

# Contents

Executive summary .....	vii
About the authors .....	xi
Chapter 1: Role and responsibilities of practice group leaders .....	1
<i>By Susan Saltonstall Duncan, president, RainMaking Oasis</i>	
Introduction .....	1
Attributes that make effective practice group leaders .....	2
Practice group leader as strategist .....	3
Practice group leader as financial steward .....	7
Practice group leader as talent manager and coach .....	9
Ways to accelerate practice group leader effectiveness .....	11
Chapter 2: The practice group leader as change agent .....	13
<i>By Susan Raridon Lambreth, principal, LawVision Group, and Dr Larry Richard, founder and principal consultant, LawyerBrain LLC</i>	
What does it mean to be a change agent in your role as a PGL? .....	15
What else does a PGL need to be a change agent? .....	15
Benefits of being a change agent .....	22
Chapter 3: Rethinking what your practice group is and might become ..	25
<i>By Michael Roster, former general counsel of Stanford University and former managing partner of Morrison &amp; Foerster's Los Angeles office</i>	
Some law firm examples .....	25
A non-law firm example .....	27
Platforms .....	28
Conflicts .....	30
Privilege .....	30
Possible transition .....	31

<b>Chapter 4: Innovation in practice management</b> .....	<b>33</b>
<i>By Jonathan Fortnam, dean, Aston University Law School</i>	
Introduction .....	33
Practice management – a law firm perspective .....	33
Practice management – another perspective .....	34
Pricing – a client perspective .....	36
Alignment – a new perspective .....	36
Innovation – a different perspective .....	37
Time for lunch .....	39
Redesign to align .....	40
A final perspective .....	42
 <b>Chapter 5: The increasing presence of non-lawyers</b> .....	<b>45</b>
<b>in practice groups</b>	
<i>By Neil Lloyd, managing director, FBC Manby Bowdler</i>	
Driving digital transformation .....	46
Developing a people-first culture .....	47
The new business advantage .....	49
Bringing something new to the boardroom table .....	50
 <b>Chapter 6: Leading the practice group to sustainable profitability</b> .....	<b>53</b>
<i>By Norman K. Clark, managing principal, Walker Clark</i>	
Practice group financial management – the law firm’s transmission .....	53
Four essential elements of effective financial leadership of a practice group .....	54
What makes your practice group profitable? .....	55
Understanding the client base .....	62
Realistic and comprehensive business planning .....	64
Relentless and continuing attention to quality .....	68
Where the action is .....	69
 <b>Chapter 7: Developing a practice group pricing strategy</b> .....	<b>75</b>
<i>By Colin Jasper, principal, Positive Pricing</i>	
Introduction .....	75
Targeting clients and services .....	76
Setting prices .....	77
Justifying why we should be chosen, even if we are more expensive than competitors .....	79
Managing matters .....	80
Conclusion .....	81

<b>Chapter 8: Focusing your practice team on industry clients</b> .....	<b>83</b>
<i>By Patrick J. McKenna, internationally recognized author, lecturer, strategist, and seasoned advisor to the leaders of premier professional service firms</i>	
It is not what you call the industry, it is what the client calls itself that is most important .....	84
As all industries eventually mature, they naturally fracture into multiple sub-industries .....	85
There are some areas of opportunity that initially defy simple industry categorization .....	89
Industry sector expertise is a key differentiator .....	89
What makes industry sector expertise a meaningful differentiator? .....	90
<b>Chapter 9: Implementing the balanced scorecard</b> .....	<b>93</b>
<i>at the practice group level</i>	
<i>By John Sterling, founding partner, Sterling Strategies, LLC</i>	
The balanced scorecard – an overview of Kaplan and Norton’s system .....	93
The balanced scorecard in its most basic form .....	94
The balanced scorecard as a management tool .....	95
Implementing the balanced scorecard at the practice group level – a “how to” primer .....	99
<b>Chapter 10: Coaching for practice group leaders</b> .....	<b>107</b>
<i>By Hannah Beko, lawyer, author, and founder of Authentically Speaking, a coaching and training consultancy to the legal profession</i>	
Mindset matters .....	108
Why do practice group leaders with a growth mindset stand out amongst their peers? .....	109
Coaching questions encouraging self-reflection .....	111
What attributes create a great practice group leader? .....	112
<b>About Globe Law and Business</b> .....	<b>119</b>

# Executive summary

Law firm practice group leadership is not for the faint hearted. As firms compete increasingly at practice group level, leaders are being asked to run their groups like business units; to develop and implement a strategic plan that supports the goals and competitiveness of the firm; and to coordinate and lead their partners to enhance the efficiency, performance, and profitability of their groups. Many firm leaders complain that some of their group heads are not producing the results they want to see. But how many practice group leaders receive the tools and support they need to succeed in this critical role? How many are selected for demonstrable leadership skills? And how often are they held accountable for how well – or otherwise – they perform in the role?

