

# **Integration and Fragmentation in the Modern Law Firm**

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# Law Firm Culture Project

*What are the mechanisms of integration for large law firms in today's legal services market?*

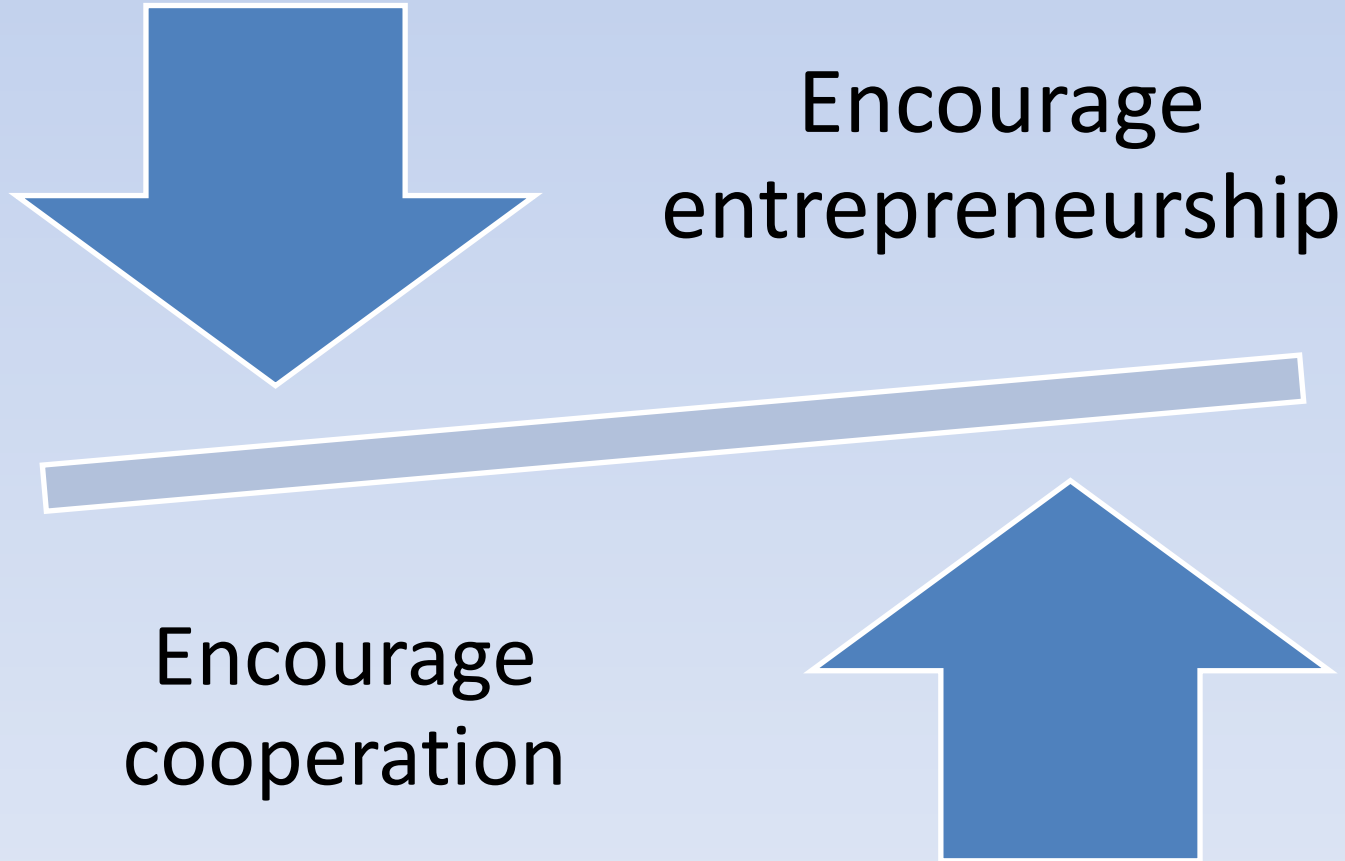
- Data collection started in 2009
- In-depth interviews with over 120 attorneys
- Mitt Regan (PI) and Elizabeth Chambliss

# Integration challenges

- Legal Practice
  - Tied to clients
  - Tradition of independence
- Market-Level Factors
  - Supply/demand shift
  - Lateral mobility/mergers
  - High levels of market transparency
  - Limitation on non-competes
- Firm-Level Factors
  - Winner-take-all culture
  - Reward individual effort/silos
  - Increasing disillusion
- Individual Factors
  - Personality traits



