

The Law Firm Value Proposition

How to Successfully Hire Lateral Partners

By Glenn Tannous

Often, when my friends talk about finding a significant other, they have a long list of must-haves that someone has to fulfill in order for them to consider that person for a partner. I sit, a little amused, wondering, if the roles were reversed, how many of those bullet points would they themselves be able to meet? Everyone seems to have a long list of must-haves — but very few can live up to those lists if asked of themselves. These relationship must-haves aren't limited to the romantic; a business relationship often starts off with a similar list of criteria. The difference is that business must-haves come in the form of a position description, featuring a laundry list of desired skills and experience. But while a law firm asks

for specific education, experience, contacts and portables at certain law firms, what if the candidates were to ask for their own list of must-haves? How would a firm measure up?

LATERAL HIRING

Every firm I meet with has a long list of must-haves when it comes to potential lateral hiring, yet very few have defined their value proposition or can live up to an equally long list of offerings for a lateral partner to consider *them*. The most important thing for any relationship to succeed is first to define what we bring to the equation. What makes your firm attractive? What sets your firm apart from the competition? If both sides would focus on that first, then more relationships would succeed. Saying "we're the best" is not enough. Your firm needs to show self-awareness and give a partner a reason that he or she should sit down and have a conversation with you.

Right now, about half of the marriages in the United States

end in divorce — and if we look at those getting married a second or third time, the percentage of failed marriages is even higher. There is a reason why marriages and lateral hiring can have such bad statistics of survival: Everyone has defined the "want" but not the "give."

Consider the profile of a successful lawyer. Today's successful partners are successful because they understand the business of law and their value proposition. They are great lawyers who have expertise and knowledge that relates to their clients, and they understand how to cater to and take care of their clients' needs. They anticipate challenges before they happen, so when they do, they are ready to step in and alleviate the problem or provide a solution to address and overcome the issues. In other words, they have already defined what they bring to the table — for their existing clients and new clients for whom they would like to do work. Lateral partner hiring is not much different.

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MAPPING OUT THE VALUE PROPOSITION

Successful lateral partner hiring starts with the firm defining the opportunity it has for the partner — why we are looking to add, what the opportunity is, who is on the team, what the business opportunity is and what does the role look like 2/5/7 years from now. By identifying and mapping out your firm's value proposition as it relates to the lateral partner you are looking to attract, you are setting a clear path for recruitment and integration. When you start off saying, join us because we're doing this and are focused on all the areas of support and here's what we're doing in that area so this is why we need you, you are creating a viable opportunity for the lateral partner that he or she can envision. You need to help the partner understand why he or she should leave their current "marriage" and marry someone else.

Put all the cards on the table and outline the path forward: "In two years, we see us doing the following, and then in three years, we want to expand on the other side of things, and between that and continued work, we expect that in five years, you'll have all of the following ..." Now you have a game plan, and you and the lateral are on a common path to success instead of a path to nowhere. This is what sets successful lateral hiring apart from opportunistic lateral hiring.

Opportunistic hiring, as I call it, does not involve much thought. It's the equivalent of saying, "Just get me the date and I will take it from there." Much like playing the lottery, the odds of making a successful hire this way are a little over 60% — which, while a lot better than the one in a million odds of playing the lottery, can easily be improved by putting some thought into what you want and what you give.

If a firm approaches hiring without planning, then it is merely "leasing a practice" and you will never really own it. Yes, it will work for a period of time, but at some point the lease will run out — and only you can say if the return on investment was worth the hire. Sometimes they work; sometimes they don't. It's hiring scenarios like these that leave critics saying that lateral hiring does not work.

CONCLUSION

Lateral hiring does work and is a great growth strategy all depending how a firm approaches it. The investment in a lateral hire starts long before the partner comes aboard — sometimes it can take months, or even years, to bring a partner into the firm, not to mention the financial cost associated with the hiring. What are you going to do to woo a partner away? Similarly to launching a new product for a company, a firm has to design

the product (*i.e.*, the value proposition), set a game plan, educate people, and then market it. Once a partner has been swayed, a firm needs to spend the time to ensure the success of integrating the lateral partner. As one of my partner candidates once told me: "Good generals understand the challenges in the execution of the plan; great generals understand the logistics of achieving the plan." When a firm truly integrates a partner into the firm and makes him or her part of the value proposition and the fabric of the organization, he or she then becomes part of the family — and a true believer in the firm.

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