



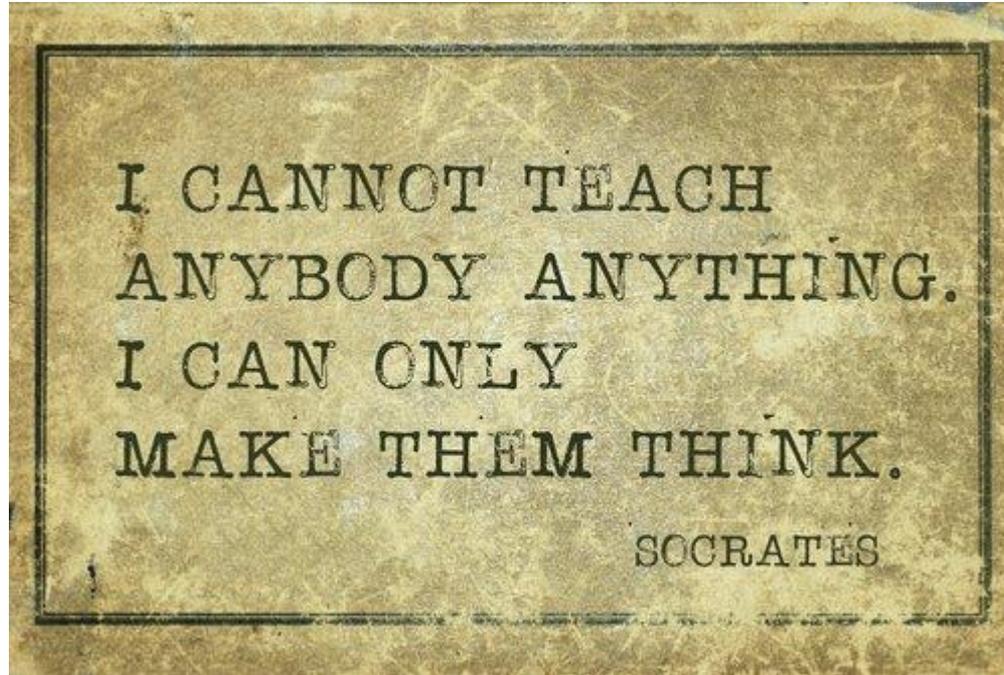
Recession Resistant Strategic Lateral Partner Hiring.

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# Our Goal for Today

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# Clients

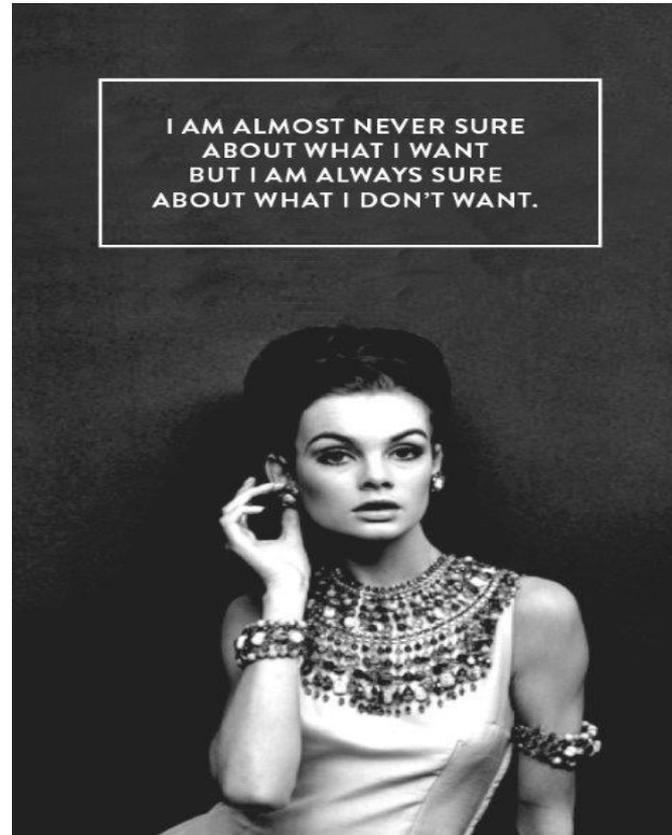
		Clients	
		Existing	New
Services	New	We are trying to sell new services to existing clients B	We are trying to sell new services to new clients (a new business line) C
	Existing	We are trying to provide existing services to existing clients A	We are trying to sell our current services to new clients D

**Box Lateral skills and/or client prospects**

- A
- We want a recognized expert with same skills as existing partners to absorb excess demand.
- B
- We want a recognized expert with different skill set than our current partners have to establish a new service offering to existing clients.
- C
- We want an expert in a new area to bring new clients to the Firm. We are buying a new business line through the lateral partner hire.
- D
- We want an expert in an existing skill area in which we want to expand. Lateral will have clients and business that we both have the skills to service.

