

# A Step by Step Guide to Lateral Partner Recruiting: From Identifying Firm Needs to Successful Integration

Ari A. Katz  
National Director of Legal Recruiting  
Bingham McCutchen

Katy von Mehren  
Director of Legal Recruiting  
Mintz Levin

Melinda Adams  
Manager of Global & Partner Recruiting  
Milbank

---

---

---

---

---

---

---

---

## Our Objectives/Agenda

- What are the needs and strategy for Partner Hiring at your firm?
- How do you work with the Executive Committee/Managing Partner to determine the expectations of your role?
- How do you identify appropriate candidates?
- What are the best ways to start a search?
- How do you effectively schedule for maximum results?
- What role does the Lateral Partner Questionnaire play in the decision making process?
- How do you evaluate for compensation and conflict situations?
- What are the best ways to make an offer and get an acceptance?
- Integration - Now that you have them - How do you keep them?

2

---

---

---

---

---

---

---

---

## Needs and Strategy for Partner Search

- Why are we looking for new partners?
- Lets break this down into 3 categories.

Strategic - This need is to gain a competitive advantage in one or more of the firm's key practices.  
"Build Strength on Strength"

Opportunistic - This need is something that the firm would "wish" for and would like to make an investment in if the opportunity presents itself.

Maintenance - This need is one to keep the business moving.

3

---

---

---

---

---

---

---

---

**Needs and Strategy for Partner Search**

Some Other Situational Examples

4

---

---

---

---

---

---

---

---

**Needs and Strategy for Partner Search**

Strategic Plan for Growth - Ask the following 5 questions:

- What do we want, and why, and who?
- Who are the best partners for this stated need?
- How will our clients react?
- Will we advance our business?
- Will the firm be stronger with this acquisition?

5

---

---

---

---

---

---

---

---

**Your Role in the Process**

- Be Responsive, Pro Active & Engaging with partners
- Educate yourself about the Legal marketplace
- Sit down with the Chairman or OMP to understand the firm strategy and finances
- Speak with Practice Area Leaders about their current needs and expertise
- Future Needs

6

---

---

---

---

---

---

---

---

## Your Role in the Process

### Targeted Approach with Firm 'Leadership':

- Chambers, League tables
- Create lists of potential partners (reputation, clients)
- Know your competition

7

---

---

---

---

---

---

---

---

## Your Role in the Process

### Expectations:

- Are you the point person with the search firms?
- Do you communicate about the firm's strategy to existing partners?
- Establish your role in the process - Are you in the foreground or background?
- Are you discussing compensation/conflicts with the targeted lateral partner?

8

---

---

---

---

---

---

---

---

## How to Identify Appropriate Candidates

### Understand what you are looking for and why

- Meet with stakeholders
- Understand the need
- Consider must haves, don't wants and negotiables
- Consider personalities
- Talk about fit
- Consider diversity initiatives

9

---

---

---

---

---

---

---

---

## How to Identify Appropriate Candidates

### Understand the Need:

- Maintenance: succession planning - hole in department due to departure
- Strategic: Growth of a practice or an office
- Opportunistic: what ever comes across your desk

10

---

---

---

---

---

---

---

---

## How to Identify Appropriate Candidates

### Must Haves, Don't want and Negotiables:

- Background
- Years of Practice
- Specific Experience/Knowledge
- Portable Book
- Other Traits

11

---

---

---

---

---

---

---

---

## How to Identify Appropriate Candidates

### Consider Personalities:

- Both yours and theirs

### Talk about Fit:

- What type of a firm are you
- Who in your firm practices in this same space
- If this will be a service partner who will they be working with

12

---

---

---

---

---

---

---

---

## How to Identify Appropriate Candidates

### Research - Internal and External:

- Discuss internally and rely on your lawyers
- Comb the lists: Chambers, Super Lawyers
- Educate yourself - read the legal press
- Blogs are a necessary evil
- NEVER FORGET CONFIDENTIALITY

13

---

---

---

---

---

---

---

---

## How to Identify Appropriate Candidates

### Know Thyself:

- Every firm is different
- Know who you are and understand the types of candidates who are successful in your environment
- Be honest with yourself, your firm, search firms and candidates
- Go Forth and Hire

14

---

---

---

---

---

---

---

---

## Starting the Search

### Working with Recruiters:

- Open Search
- Exclusive Search
- Limited Search
- Hybrid

15

---

---

---

---

---

---

---

---

## Working with Recruiters

### **Open – work with any/every recruiter**

#### Pros:

- *Canvas entire marketplace*
- *Find hidden gems*
- *New/stronger relationships*

#### Cons:

- *Overlapping efforts*
- *Perception of firm in the marketplace*
- *Difficult for candidates to view opportunity as unique*
- *Volume and quality of submissions*

