

THE MAKING OF A LEGAL LEADER

Bringing three very different professional experiences to the table

Having worked at and managed a small commercial law firm; then led a medium-large commercial law firm; then spent time as a capital partner of a large commercial law firm; then back to managing a boutique commercial firm, gives Mark Hamilton, managing partner of Grope Hamilton Lawyers, a unique and insightful background.

“It takes a whole raft of skills and accumulated experience to be an effective law firm leader, including commercial acumen, high-level people skills, good strategic and planning skills and an understanding and interest in developing processes and systems”.

Any young lawyer aspiring to lead a law firm should aim to get undergraduate economics or management qualifications or post graduate qualifications in economics and business management. Whilst a rarity in the current generation of managing partners, it will become a mandatory pre-requisite in future. It is, in any event, a point of difference if you aspire to leadership.

Leadership challenges

The day has passed where legal partnerships simply look around for the best lawyer to take on practice management. The person in the firm who may make the best legal leader may or may not be the “best lawyer” although it is probably true that lawyers with good leadership potential are probably strategic and highly effective as problem solving lawyers. They may or may not be the most academic in a technical sense.

Managers require a broader, more educated skill set to deal with the increasing rate of change in the professional services marked in recent years with vastly increased competition, demographic changes, competition for legal talent and the need to economise to maintain margins. The skills required of law firm managers are being compounded by the global financial crisis with pay freezes and downsizing being the order of the day.

Gone are the days where law firms could simply find a niche, a set of clients and jog along profitably. Law firms now require strategic leadership ability, people management skills and the ability to manage growth from a quality and financial review point.

“Being a good lawyer won’t cut it now for a managing partner”, Hamilton says.

Leadership is obvious in the school yard

Hamilton says that, in general, the characteristics required of a good law firm managing partner are part of the innate makeup of the individual.

"We all saw them in the school yard. *The kid who demanded respect and cooperation of the other kids and organized games and activities.* The sort of kid who led and the other kids followed", Hamilton says.

The innate skills required are courtesy, respect, a cooperative listening character and sane approach. Hamilton says these turn into things like professional respect for peers, acute listening and people skills, an innate sense of fairness, authenticity, and usually go with an A or AAA type personality, as well as a need for commercial awareness.

"Also important," Hamilton says, "is humility in the sense that the leader has no pride as such in the process but a focus on the outcome for the firm; a good sense of personal values such as honesty and integrity, as well as a sense of humour and, to some extent, a capacity to be "nice" and get along with people".

Hamilton says it is crucial to be flexible in your leadership style, for example, knowing when to lead from the front, when to jog alongside or when to get behind. Hamilton says this is especially fundamental given that you are working with professional colleagues.

A corporate leadership model cannot readily or successfully be replicated in a legal partnership, even if many of the lawyers in the firm are not actual owners of the business.

Hamilton, who has more than 28 years of experience in law firm management, says that consistent application of values and approach, and a willingness to make decisions based on consultation and advice, without fear or favour, give a clear pathway for the firm, and result in the managing partner's personality being stamped on the firm.

The need for a strong practice background

“Leaders in law firms traditionally have a strong legal practice background, with good reason,” says Hamilton.

Hamilton says that professional management goes hand in hand with practice management because many issues facing lawyers within the firm, requiring management, relate to managing the legal matter itself, as well as the business side of the relationship with the particular clients.

“You often need to understand the legal matter, as well as the lawyer in question, so that you can judge what is likely to happen, in order to help the lawyer manage the money or business side of the file or engagement with the client”.

Legal leaders often self select

Hamilton, who has practised for 32 years, in the primary areas of commercial advisory and commercial disputes, notes that professional acceptance and respect within a firm typically enables promotion to leadership in the first instance.

“It gives you a unique perspective when you are ‘elected’ by a group of partners to run a practice of 68 people and can be ‘unelected’ at whim. You are definitely not ‘Lord of all you survey’. It is not like running a commercial company in any sense”.

Hamilton says that natural leaders often self select as they build successful practices, and have happy clients, engaged staff and enjoy a collegiate and supportive relationship with their peers and staff generally.

Life a continuing education process

“The notion that lawyers are too busy to improve leadership skills is a false proposition”, Hamilton says.

Hamilton, who has a Masters of Law (Commercial) as well as being an avid reader of business books and articles covering such fields as economics, management strategies, marketing, services marketing, coaching and emotional intelligence, says that young lawyers, who aspire to be managing partners, need to make time to read and attend courses and seminars.

"I can cite myself as an example", he states. "I run a busy and robust practice where I do a lot of the work myself, however, I want to keep learning to be a better leader, so I take time out and undertake a number of management courses as part of a Masters of Business Administration at the Adelaide University Business School.

"Admittedly, this is one of the longest MBAs in the universe, however, I am not looking forward to finishing as it really is a natural prompt to keep thinking about business and management practice."

Hamilton says that if you want to learn from the "school of hard knocks", then you will make many avoidable errors and tend to hit your straps only in the latter part of your career.

Common areas of managing partners

"Not being yourself is common and potentially fatal", Hamilton says. "The reason you are in the position is probably, largely, because of your personality, so whilst law firm managers should be open to developing skills, they should remain true to themselves.

"One of the most important things to realise is that attempting to impose a "one size fits all" mentality is a recipe for disaster, to which professional and non-professional staff attribution relate.

"It is also vital to be involved in carrying out legal work at the heart of the business so as to know what makes the business tick and what is going on. Avoiding micro-management is another trap."

Hamilton says that, in the end, a law firm, whatever its capital structure, is ultimately a collection of lawyers who are prepared to work together collegiately and who, in reality, have multiple career choices if they do not believe in the leader and the firm's direction. "It does not matter, for these purposes, whether the lawyers share in the firm's equity. A law firm is still fundamentally a collection of lawyers."