# Who ? What ? Why

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# Lateral Partner Assessment Process – Goals

## EXTERNAL – Candidate Centric Experience

### The Candidate

- is aware that there is a process and knows at all times where they are in said process
- clear about our assessment process (who they will meet and why, their roles etc.)
- not asked to come back time and time again to see different people, goals post moving
- is not subject to last minute changes, cancellations, waiting for interviewer if at all avoidable
- should be able to ask questions and speak – not just answer questions
- leaves with a positive impression of the firm – regardless of whether an offer to join the firm is extended
- receives clear feedback and communication on our ultimate decision

## INTERNAL - Seamless process with goal of improving the quality of our decision

### Our Partners

- are aware that there is a process and know at all times their role in said process
- understand their roles, why they have been asked to meet candidate
- are briefed on business case, candidate rationale, client base, and take time to read the materials that have been prepared
- treat the candidate as they would want to be treated (golden rule) and/or as they would treat a client
- Recognize that this is not a deposition (or interrogation) but rather a conversation – where listening is not just desirable, but vital
- appreciate that regardless of the outcome we want the candidate to leave with a positive impression of the firm
- agree that the end goal is the quality of our decision to: i) extend an offer; or ii) not extend an offer based on objective and substantive rationale

# Accountability

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## Case Study ---“We Know What We Want”

### **Useful Background**

Peabody & Barnett LLC (“Peabody” or the “Firm”), a prestigious Am Law 200 law firm headquartered in Charlotte, North Carolina, recently celebrated its 100<sup>th</sup> anniversary. In addition to its 300-lawyer office in Charlotte, the Firm has offices across the US, including offices in New York City, Fargo, Houston, Chicago, Washington DC and two new offices in Denver and Los Angeles. None of the Firm’s offices apart from Charlotte and New York, have over 50 lawyers. The Firm is well known for its Litigation and Financial Services practices, and represent most of the largest US banks, principally in its most important transactions and litigations. Until the Great Recession, Peabody was able to win these matters consistently not only because of its track record and reputation for quality, but also because of its rate structure, which is significantly lower than larger firms competing for the same work.

After years of growth in virtually all the typical metrics, beginning in 2009, the Firm began to experience challenges to grow, and more recently, maintain its profits per partner and revenue per lawyer numbers. Some of its services became commoditized, which led to rate pressure from some of its lower cost competitors. Other practices, particularly Litigation, saw a deep drop in demand. During the same period and continuing into 2019, the Firm’s management observed that the culture of the Firm had changed as less productive partners kept more work for themselves, despite being urged to pass work down to associates. Associates have become an unhappy group, as they have experienced a significant drop in hours thanks principally to a decline in work in some areas, partner behaviors and the effect on their ability to earn bonuses.

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## **Growth Strategy**

The Firm's Executive Committee ("the Committee") took the occasion of Peabody's centennial anniversary to review and update its growth strategy. Concerned about the potential effects of an upcoming recession, the Committee thought that someone they trusted should focus solely on what that might mean for each practice at the Firm. The Committee also decided that given the economic challenges Peabody was facing, increased growth through lateral partner hiring and improved integration should be a major pillar of its new strategic plan for 2019. That plan calls for (and prioritizes) lateral partner hires in their strongest practices (Litigation and Financial Services) as well as in new practices, particularly in Bankruptcy, M&A, Private Equity as well as Litigation Funding. The Firm asked one of its most busy partners to work with the Firm's COO and CFO to recommend actions the Firm should consider in response to a possible recession, and to become the Lateral Hiring Partner. Lucy Dowd, head of Litigation and Managing Partner of the NY office and once herself a lateral, accepted her new roles, and she in turn hired you as the "Director of Lateral Partner Recruitment."

Last Friday afternoon, on your first day with the Firm, Lucy explained in more detail the new focus on Lateral Partner Recruiting and the recruitment priorities. Lucy also alluded to her other new assignment and asked you to keep that in the back of your mind. She asked you for a budget as well as recommendations for a process going forward, since typically the few partner hires made by the firm each year were required to be interviewed by at least several partners in each office as well as by the entire Committee. She also asked you to consider what she believes are significant gaps in Peabody's integration of new lateral partners. Lucy concluded by acknowledging that this was a lot to absorb but was encouraging and enthusiastic about the job ahead. "Ask me anything at any time" Lucy yelled out as you left her office..." [w]e are a team" she said as you walked straight to the wine bar in the basement of your building.