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On Management

Selecting a Managing Partner

Partner support alone is not enough for a candidate.

As law firm revenues trend steadily higher, choosing effective leadership becomes even more critical. What is the best way for a firm to select its strongest, most qualified leader?

Clearly, law firm leaders can govern only with the consent and support of the firm's partner-owners. But you also want that candidate to be the most qualified.

I've seen law firms use four basic procedures to find this person:

At some firms, independent nominating committees of respected partners seek input from partners, counsel, associates, and senior administrative staff regarding the firm's future direction, leadership needs, and suggested candidates. These committees then talk in depth with prospective candidates regarding their qualifications and willingness to serve.

At other firms, an elected management or policy committee performs the nominating committee function. While this approach offers the benefit of efficiency, it sometimes lacks independence and is subject to undue influence by the firm's current leadership.

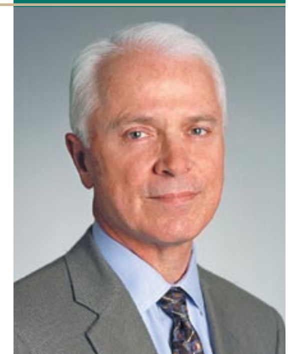
Once a recommendation is made, the committee then puts the matter to the partners for approval by vote or written consent. If the nominating process has resulted in only one candidate (as is usually the case), many firms require that, in order to be elected, a candidate must receive the votes of at least a majority of the partners entitled to vote. This allows partners to dispute the committee's recommendation by withholding votes, and assures that the successful candidate has the support of a majority of the partners.

What these first two procedures ensure is that the firm's needs are studied in a thoughtful, deliberate way.

Some firms allow any partner to nominate himself. While this open, democratic approach has a certain philosophical appeal, it can lead to results that are politicized and divisive. For example, a recent contested election at one Am Law 100 firm resulted in the election of the firm's new managing partner by a single-vote margin. As a consequence, the partner elected to the position had no mandate to lead. The partner who lost the election was so disheartened that he left the firm. So the firm drifted until order was restored at the next election, when only one partner chose to seek the position. Clearly, the firm did itself no favors with this laissez-faire approach.

Finally, there are firms in which the management or policy committee controls the selection process entirely, selecting a leader from among its own membership. The new leader is neither ratified nor confirmed by the partners, on the theory that the committee members were elected by the partners already. This procedure can also lack independence and be subject to undue influence from current leadership.

In sum, the best leadership selection processes meet three key objectives: They help achieve firm goals, contribute to stability, and minimize political factors. ■



RICHARD GARY is principal of Gary Advisors in Tiburon, California, and the former chair of an Am Law 100 firm.