With contributions from a wide range of experts, this second edition of *Effective Practice Group Leadership* explores these key questions and more, building on the first edition with new insights and thought leadership. The book examines the position of the practice group leader (PGL) in law firms today, the challenges of the role, and the changes to it, innovations and how modern practice groups are changing, and demonstrates the enormous contribution PGLs can make to the profitability and performance of their law firms, when armed with the tools and the authority.

Practice groups in law firms most often operate as important “business units” within a firm’s broader departmental structure. It is often at the practice group level that firms do their budgeting and revenue tracking, hiring and training, business development, and marketing. This has made the role of practice group leader increasingly important, but also much more challenging to do well. Our opening chapter by Susan Saltonstall Duncan, president of RainMaking Oasis, sets the stage for the book, examining the practice group leader’s general traits and skills, their role and responsibility as strategist and financial steward, as talent manager and coach, as well as steps to accelerate practice group leader effectiveness.

Next, Susan Raridon Lambreth, principal at LawVision Group, and Dr Larry Richard, founder and principal consultant at LawyerBrain LLC (and

the leading expert on the psychology of lawyer behavior) explain why *every* practice group leader must be a change agent – *especially* if their group has a strong track record of comfortable, complacency-inducing growth. This chapter highlights several important characteristics of change agents, with advice on how you can implement or work on each one.

Law firms and practice groups are seeing dramatic changes in what clients want. They are also seeing increased competition from non-law firm service providers, including the accounting and consulting firms. Rather than fear the changes, practice group leaders must focus on major opportunities and, in the process, expand the roles of their practice groups into providing multi-disciplinary, turnkey services for clients. Chapter three by Michael Roster, former general counsel of Stanford University and former managing partner of Morrison & Foerster’s Los Angeles office, discusses the opportunities and challenges for such business strategies, and possible ways to make the transition.

For years, innovation was genuinely discussed in law firm/client review meetings in the mutual (though) unexpressed understanding that neither side would be taken up on their proposals. It wasn’t that innovation was feared or that both sides were necessarily wed to the status quo. It was just that everyone was *too busy* and, when time literally equated to money, certainly too busy for the time and creativity that a serious commitment to innovation required. And no one really knew what innovation *looked* like. Lawyers are not often heralded for their powers of imagination and so it was perhaps unsurprising they conspired to “innovation lite” – reduced rates, capped fee arrangements, use of low-cost solution providers, and automation of usual processes. Chapter four, by Jonathan Fortnam of Aston University Law School, explores the profoundly different environment for its people and its clients when innovation is founded on the alignment of financial, client, and people brand interests. Drawing on first-hand experience, Jonathan explores the difference an environment can make that is not only sympathetic to innovation but that drives and rewards it in transparent and mutually beneficial ways.

Recruiting talent from outside the industry can feel counterintuitive for legal practices, but there is a growing shift in attitude towards the appointment of non-lawyers to key business roles within law firms. Forward-thinking firms are increasingly using non-lawyer appointments to great effect. In chapter five, Neil Lloyd, managing director of FBC Manby Bowdler, discusses how the firm has created an operations board of people who are professionals in their own field to oversee the management of the business, giving a fresh perspective and generating new ideas that have unlocked many commercial and cultural benefits.

Disappointing financial results in law firms frequently (arguably, almost always) can be traced to problems in practice group performance. Business planning and financial management at the practice group level is the linchpin that connects the firm's business and strategic objectives to the people who have to achieve them. In chapter six, Norman K. Clark of Walker Clark LLC explains the essential elements of effective financial leadership of a practice group and how the factors that are most influential on sustainable profitability might vary significantly among practice groups, even in the same firm. Analysing the client base of the practice group, Norman considers how relentless and continuing attention to quality in practice group operations can lead to a new level of practice group financial management.

In chapter seven, Colin Jasper, principal at Positive Pricing, explains why pricing strategies cannot be developed at a firm level, and outlines essential elements of a practice group pricing strategy that contributes to the overall profitability of the practice.

Corporate clients frequently cite knowledge of their industry, business, and key issues they face as primary motivating factors in selecting (or deselecting) outside counsel. While many firms would say their practice groups are aligned to the industries of their clients, their knowledge of the minutiae of those industries – or sub-industries – may not be as complete as it needs to be. In chapter eight, Patrick J. McKenna, internationally recognized author, lecturer, strategist, and seasoned advisor to the leaders of premier professional service firms, provides some lessons on focusing your practice team around industry clients.

