

A stranger in a strange land: or, the necessity of breaking silos in the legal industry

By Patrick Dransfield

If we take Professor Richard Susskind's premise that the international corporate legal world is 'on the brink of fundamental change' as valid, then it follows that leaders of the industry must draw upon knowledge and expertise outside of their own comfort zone. After all, the future of the legal industry is much too important to be left entirely to lawyers.

One example of a silo-buster extraordinaire is Hugh Crisp, former managing partner at magic circle firm Freshfields Bruckhaus Deringer, and now a lecturer on business, law and management skills at the Saïd Business School in Oxford, England. From quizzing zoologists at Oxford University regarding the behaviour of meerkats and bees, Crisp has become convinced that, to quote Gillian Tett's excellent piece in the *Financial Times*¹, 'law firms only work if there is an intense collaboration and group spirit.'

This is certainly at odds with the behaviour of many mid-tier lawyers of my acquaintance who are driven by what they believe is the motor of their continued success, an individualistic survival instinct and profit motive. This has proved especially true in Hong Kong and China over the past decade, where the scarcity of language ability among trained lawyers, com-

bined with a challenging and competitive legal business environment, has resulted in a whole generation of lawyers whose career paths resemble more a game of 'pass the parcel' than a serious accumulation of skills and experience.

Many laterals quickly learn that 'the grass is not greener on the other side' and that their own skills and abilities are not atomised, transferable assets but rather a continuum of the culture which taught them their profession. And thus the challenge for senior managers of law firms is to truly understand what they are actually actively managing. To quote Chris Argyris² "The art of management is managing

knowledge. That means we do not manage people *per se*, but rather the knowledge that they carry. Leadership means creating the conditions that enable people to produce valid knowledge and to do so in ways that encourage personal responsibility."

On an individual level, the best lawyers I have had the good fortune to encounter have not only been personally loyal to their chosen law firms, but have also often trained in at least one other discipline as well as the law. One such individual is Whitney Pidot, now retired. Whit trained both as a lawyer and also completed an MBA from Columbia Business School and was one of the Shearman 'life' partners

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responsible for hiring me when I joined Shearman & Sterling as their first marketing director for Asia. His first act was to hand me a Harvard Business Review article entitled 'Teaching smart people how to learn' by Chris Argyris³. Whit had identified the two most difficult problems I was to encounter when working alongside lawyers in private practice – their inability to listen; and their lack of empathy to clients' needs.

To quote Argyris: 'competitive success depends on learning, but most people, including professionals in leadership positions, are not very good at it. Learning is a function of how people reason about their own behavior. Yet most people engage in defensive reasoning when confronted with problems. They blame others and avoid examining critically the way they have contributed to problems. Companies need to make managers' and employees' reasoning patterns a focus of continuous improvement efforts.'

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Endnotes:

1. Gillian Tett, 'Compare the meerkat and the lawyer', *Financial Times* 20th July, 2012
2. Chris Argyris, as quoted in 'Knowledge Management in the New Economy', by Rick Blunt, 2001, Lincoln, NE, iUniverse.
3. Chris Argyris, 'Teaching smart people how to learn', *Harvard Business Review* 1st May, 1991

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Silo-busting in the legal world that leads to greater benefit to the client

Client satisfaction requirements are increasing, whilst the focus on quality, deep meaningful relationships and best value legal services are greater than ever. Key clients are looking for the most joined-up approach and cost-efficient ways to deliver their legal work, assess legal risk and undertake projects. Competition is expanding particularly with the introduction of alternative business structures in the UK allowing non-lawyers to invest capital and external commercial experience into a traditional law firm model.

To achieve this, the landscape of the legal world is changing rapidly and to survive in these times, law firms need to identify a way to deliver greater benefit to the client through the quality delivery of its legal services.

To put this into context, historically many legal teams have spent much of their time and effort pushing against each other, either through chasing new client work, overlapping business development opportunities, requesting more resources and wanting better individual recognition. They often struggle to move on from their own personal agendas and sometimes ego-centric nature to represent the greater good of the firm strategy and ultimately the client experience. This often indicates that a law firm has become siloed based on their legal expertise, legal area structures or sector specialisations and as we know, silos are structures for storing, with strong walls, practically impenetrable from the outside world and provide no light for growth.

So, how do law firms break down these siloed barriers? What can they do to achieve internal cohesion whilst delivering externally to client needs?

Obviously, it is vital that everyone within the law firm will need to pull together and work in the same direction for the client, thus ensuring their own survival.



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The wider issue here and the biggest challenge to remove the silo mentality are the strong inherent cultures, individual behaviors and the attitudes at play within the internal teams. People risk is one of the greatest areas that law firms need to address to truly adopt the challenges of busting these silos.

Nowadays, you have to be a very confident people manager as well as a competent lawyer, which has often been an exception in the legal world. You need to accept that people risk is an issue and needs to be addressed, in order for your firm to move out of a silo mentality and towards a totally cohesive and forward thinking organisation, placing the client at the heart of everything it wishes to achieve.

Therefore, the starting point for the law firm involves a wider analysis of Human Capital, including the evaluation of people skills and competency, incorporating the assessment of an individual lawyer's ability to work in a team and to undertake firm-wide projects. Thus in turn, allowing the firm to identify those truly wishing and able to move out of the silo for the common good.

The law firm needs to define this common purpose and using SMART*

goals based on client requirements, place the client's needs at the centre of the instruction – be that a legal project development process, a cost transparency process, or a project whose ultimate aim is to positively grow the law firm-client relationship. The success of delivery will be to break down the challenges into clearly defined goals, coupled with choosing a flexible, adaptable and multi-functional team across the firm which is selected on skills and experience, based on rigorous personal-skills evaluation.

Once the team is in place an achievable and time measurable project plan can be defined. This provides the team with a clear objective of the desired outcome, as well as encouraging more cross-functional conversations which involve expertise from different legal or non-legal specialisations, thus reducing the risk of closed conversations involving only one specialist from one team.

The next step for silo-busting is to maintain the new status quo and this is heavily reliant on continual goal-focused communication. This is often achieved through regular project meetings with all required stakeholders present. Silo-busting requires time and effort and must be seen

as a continuous improvement cycle within the law firm.

Research indicates that effective silo-busting can often lead to innovation. This has been demonstrated with some law firms being extremely innovative, through introducing alternative structures to remove silos, using commercially focused non-lawyers experienced in consultancy and projects coordinating the client projects and leveraging multi-faceted, cross-functional legal teams to deliver more focused industry expertise.

The traditional law firm structure is changing at a rapid pace and those that do not undertake silo-busting are likely to be left behind as their clients actively seek firms that embrace a more forward thinking approach. Thus traditional law firms will lose the opportunity that silo-busting presents to their continued growth, or even to their survival.

Foodnote:

- * Specific, Measurable, Accurate, Reliable and Timely

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