

When a leader's listening skills are also survival skills

By Tony Williams, Principal, Jomati Consultants

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Law firm leaders must show a high degree of self-awareness in managing partner dissatisfaction or their firms could be at risk

As we saw from the recent Scottish referendum, partnerships that appear from the outside to be longstanding, successful and secure can be riven with internal dissatisfaction that, at the extreme, threatens their existence.

Law firms are not immune from these tensions. The impact of the economic downturn has brought to the surface many simmering tensions and resentments, whether related to management style, strategy, intergenerational issues, partner remuneration or performance, or the widely differing performances of practice groups and offices at home and abroad.

In any organisation of highly motivated and strongly opinionated people, some tensions are not only inevitable but, to some extent, desirable.

The identification and management of these tensions is a strategic priority for the leadership of a firm to ensure success and longevity.

Although such tensions rarely bring about the dissolution of the firm, they can cause partners to be internally focused and behave in dysfunctional ways. In a period of intense competition between law firms this introspection can of itself result in a firm underperforming compared with its peers, thereby exacerbating internal tension. This can cause not only the dissatisfied partners but also the good corporate citizens, frustrated within the internal bickering and sour atmosphere, to look to pastures new.

Be decisive

So these issues must not be allowed to fester. Leadership must be aware of them and be prepared to take decisive action to address them. This requires a high level of self-awareness, as leadership style may be contributing to the discontent, and a high level of emotional energy and insight to really understand and deal with the underlying concerns fairly. This does not mean that every leader should be held to ransom by every disgruntled partner, but they must understand and act on issues that are legitimate and gaining traction.

In recent years we have seen many examples of pressures building within law firms. Rarely, if ever, is a single issue the underlying cause. The grievances can be various, individual and longstanding, but they tend to coalesce around one particular, often apparently minor, issue and then momentum builds that puts leadership on the defensive and leads to knee-jerk, short-term solutions.

This can embolden the dissenters. Leadership appears weak and malleable, the firm starts to divide into camps, it drifts, the working environment deteriorates, large amounts of time and energy are wasted and unexpected or undesired outcomes follow.

It is easy for law firm leaders to become remote from their partners and appear to fail to appreciate the client and other pressures partners face. This remoteness can cause the leadership to be deaf to – or dismissive of – concerns until a crisis erupts.

Inevitably, a leader faces a multitude of pressures but a key part of the role is to meet regularly with a range of partners and learn how their practice is performing and to listen to any concerns they have. Firm leaders cannot just rely on practice group leaders or office heads to take the temperature of the partnership. These meetings are also an opportunity to transmit messages about the strategy and progress of the firm.

Good listening skills either by the leadership or by an independent third party are essential so concerns are properly understood and the real causes identified. This is key to finding a solution that achieves the necessary buy-in.

Ignoring is not an option

Some leaders feel that acknowledging these tensions is a sign of weakness and that they are best ignored on the basis that those who do not like it can go. This is dangerous in all but isolated incidents of discontent.

These pressures can build quickly and a disappointing financial year and/or the departure of some well-regarded and high-performing partners can cause momentum to build that places the role of the leader and the survival of the union in doubt.

It has never been easy to lead a law firm, but leaders who fail to identify and address issues in a timely manner are not only jeopardising their own leadership role but the existence of their firm. You have been warned.

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