want to leave. But, ensuring that a range of partners have developed a variety of leadership experiences and roles is both good for the leader, as more roles can effectively be delegated, and good for the firm. Conversely, a leader has to be careful not to obviously anoint his or her successor as the selection of the leadership is increasingly one of the few things partners still have a say on. Accordingly, encouraging the emergence of the successor who then enjoys a strong mandate is a more subtle and appropriate way of achieving the same result.

**Take the temperature.** Perhaps using outsiders or respected retired partners, confidentially take regular soundings from a broad cross section of the partnership on their views as to the performance and style of the leadership. Confidentiality is key to this process but it can provide some extremely useful input.

**Go when they want you to stay.** Knowing when to step down is more of an art than a science. One leader we were working with was going through the list of the partners to work out if he would have the necessary support to be re-elected. We told him to stop. If he even needed to do that exercise it was time to go even if he could achieve a majority of the votes for re-election.

**Be true.** Ask yourself am I really hungry to do another term? Can I really take this firm to the next level? Do I have the energy, drive and fresh thinking to successfully lead for another term? If the answer is yes and the soundings positive by all means stand. If in doubt, don't.

**There is life after leadership.** Leadership roles are all encompassing and addictive. But, whether within the firm or outside it, there may be many roles and activities that will be different but challenging and enjoyable. You may even wish to engage with those people that call themselves your family. By controlling and managing any transition you are far more likely to achieve not only the respect of your partners but also a role that you really want to do. A forced exit can be extremely harmful to one's self esteem and ability to contemplate other roles.

None of this is easy. Timing is all. But a high level of self-awareness, effective engagement and good counsel can make it achievable. As one former law firm leader incisively commented "it is better to leave two years too early than two months too late."

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