# Central tension in law firms



# TRUST



LEADERSHIP

PARTNERSHIP

# Generating trust

## LEADERSHIP

- Personal qualities
  - Expertise
  - Judgment
  - Communication
- Places firm above own interests
- Fair
  - Attention to process
  - Transparent

## PARTNERSHIP

- Shared values
  - What makes our firm unique?
  - What's important to us?
- Reciprocity
  - Responsive to internal requests
  - Sharing credit

# “It’s the money, stupid”

*“Money is everything.  
You can have the  
greatest culture in the  
world but if people  
don’t think  
compensation is fair,  
they’ll go.”*



# Money in law firms

- Management signal about what—and who—is valued
- Source of feedback to partners
- Due process
- Reciprocity

*The distribution process can play a large role in establishing and maintaining trust in the leadership.*



*At the end of the day...the barometer is compensation. Compensation sends incentives, it sends signals, it conveys culture. This is the language that we speak, it's the way we know how we're valued. [W]e know everything by how we are compensated, by whatever the metrics are for compensation.*

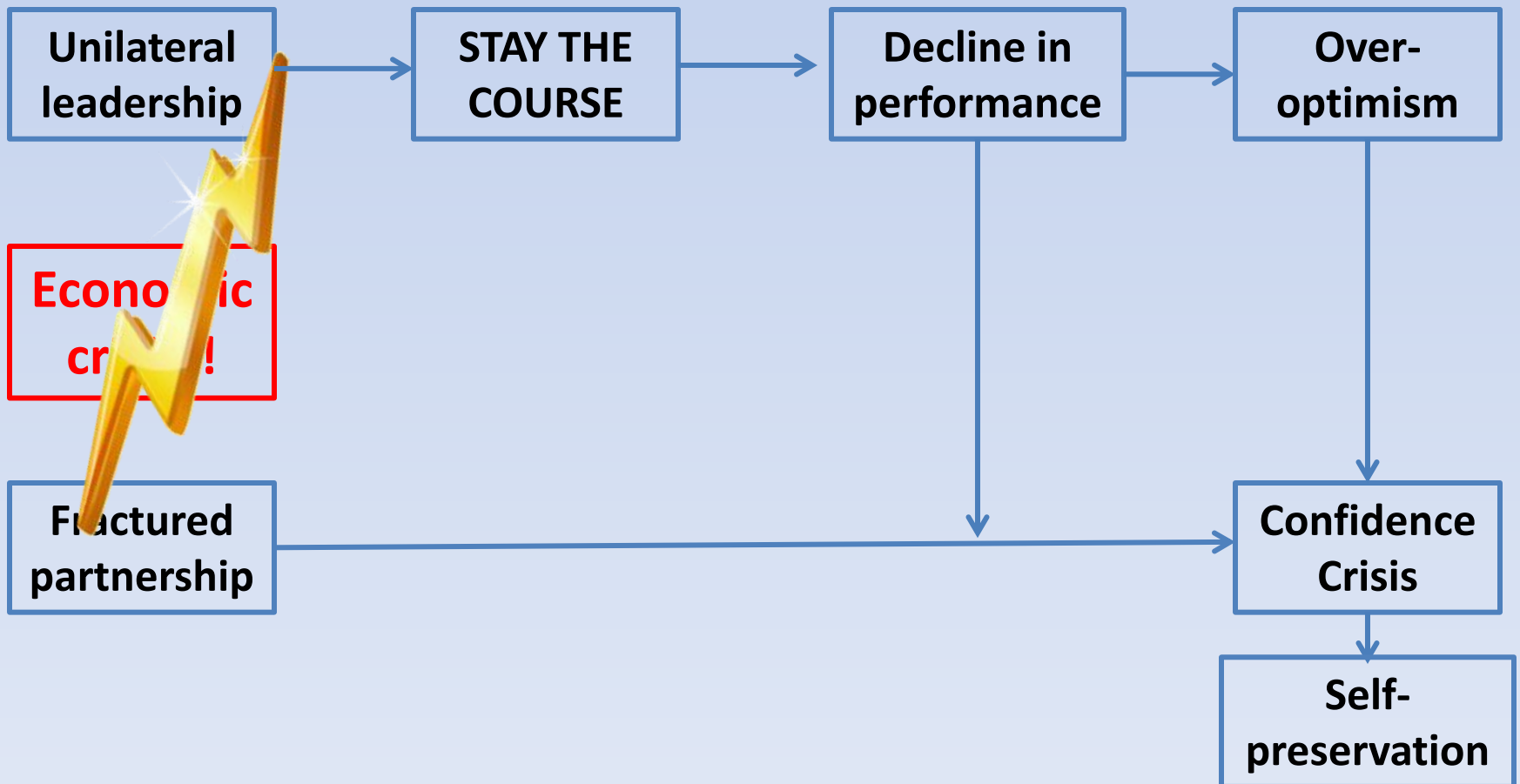
--Partner in Law Firm Culture Project

# Dewey & LeBoeuf

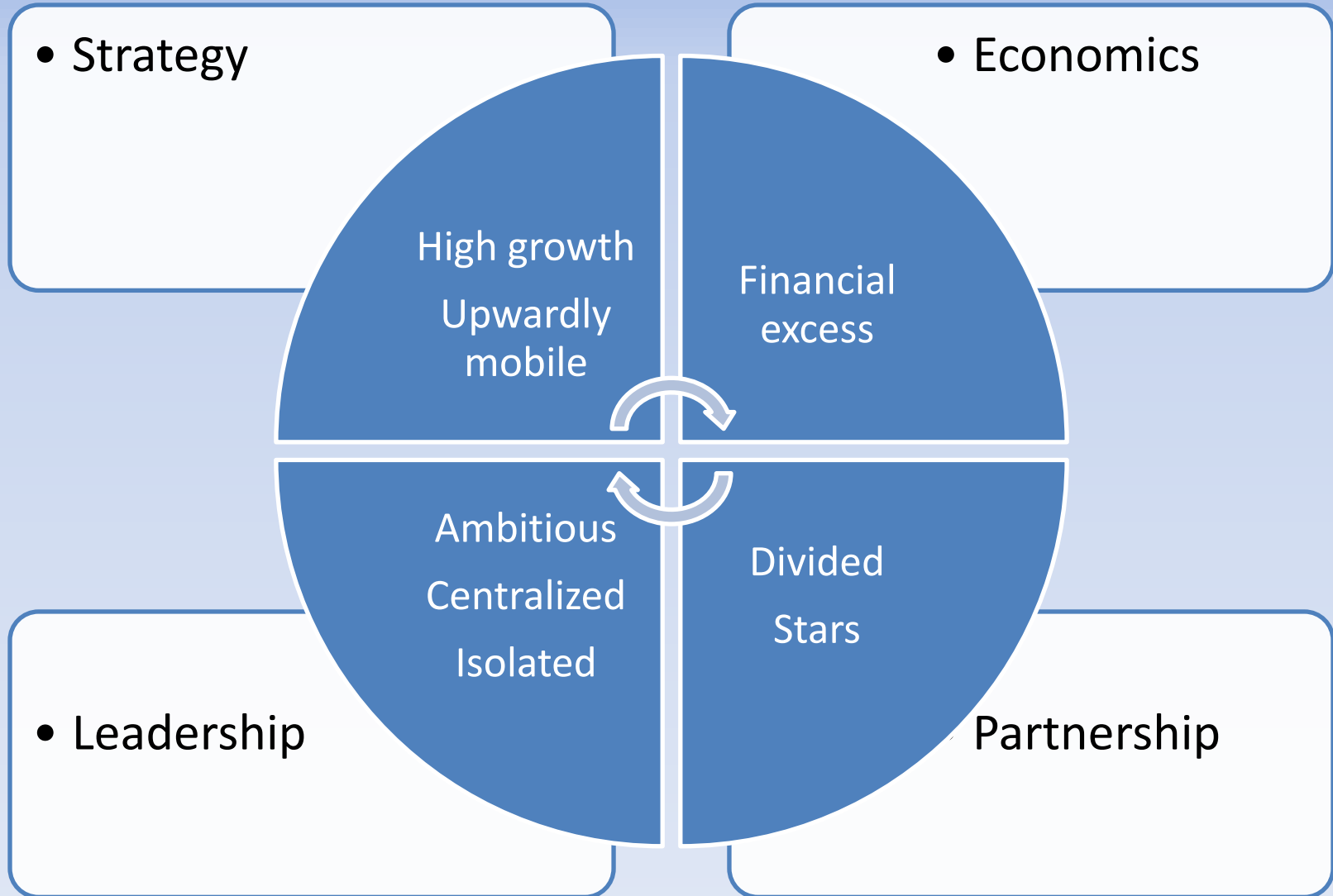
“[Davis and DiCarmine] understood that the firm was all about the money. What they could never understand is, if that’s all that holds a firm together, you have nothing left when the money runs out.

-- Former Dewey & LeBoeuf partner

# The saga of Dewey & LeBoeuf



# Dewey & LeBoeuf analysis



# Encouraging integration

- “Leave money on the table”
- Shared vision for the future
- Careful recruitment
- Perception of fair compensation system
  - Committee composition
  - Decision process
  - Fairness of inputs
  - Communication with partners
- Internal firm networks
- Technology and process