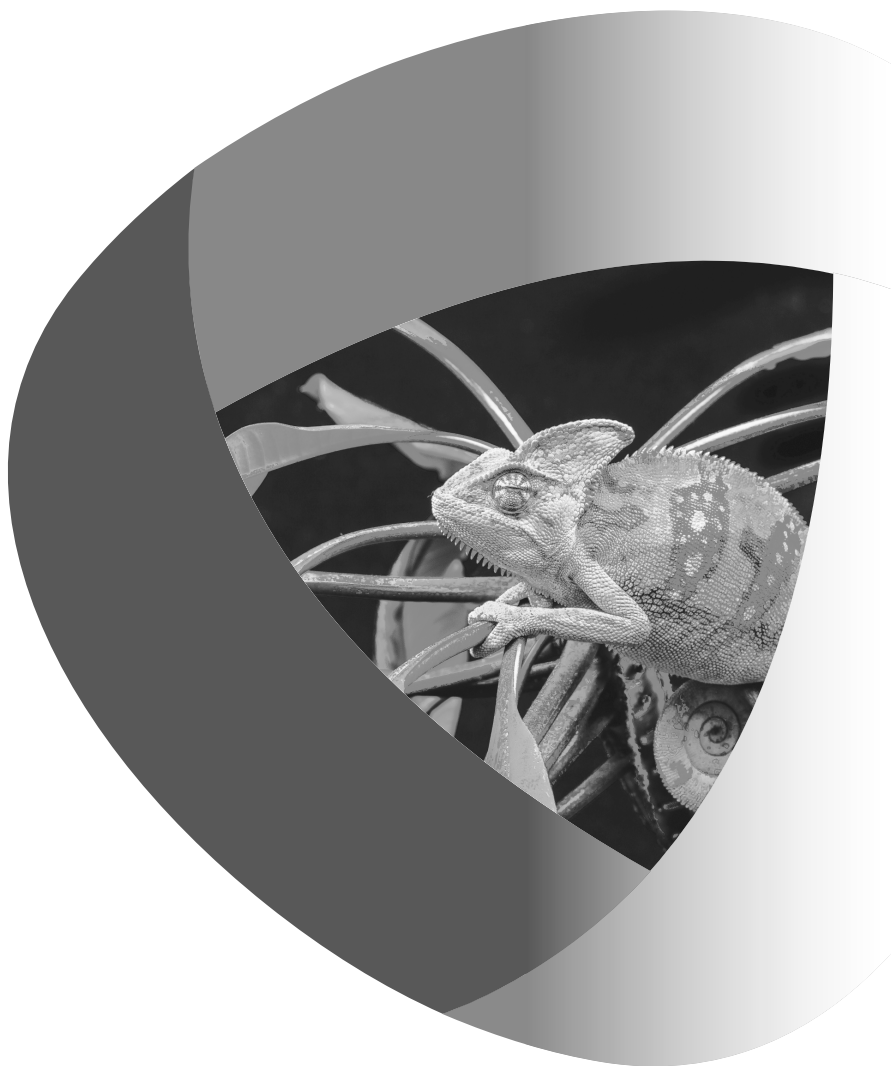


Managing Legal Change Initiatives



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Executive summary

Successfully managing a change initiative is no simple feat, regardless of the size of the firm – distilling the process of change into a workforce takes careful planning and support. Change is stressful and difficult for people to process and accept, as we often cling to what we know. This is especially true of lawyers, who are notoriously averse to change.

However, the legal sector has begun to rapidly transform – and the firms that don't change with it are going to struggle to stay relevant. In these turbulent times for firms, change initiatives must be properly managed to ensure the whole firm can successfully shift to the new norm and stick to it. Without the proper support and management, a firm runs the risks of alienating their workforce – who will not take well to sudden and imposed change.

Managing Legal Change Initiatives looks to illustrate the best methods of introducing and managing change in a sector that is known for being averse to it. The book highlights the critical obstacles and pitfalls that law firms will face during transitional periods, and outlines some of the best methods of approaching organizational change; from building a change framework to follow to encouraging a shift in partner behavior through the compensation strategy. This new book also explores why change is so difficult for individuals – with discussion of the neuroscience behind change, and the role of emotional intelligence in leaders to help garner a transformation.

