

# NALP CONFERENCE 2011

## **LEVERAGING YOUR LATERAL PARTNERS:** INTEGRATION METHODS TO MAXIMIZE YOUR RETURN ON INVESTMENT

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# TODAY'S AGENDA

- Looking Inward/Outward
- Five Phases of Integration
- Challenges to Overcome
- Case Study – Hogan
- Best Practices
- Measuring the Results

## WHY INTEGRATE?

***“TO FULLY MAXIMIZE THE INVESTMENT IN LATERAL PARTNERS, FIRMS MUST TAKE A PROACTIVE ROLE IN THEIR INTEGRATION. THE MOST EFFECTIVE PROGRAMS START DURING THE RECRUITMENT PHASE AND EXTEND THROUGH THE LATERAL PARTNER’S FIRST YEAR AT THE FIRM.”***

*Caren Stacy Ulrich, “The Five Phases of a Lateral Partner Integration Program”*

# Looking Inward/Outward

- Lateral Partner Focus Groups
- Number Crunching
- Internal Practices
- Ownership of the Integration Process
- External Studies

# Resources

- Partners in Transition – NALP Foundation
- Lateral Hiring & Integration Best Practices – IOMA
- Partner Satisfaction Study – Major, Lindsey & Africa

# 5 PHASES OF PARTNER INTEGRATION

- Interviewing/Voting
- Partnership Contract
- Offer Acceptance and Transition
- On-Boarding
- Formal Check-In Process



# CHALLENGES ASSOCIATED WITH PARTNER INTEGRATION

- Commitment to integration
- Fit with organization
- Time to devote to integration activities
- Split responsibility of firm and lateral
- Ownership of integration efforts

# Case Study – Hogan

## Partner Expectations Statement

- Expands upon the firm's values
- Sets out supporting attributes
- Defines those attributes

# Nomination Package – Hogan

- Prepared by the Sponsoring Partner and the Lateral Recruitment team and contains
  - Background
  - Strategic Fit
  - Information on Lateral’s existing client base and targets
  - Lateral’s historical financial information
  - Group’s financial performance
  - Interview comments – interviewers are asked to identify client opportunities that may present themselves with the hire of the lateral.

# Integration Plan – Hogan

- Goals
- Key Meetings
  - Partners
  - Groups
  - Offices
  - Clients (both lateral's existing clients and firm clients)
  - Prior to all meetings, provide lateral with background information (primary clients, targets, strategic plans, etc.)

**REMINDER:** Integration plan is a work-in-progress;  
always changing to meet needs

# Best Practices – Interviewing Phase

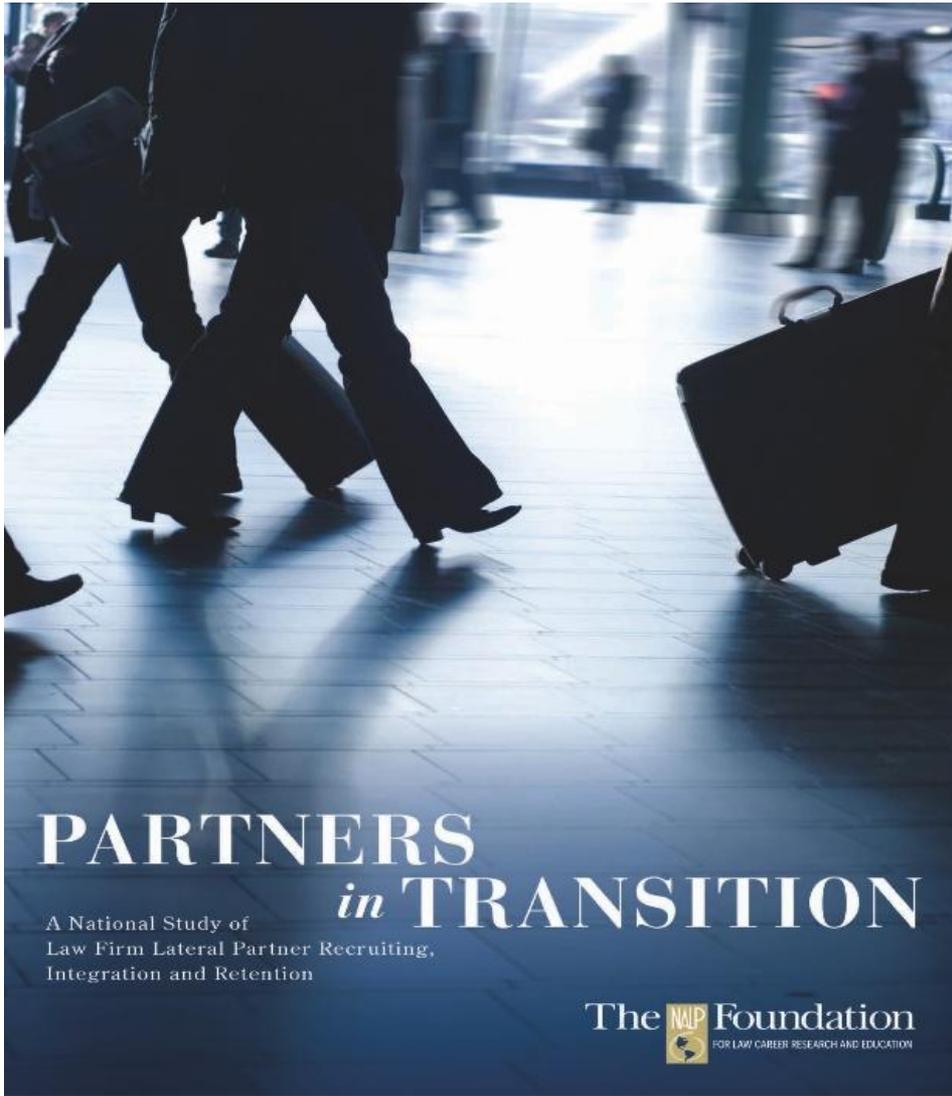
- Broad group of interviewers
- Circulate candidate's information
- Think strategically about interview groups
- Include top administrators
- Look for indications of “past” success