### **Exclusive – work with one recruiter**

#### Pros:

- *Monitor search more closely*
- *Prevent overlapping efforts*
- *Pinpoint key individuals to approach*
- *Adapt as search progresses*
- *Control the message*
- *Incentive to recruiter*

#### Cons:

- *Putting all your eggs in one basket*
- *Recruiter's connections/abilities may be limited*
- *Limits field of candidates*
- *May require a retainer*

16

---

---

---

---

---

---

---

---

## Working with Recruiters

### **Limited – small group of recruiters**

#### Pros:

- *Benefits similar to exclusive search (to a lesser extent)*
- *Capitalize on strengths of each search firm*
- *Larger, more diverse candidate pool*

#### Cons:

- *More difficult to control message and momentum*
- *Less incentive for individual recruiter*

### **Hybrid – combine elements of search types**

#### Examples:

- *Offer limited exclusivity: exclusive for a short period of time or specific geographical area*
- *Open search to all recruiters, but provide one with names of key people to approach*
- *Start small and expand number of recruiters as needed*

17

---

---

---

---

---

---

---

---

## Working with Recruiters

### Selecting a Recruiter:

- Expertise in a particular area
- Geographical advantage
- Knowledge of Firm
- Contacts/Connections
- Past Performance

18

---

---

---

---

---

---

---

---

## Working with Recruiters

### Fee Agreement:

- Timing
  - Have a signed agreement in place as early in the process as possible.
- Know your firm's policies
  - Who handles the fee agreement?
  - Do you have standard terms?
  - Can you sign outside agreements?
  - How do you handle exclusive searches?
  - Can you pay a retainer?

19

---

---

---

---

---

---

---

---

## Alternative Methods

- Encourage partner involvement
  - Attend networking events
  - Direct contact with targets
  - Client recommendations
- Sponsor an event (law school alumni reception, CLE program, etc.)
- Keep in touch

20

---

---

---

---

---

---

---

---

## Tracking Candidates

- Have a system in place
  - Inform recruiters of appropriate procedure
  - Firm partners should know internal procedure
  - Note fee agreement status
- Check-in periodically and update records
- Confidentiality is key

21

---

---

---

---

---

---

---

---

## Scheduling Meetings

### Prepare

- Establish your role
- Items to consider:
  - Key people to include
  - Format of meetings (solo or group, length)
  - Contacting the candidate directly
  - Extra precautions?
- Compile background materials
  - Outsource?
  - What items should be distributed?

22

---

---

---

---

---

---

---

---

## Scheduling Meetings

### Confidentiality:

- Stakes are high
- Limit the number of people involved
- Extra precautions
  - Mark Correspondence “Confidential”
  - Be careful with e-mails
  - Exclude certain attorneys
  - Copy secretaries?
  - Security/Room tracker
  - Location is important

23

---

---

---

---

---

---

---

---

## Scheduling Meetings

### Day of Meetings:

- Make a good impression
  - You are “selling” the firm
  - Pay attention to details
- Anticipate problems
  - Special circumstances
  - If necessary, babysit
- Be available to troubleshoot
  - No job is too big or too small

24

---

---

---

---

---

---

---

---

## Scheduling Meetings

### Follow-Up

- Compile feedback and forward to relevant partner(s)
- Recordkeeping
- Re-confirm partners in attendance
- Determine next steps

25

---

---

---

---

---

---

---

---

## The Lateral Partner Questionnaire ("LPQ")

- The key document that you request from any lateral
- It is the Nuts and Bolts
- It explains in detail the background of a lateral candidate

26

---

---

---

---

---

---

---

---

## The Lateral Partner Questionnaire ("LPQ")

### Component Parts:

- Basic Data
- Professional Affiliations

27

---

---

---

---

---

---

---

---

**The Lateral Partner Questionnaire**  
**("LPQ")**

1. Present Firm/Employment
2. Education
3. Previous Firm/Employment

28

---

---

---

---

---

---

---

---

**The Lateral Partner Questionnaire**  
**("LPQ")**

- Practice Information:
  - Billing rates
  - Billings and Collections from your clients
  - Explain the method used in your current firm for client and attorney attribution
- Portable Billings and Collections:
  - Remainder of current year
  - Billings
  - Collections
  - Next year

29

---

---

---

---

---

---

---

---

**The Lateral Partner Questionnaire**  
**("LPQ")**

Billing Practices:

- Explain the circumstances where retainers are requested, how the amount is determined and how they are used
- Discounts Provided
- Premiums Charged
- Billing Frequency
- Contingency Arrangements
- Disbursements: Explain any unusually high disbursement requirements of practice

30

---

---

---

---

---

---

---

---

**The Lateral Partner Questionnaire**  
**("LPQ")**

Hours Commitment:

- Current yr

Use of Other Personnel:

Current Secretarial Use: Sole or Shared

31

---

---

---

---

---

---

---

---

**The Lateral Partner Questionnaire**  
**("LPQ")**

Personal Data:

- Compensation
- Partner Capital (if applicable)
- Practice Restrictions
  - Are you subject to
    - a) a non-compete or similar agreement;
    - and/or,
    - b) a required notice provision at your current firm?