Chapter 1 features David Parnell, founder and principal of True North Partner Management, exploring why lawyers are so resistant to change, and the best methods of introducing change to them. The hurdles that face a law firm when dealing with a change initiative are explained, and methods that are known to fail are run through. The chapter then moves to discuss how to develop a sense of “urgency” in partner's to bring about change, and some of the approaches that have previously found success.

Chapter 2 features Andrew Hedley, director of Hedley Consulting LTD, discussing the importance for an organization to become

“change-able”, having the means to adapt to new circumstances and situations. The chapter then moves into highlighting the key components of a successful change program, including developing the vision and strategy and communicating the process to the workforce.

In Chapter 3 Neryl East , writer, academic, speaker, and communication specialist, provides a framework for implementing successful change initiatives within an organization, outlining a number of well-known change management theories and processes – including McKinsey’s 7-S model and Kotter’s eight step process.

Chapter 4 features Duncan Hart, director of Duncan Hart Consulting, discussing the process of resourcing and supporting an initiative made to address an opportunity for effective change. The chapter outlines a “stage-gate” approach, a multi-stage process for implementing change that allows for careful consideration and evaluation at every step. The chapter then moves to outline leaderships role in utilizing the “stage-gate” process.

Chapter 5 features Carol Mynott, director at PWC, exploring the need for proper succession planning to ensure that the loss of a partner does not mean the loss of a client. The steps that a firm can take to future proof themselves are run through, such as rethinking the remuneration process and ensuring open and honest communication.

Chapter 6 features Arthur Greene, principal at Boyer Greene LLC, discussing the best ways to encourage a shift in behavior through modifying the partner compensation system. The methods of establishing which behaviors are preferred are outlined, and how best to introduce a new compensation system that incentivizes them.

In Chapter 7 Nick Marson, CEO of The Parallel Mind, explains the neuroscience behind change management, and how leadership can use an understanding of this to help garner a smooth transition in partners – by utilizing empathy and emotional intelligence to foster and build relationships.

Chapter 8 features Bob Murray and Alicia Fortinberry, principals at Fortinberry Murray, discussing the best methods for getting a commitment to change with a workforce, outlining some of the reasons why individuals attempt to resist change, and how to overcome the resistance to lead to a transformation that stays with the organization.

And finally in Chapter 9 Patrick J. McKenna, author, lecturer, strategist, and advisor to premier law firms, discusses the best strategic approaches to introducing change within a law firm. Answering questions on why change is so difficult for firms, and what some of the major

hurdles that can be found during periods of transition, Patrick summarizes the state of change management for firms and runs through some of best approaches and leadership styles to succeed.

With disruption in legal services predicted to continue for some time, it will be those firms who adapt, put into place, and act upon a change management strategy that will be the ones who capitalize on the changes to come.

About the authors

Neryl East, MA, PhD, is a writer, academic, speaker, and communication specialist with extensive experience in both internal and external communication in Australian government, private sector, and not-for-profit organizations. Neryl's specialties include issues management, change management, and integrating new and traditional media. She lectures in public relations and journalism, is in demand as a keynote presenter and trains organizations in many facets of communication including media skills and writing in plain language. In 2010 Neryl was selected as an ambassador for the Year of Women in Local Government, a programme supported by the Australian government. She is a member of the Public Relations Institute of Australia and the National Speakers Association of Australia. Neryl is the author of *Named and Shamed*, Rod Oxley's inside story of the Wollongong corruption scandal and the ARK Group's *Strategic Internal Communications for Complex Organizations* report, now in its second edition. Neryl can be contacted via her website.

Alicia Fortinberry, PhD (Organizational Psychology) has gained international recognition over two decades for her powerful, lasting impact on organizations and leaders globally. Alicia enables organizations to build the leadership, performance, and culture that will achieve their vision and strategy. In addition to her work as a consultant, facilitator, and high-level executive coach, Alicia is a best-selling author and keynote speaker. She combines a clear, engaging, and practical communication style with a proven evidence-based approach and strategic acumen.

With her highly experienced and credentialed Fortinberry Murray team, Alicia works with organizations and governments globally to help leaders shape and implement winning strategies using research-based understanding of human motivation and change.

With her colleague Dr Bob Murray, Alicia won the American Science Achievement Award (2012) and has been appointed to head the US government's comprehensive national work stress initiative. Alicia's

pioneering work is backed by the latest research in neuroscience, genetics, and management. Together with Bob, she has presented her work at leading universities such as Duke, Tufts, California State, and Sydney University.