# Best Practices – Interviewing Phase

- Resume/curriculum vitae
- Client list
- Billing rates
- Billing and collections history
- References
- Business plan
- Permission to conduct background and credit checks
- Completion of an internal questionnaire
- Law school transcript
- Writing sample(s)

# Best Practices – Partner Contract/Expectations

- Partner offer letter, contract or letter of intent – what the lateral will do versus the firm
- Develop an integration plan based on the contract
- Promises kept, promises broken



# PARTNERS *in* TRANSITION

A National Study of  
Law Firm Lateral Partner Recruiting,  
Integration and Retention

The  Foundation  
FOR LAW CAREER RESEARCH AND EDUCATION

# Lateral Partner Expectations

(as reported by lateral partners)

- Firm culture and collegiality
- Firm reputation
- Practice group expertise and support
- Cross-selling opportunities
- Compensation/benefits

# Promises Kept

(as reported by lateral partners)

- **Collegiality and teamwork (Culture)**
- **Firm leadership; strategic and business planning**
- **Technology**
- **Support staff**
- **Cross-selling efforts**

# Promises Broken

(as reported by lateral partners)

- **Lack of marketing/public relations assistance**
- **Firm leadership; strategic and business planning**
- **Cross-selling opportunities and support**
- **Bureaucracy**
- **Diversity**

# Best Practices – Transition Phase

- Create Lateral Partner Extranet to provide access to (1) administrative forms, (2) other departmental matters, and (3) once the lateral joins – confidential information such as top client lists, strategic plans
- Introduce lateral to integration team (sponsoring partner, member of firm management, integration officer, members of Marketing, IT, HR and others as appropriate) prior to onboarding phase

# Best Practices – Onboarding Phase

- Appoint one person with primary responsibility for coordinating orientation/ integration activities to assist the lateral:
  - Build an internal network
  - Connect with the firm’s existing client base
  - Understand the firm’s practice and culture
  - Develop an integration plan to benefit both the lateral and the firm
- Assign lateral host at events/retreats

# Best Practices – Formal Check-In Process

- 3 month, 6 month, and 9 month check-in stages
  - Include multiple people
  - Create a checklist
  - Pay attention to the little things
  - Ask specific questions
- 12 month review of expectations with management

# Measuring the Impact and ROI

- Regular progress reports to firm management
- Informal reviews with lateral and sponsoring partners at 3 and 6 months
- Detailed, written evaluations at 12 and 24 months



# Measuring Integration

- Ask for written feedback from laterals and sponsoring partners at 12 and 24 months

## **For the Sponsoring Partner:**

- Are the business case/financial projections/objectives being met?
- Are there any integration issues?

## **For the Lateral Partner:**

- Are the business case/financial projections/objectives being met?
- Which partners are particularly supportive with assisting you in business development, involving you in their work and clients?
- Which new clients have been brought into the firm, what work have you referred to other partners and which partners have referred work to you?

# Measuring Integration

- Others asked for input include: practice group leaders, managing partners, members of senior management
- From these responses and comments from management, update the integration plan to address issues, concerns.
- Start additional recruiting efforts with lateral partner

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