Without specific, achievable milestones set out, a practice will not be able to measure its progress – or otherwise – over time, and in line with the firm's overall objectives. Fittingly, therefore, the next chapter of this book examines this key piece of the leadership puzzle. John Sterling, founding partner of Sterling Strategies, LLC, describes the balanced scorecard framework for adopting implementation action plans and related measures that drive strategy implementation, and explains how this approach can be employed in a practice group context.

Finally, in chapter ten, lawyer, author and founder of Authentically Speaking, Hannah Beko explores how a coaching versus a managerial style can support practice group leaders to improve engagement, retention, and productivity inside their teams. The chapter includes coaching questions and reflection exercises for leaders to consider both for their own growth and development and for their group as a whole.

# About the authors

**Hannah Beko** is a commercial property partner with challenger law firm *gunnercooke* llp. Outside her legal practice she runs coaching and training consultancy Authentically Speaking, specializing in supporting lawyers and law firms. After coaching and training thousands of lawyers, industry expert Hannah co-authored *Future-proof Your Legal Career: 10 Core Areas of Professional Development* (with Clare Jones and Steve Couch, published by Globe Law and Business in 2021) and is also a podcast host and a keynote speaker on mental health and wellbeing in the legal profession.

**Norman K. Clark** is the managing principal of the international legal management consultancy Walker Clark LLC, which he helped to found in 2002. His consulting practice specialises in issues of strategic planning and implementation, law firm profitability, governance, and quality assurance. His 48-year career as a lawyer includes experience as a trial lawyer, trial judge, law professor, and senior manager of the delivery of legal services on a global scale. He has been a full-time business adviser to the legal profession for the past 25 years, having advised clients in law firms, as well as corporate and government law departments, in more than 70 countries on five continents. Norman holds a BSc, a JD and an LL.M. He is a retired member of the Pennsylvania Bar, a past Chair of the International Bar Association Law Firm Management Committee, and a past Co-Chair of the American Bar Association Cross-Border Practice Management Committee.

**Jonathan Fortnam** has been dean of Aston University Law School since September 2019. The Aston Law programs embrace not only the law of business but also the future of law and the business of law. Prior to his appointment at the University, Jonathan was for nearly 30 years a solicitor (including 21 as a partner) with international law firm Pinsent Masons LLP. During his time in practice, Jonathan led a number of client service teams whose work contributed to Pinsent Masons being acknowledged as

Law Firm of the Year in 2016 and 2019; as well as the FT's Innovative Law Firm of the Year in 2020. Jonathan was also joint winner of The Lawyer Business Leadership Award for innovation in financial management in 2016 and Legal Week's "Future of Legal Services Innovation" award in 2015.

**Colin Jasper** has consulted to professional services firms for over 25 years. During this time, he has had the opportunity to work with most of the leading law firms in the US, the UK, and Asia as well as leading accounting, engineering, and consulting firms. As one of the founding principals of Positive Pricing, Colin's focus is on assisting professional services firms to win more work, at higher prices, while improving client satisfaction. He has been a keynote speaker at conferences in the UK, the US, China, Singapore, Malaysia, and Australia. Colin's Legal Pricing Masterclasses have run since 2011. They have been delivered in Auckland, Boston, Chicago, Hong Kong, London, New York, San Francisco, Sydney, and Washington DC Pricing directors at many of the world's leading law firms have attended these programs. Colin was the director of the Business-to-Business Pricing program at the Australian Graduate School of Management. He has been a guest lecturer at numerous universities and business schools. Colin is the co-founder of the Legal Pricing Roundtables, a forum for those responsible for leading pricing within their firms. The Roundtables meet twice yearly in both New York and London. Colin's articles have been published in a range of journals and magazines including *Professional Services Firms Journal*, *The Law Management Journal*, and the *Journal of the Professional Pricing Society*. Colin has been recognized as the Legal Educator of the Year by the True Value Partnering Institute and has been inducted as a Fellow of the College of Law Practice Management for his contribution to pricing in the legal market.

**Neil Lloyd** is managing director of FBC Manby Bowdler. Ranked in both the *Legal 500* and *Chambers*, FBC Manby Bowdler is a 27-partner firm with over 170 staff working from six offices across the West Midlands, Shropshire and Worcestershire in the UK. Neil first joined FBC Manby Bowdler as sales director in 2015. Working closely with the wider support functions, Neil helped develop the firm's sales infrastructure to support the achievement of the company's overall business plan objectives and growth strategy. Neil is an affiliate of the IFS School of Finance and has been an associate of the Chartered Banker Institute since 2016.