With Bob she authored the international best-selling books *Creating Optimism*, *Raising an Optimistic Child* (both McGraw-Hill), which have become standards in the fields of optimism and resilience. Most recently Alica and Bob published *Leading the Future: The Human Science of Law Firm Strategy and Leadership* (ARK Group, 2016).

Alicia received her Masters in Psychology and Journalism from Columbia University and her PhD in Organizational Psychology from the University of Phoenix. She is a member of the American Psychological Association, the American Association for the Advancement of Science, and the American Society of Journalists and Authors.

Arthur G. Greene is a principal with Boyer Greene LLC, a law firm consulting firm with offices in Ann Arbor, MI and Bedford, NH (www.boyergreene.com). Following a successful career as a practicing lawyer, during which he served as managing partner of a firm that grew to 70 lawyers, Arthur has turned his professional focus to management consulting with law firms. In recent years, his consulting practice has included profitability studies, revenue enhancement, firm audits, strategic planning, governance, succession planning, mergers and acquisitions, compensation plans, alternative billing methods, and other aspects of maintaining a healthy firm.

He has lectured, conducted workshops, and authored articles and books on a variety of law firm issues. His recent ABA books, *The Lawyer's Guide to Governance* and *The Lawyer's Guide to Increasing Revenue*, are both in their second edition. His most recent book, *Arthur Greene's Practical Guide: Succession Plans for Law Firms and Rewards for Retiring Lawyers*, is found at www.arthurgreene.com. Arthur is a longstanding member of the American Bar Association and has served as chair of its Law Practice Management Section. He is also a fellow of the College of Law Practice Management. Arthur can be reached at agg@arthurgreene.com.

Duncan Hart practiced as a barrister and solicitor for over 20 years before becoming the regional managing director of one of Australasia's largest firms with over 2,000 employees. He became a full-time consultant in 2002. His various consultancies have taken him from Silicon Valley to Shanghai, and his clients include not only law firms,

but a wide cross-section of industry groups, including manufacturing, health, education, and IT.

Duncan's first book, *The Strategic Law Firm* (Ark Group, 2010), argued the case for a more strategic approach to law firm management, and in particular the adoption of the types of strategic planning tools and methodologies that he had seen in operation in many of his clients' industry sectors.

More recently, his background in intellectual property has led him to explore more closely the role of disruptive technologies and business models in various sectors, including law, patent attorney, and other professions. Many of his recent assignments involve the so called "start-up" sector, and larger more mature industries where clients are seeking to develop innovation-based strategies in fields as diverse as bio-tech and logistics.

In all his assignments, Duncan draws from a rich palette of industry and professional experience, and he is committed to the belief that law firms, like any other businesses, have much to learn from other sectors, particularly in the area of innovation-based strategy. In short, they should be encouraged to experiment to find new, and hopefully better, solutions for both the firm and their clients.

Andrew Hedley helps the leaders of law firms to create mold-breaking strategies, develop strong brands, forge robust client relationships, and design compelling propositions. In addition to his strategic project advice, Andrew is much sought after as a strategy group guide, partner retreat speaker, workshop facilitator, and moderator. He is a respected contributor to specialist strategy and management publications and a regular keynote conference speaker. He is the author of three ARK Group publications: *The Law Firm Merger: A Leader's Guide to Strategy & Realisation* (2014), *Client Strategy in a Changing Legal Market* (2011), and *Developing Strategic Client Relationships* (2008).

Following his MA, Andrew completed an MBA in 1993. Both focused on professional services strategy and business development. He has approaching 25 years' experience of managing and advising professional service firms, with more than 15 years focused on the legal sector, prior to which he was the managing director of an architectural practice. He was the business development director of two leading international law firms for nine years before establishing Hedley Consulting in 2005.

Andrew is a member of the Advisory Panel of NetworkMP, a leading peer network for managing partners of professional service firms. He sits

on the judging panel of the MPF European Practice Management Awards and The Lawyer Management Awards. He is the course director of the Cambridge Marketing College CIM Professional Diploma in Professional Services Marketing, the only CIM accredited qualification focused on the needs of the professional services sector.