32

---

---

---

---

---

---

---

---

**The Lateral Partner Questionnaire**  
**("LPQ")**

Professional Liability Insurance  
and Required Disclosures

33

---

---

---

---

---

---

---

---

**The Lateral Partner Questionnaire**  
**("LPQ")**

Professional Liability Insurance  
and Required Disclosures

34

---

---

---

---

---

---

---

---

**The Lateral Partner Questionnaire**  
**("LPQ")**

Your Key Clients

- Name
- Type of Business
- Current Year Billings
- Prior Year Billings

Conflict Check Form:

35

---

---

---

---

---

---

---

---

**Evaluating Compensation**

- How is compensation determined by your Firm?
  - Business generation
  - Formula
  - Tiered
  - Committee or Individual?
  - Transparent?
- Where does the partner fall in your Firm's range of compensation?
  - Compare to similarly situated partners at your Firm
  - Portable business
  - Billing and salary history
  - Seniority
  - Investment candidate?
- How will compensation be structured?
  - Set annual salary for 1 or 2 years
  - Bonus component (guaranteed or based on performance)

36

---

---

---

---

---

---

---

---

## Conflicts and Background

### Conflicts Check:

- Preliminary check
  - Formal or informal
  - More comprehensive search will need to be done
- Involve key partners in the discussion
  - Notify Risk Management Committee
  - Include relevant partner(s) on interview schedule
- Full conflicts check
  - Done in conjunction with offer/LPQ
  - Inform candidate that s/he should not take any action until cleared
  - Communicate

37

---

---

---

---

---

---

---

---

## Conflicts and Background

### Background Check:

- Lateral Partner Questionnaire (LPQ)
- Formal Background Check
- References
  - Client
  - Personal

38

---

---

---

---

---

---

---

---

## Offer and Acceptance

- When do you begin discussions in concept about an offer?
- Negotiation phase in the beginning/expectations and deal breakers (ex: practice group leader)
- Verbal offer of terms
- Written offer of terms
- Dinners/meetings with Chairman and other key partners
- What are the terms/conditions?
  - Compensation
  - Bonuses
  - Voting Rights
  - Moving Expenses
  - Background check
- Acceptance - Triggers vote at new firm and notice to current firm
  - Once voted in determine start date and other on boarding processes (marketing, PR, practice support, office, secretarial assistance)

39

---

---

---

---

---

---

---

---

## Integration

### Setting the Groundwork during the Recruiting Process

#### Consider All Angles:

- Administrative
- Practice
- Professional
- Cultural

40

---

---

---

---

---

---

---

---

## Integration

#### Start Early:

- You need to take responsibility for being the point person
- Have an established roadmap
- Know that every case will be different

41

---

---

---

---

---

---

---

---

## Integration

#### Gather Information:

- Resume, Web Bio
- LPQ
- Business Plan
- Information about clients and contacts
- Information about expertise and experience - including strategic fit

42

---

---

---

---

---

---

---

---

## Integration

### Assemble Your Team:

- Assign a Bridge the Gap mentor and assign specific duties/tasks to do before the lateral starts
- Consider an Integration Partner who is not in the lateral's department
- Get Marketing and PR on board and informed
- Look to your office administrator to smooth the way

43

---

---

---

---

---

---

---

---

## Integration

### Work with the integration partner and your PR and Marketing folks to identify:

- Practice Synergies between the firm and the new hire
- Checklist of substantive areas in which to cross sell
- Checklist of firm clients the new hire should meet with

44

---

---

---

---

---

---

---

---

## Integration

### Professional Integration:

- Have a sponsor
- Have goals and check-ins and a way to measure progress
- Get them woven into the fabric of your firm
- Market your new hire internally

45

---

---

---

---

---

---

---

---

## Integration

### Administrative Integration:

- Physical Move
- Phone, Email, Business Cards
- Technology, Benefits
- Practices & Policies
- Client Intake letters

46

---

---

---

---

---

---

---

---

## Integration

### Your Work Never Ends:

- Keep in touch with your laterals
- Make sure they stay involved
- Check to see that promises made are kept
- Learn from your experience
- Every hire makes a statement
- Get ready for the next one

47

---

---

---

---

---

---

---

---

## Questions?

48

---

---

---

---

---

---

---

---