**Patrick J. McKenna** is an internationally recognized author, lecturer, strategist, and seasoned advisor to the leaders of premier professional service firms, having had the honor of working with at least one of the largest firms in over a dozen different countries. He is the author of 12 books, most notably his international business bestseller, *First Among Equals*, currently in its sixth printing and translated into nine languages. His most recent work is *Industry Specialization: Making Competitors Irrelevant* (Legal Business World Publishing, 2022). Patrick's three decades of experience led to his being the subject of a Harvard Law School Case Study entitled *Innovations in Legal Consulting* (2011). One example of that innovation was his launching the first instructional program designed to specifically address the issues that new firm leaders of larger firms face in their First 100 Days – which graduated over 80 new leaders, many from AmLaw 100 and 200-sized law firms, as well as from notable accounting and consulting firms. Patrick serves as contributing editor to *Of Counsel*, *The Legal Practice and Management Report* based in New York; is the recipient of an “Honorary Fellowship” from Leaders Excellence of Harvard Square; and was voted by the readers of *Legal Business World Magazine* as one of only seven international thought leaders.

**Susan Raridon Lambreth** is a principal with LawVision Group. She has consulted to law firms for over 25 years. She is a noted author and specializes in practice group leadership and management and legal project management. She has written eight books on law firm management, including most recently, *Running Legal Like a Business* (with co-author Connie Brenton and published by Practising Law Institute), *The Power of Legal Project Management* (ABA, 2021), *Optimizing Practice Management: Driving Profitability and Market Position* (with co-author Wendy Bernero), Ark, 2015 and *The Practice Group Leader's Handbook for Success*.

**Dr Larry Richard** is recognized as the leading expert on the psychology of lawyer behavior. A former litigator, he earned a Ph.D. in Psychology at Temple University where he studied lawyers and law firms. He has advised dozens of AmLaw 200 law firms on leadership, management, and related issues such as teams, change management, talent selection, assessment, and other aspects of strategic talent management. Widely known as an expert on the lawyer personality, he has gathered personality data on thousands of lawyers. He is the founder and principal consultant at LawyerBrain LLC.

**Michael Roster** was formerly managing partner of Morrison & Foerster's Los Angeles office, co-chair of the firm's Financial Institutions Practice Group worldwide, resident in both LA and DC, and a member of the firm's policy committee. In 1993, Roster was appointed general counsel of Stanford University, Stanford Medical Center, and Stanford Management Company. He subsequently was executive vice president and general counsel of Golden West Financial Corporation. Michael has served as chair of the Association of Corporate Counsel, an outside director and vice chair of Silicon Valley Bank, chair of the Stanford Alumni Association, steering committee co-chair of ACC's Value Challenge, and chair of two start-up companies. He currently teaches Contract Drafting and Analysis at the University of Southern California Gould School of Law and is a director of MDRC in New York, a non-profit organization that evaluates the effectiveness of government and other programs affecting lower income families and individuals.

**Susan Saltonstall Duncan** is the founder and president of RainMaking Oasis and for nearly 40 years has provided management consulting and coaching services to law firms professional service organizations and individual professionals. She is the author of *Building Enduring Client Loyalty: A Guide for Lawyers and Their Firms* published by Globe Law and Business in 2021 and has authored numerous chapters on succession planning, women lawyers and executive presence, and other topics important to lawyer and law firm success. As a consultant, coach, and strategist, Susan works with firms, practice groups, and individual professionals on firm and practice/sector strategy, client relationship management and development, client feedback and needs assessment programs, business development training, coaching and strategy, succession planning, lateral integration strategies, firm values, visions, and culture and innovation.

Susan has served in in-house roles in large law firms including director of professional development, director of business development and as chief strategy officer for a Global 25 law firm. She was inducted as a Fellow in the College of Law Practice Management (COLPM) and into the Legal Marketing Association's Hall of Fame. She has widely published in legal publications, is regularly quoted in the press, and speaks for national and international associations.

**John Sterling** is chief strategy and practice development officer at Chapman and Cutler in Chicago. He has over 30 years' experience in the areas of strategic management and marketing. At Chapman he is responsible for

strategy development and implementation at the firm, practice group, and individual levels. John brings extensive law firm strategy and marketing experience to this publication, along with a background helping corporations with strategic planning, marketing planning, and market research. That experience includes strategic management, market research, and market planning assignments for dozens of law firms and/or their respective practice groups. He is the author of two books on law firm strategic planning and strategy implementation (via balanced scorecards). John is a past president of the Association for Strategic Planning – Chicago chapter. He was president of the Strategic Management Association in Chicago and the Strategic Leadership Forum. He is also a contributing editor to *Strategy & Leadership*, a leading strategic management journal. Prior to joining Chapman and Cutler, John was CMO for Sterne Kessler Goldstein & Fox, a founding partner of Sterling Strategies and of Smock\* Sterling Strategic Management Consultants, was a senior consultant with Ernst & Young's Great Lakes Strategic Management and Marketing Group, and was a senior policy analyst at the University of Illinois at Chicago.