Andrew has been admitted as a fellow of the Institute of Directors, the Strategic Planning Society, the Chartered Management Institute, Cambridge Marketing College, and the Royal Society of Art. He can be contacted at: andrew.hedley@hedleyconsulting.com. For more information, see: www.hedleyconsulting.com.

Nick Marson is the founder of The Parallel Mind Ltd, which coaches CEOs and senior executives of professional services firms to help them find their authentic voice and deliver their message effectively. His clients range across the banking, insurance, and legal sectors; including Allianz, Deutsche Bank, J P Morgan, Baker McKenzie, Clifford Chance, Hogan Lovells, and Linklaters.

Previously, Nick's background was in insurance (FCII/CIP) and financial services. He held senior management roles with the Royal Insurance Group and Standard Chartered Bank where he was responsible for Insurance products, and ran a tied agency for the Bank's Legal and General Financial Planning service.

Nick is an ICF advanced level executive coach having graduated at the Academy of Executive Coaching, and ran a major research project for the CII in conjunction with CASS Business School City University London looking at the link between top leadership behaviour and innovative organizations.

Patrick J. McKenna is an internationally recognized author, lecturer, strategist, and seasoned advisor to the leaders of premier law 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 eight books most notably his international business best seller, *First Among Equals*, currently in its sixth printing and translated into nine languages. His most recent work, *The Changing of the Guard, Second Expanded Edition* (ARK Group, 2017), provides in-depth guidance on the leadership selection process in professional firms and resulted in his being acknowledged in *American Lawyer* magazine as "a longtime succession consultant and coach to new firm leaders."

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 has thus far 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 City; writes a monthly thought leadership column for *Legal Executive Institute*; is the only expert in professional service firms admitted to the Association of Corporate Executive Coaches, the #1 US group for senior-level CEO coaches; and is the recipient of an honorary fellowship from Leaders Excellence of Harvard Square (2015).

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Bob Murray, MBA, PhD (Clinical Psychology), is an internationally recognized expert in strategy, leadership, human personality, and behavioral change. Distinguished for his ability to uncover the core of issues, Bob has developed ground-breaking methods for measuring, benchmarking, and improving an organization's capacity for change and adaptation.

Bob's insights are based on his wide experience and also on his deep knowledge of research in the areas of management, psychology, genetics, and neurobiology. Clients include premier law firms such as Allens Linklaters, Ashurst, and Herbert Smith Freehills; and other top tier companies such as KPMG, Macquarie Bank, PwC, Ford, Caterpillar, McDonald's, PepsiCo, BHP, Wesfarmers, and Stockland.

Bob is an acclaimed keynote speaker and is widely published. With Dr Alicia Fortinberry, Bob received the American Science Achievement Award (2012) and advises the US government on workplace stress and other workplace issues. He specializes in ensuring executive teams develop and drive strategies that will be embraced and actioned.

Bob's previous experience includes working for Hill Samuel Merchant Bank, where he helped to turn around distressed companies, as well working as a BBC producer. With Alicia, he authored the best-selling books *Creating Optimism* and *Raising an Optimistic Child* (McGraw-Hill). These international best-sellers have become standards in the fields of optimism and resilience.

Bob has lectured at Sydney, Duke, Tufts, South Florida, and California State universities. He received his MBA from Sydney University (where he also earned his MA in Psychology) and his PhD from New York University.

Bob is a member of the American Psychological Association, the American Association for the Advancement of Science, and the American Society of Journalists and Authors.

Carol Mynott is a director within PWC's HRS practice, specialising in global mobility and HR consulting to the legal sector, having worked with firms for the last eight years. She works with a number of international law firms, advising on their global mobility frameworks and is responsible for the global coordination of their expatriate tax compliance.

David J. Parnell is an author, speaker, *Forbes* and *American Lawyer* Media columnist, and the founder and principal of True North Partner Management, a partner-level legal search and placement firm. Along with his experience in private placement, he has previously worked in-house with the likes of Intel, Xircom, and DreamWorks SKG. Complimenting his *Forbes* and *ALM* columns, his work can also be found in publications such as *The American Lawyer*, the *Huffington Post*, *Venture Capital Post*, *Fox News Magazine*, *Lawyerist*, *Law360*, *Bloomberg*, *Australasian Lawyer*, *NBC News*, the *Global Legal Post*, *Business Insider*, and *NZ Lawyer*, among others.