

Talent Management for Lawyers: A Hands-On Guide

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PUBLISHED BY **ark** IN ASSOCIATION WITH

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managing.com

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is published by Ark Group



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ISBN hard copy: 978-1-908640-17-8
ISBN PDF: 978-1-908640-18-5

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Chapter 1: Who is talent?

"Doing easily what others find difficult is talent. Doing what is impossible for talent is genius."

Henri Frédéric Amiel

TALENT IS a strategic priority for firms because it represents the people who are critical to the success of the firm, now and in future. Persistent skills shortages, changing demographics, increased diversity and the desire for work-life balance have led to a tight labour market, resulting in increased competition by organisations for individuals who are capable of making the biggest difference in performance.¹

The lawyers who work in a law firm are instrumental to its competitive advantage. This is especially true in a crowded, competitive marketplace and knowledge economy. Legal 500 and Chambers lists are testament to the importance in the law of being defined as 'talent'.

Developing countries, such as India and China, are opening up a rich seam of talent whether employed or outsourced and this is changing the talent landscape in terms of pricing and availability.

Definition of talent

"Talent consists of those individuals who can make a difference to organisational performance, either through their immediate contribution or in the longer term by demonstrating the highest levels of potential."²

In law, talent equals rainmaking ability and is the lawyers who will bring in new clients. Partners need to know the talent mix of their practice group to ensure that they can effectively service clients' needs. It is important that talent is not defined too narrowly as advocacy, attention to detail and CRM all contribute to the sustained success of a firm.

Other attributes and competencies crucial to the success of a law firm – for example, the ability to manage, motivate and engage employees, or

project management skills – are not prized in the same way because of the structure of firms and the business model that underpins the law. Billing is black and white and tangible. The ability to influence lawyers to increase their discretionary effort is less quantifiable and the benefits of not doing so, hard to measure.

It is important to evolve the definition of talent over time and by level of seniority to see the full picture of intellectual property in a firm.

What is talent?

Talent is people with the skills, attributes, knowledge, experience and leadership potential, who have what it takes to enable a firm to achieve its objectives and deliver the vision the partnership has created for itself.

The term ‘talent’ is used to describe lawyers who have what it takes to be successful fee earners and progress through the ranks to equity partner level.

Firms define talent differently as shown in our research with the Energise network. Some comments are included below.³

“We define talent as the individuals whose contributions are key to the firm providing a good service to our clients; who can make a difference to the firm’s performance, either through their contribution or their future potential.”

HR director

“Talent is the professionals who are doing very well in their respective roles and are happy in their positions. Enticing this talent to your firm is imperative to enriching your current teams.”

Legal recruitment consultant

“We define everyone in our firm as talent. We aim to be the best in the industry and therefore recruit and retain the best talent.”

HR director

Outside of the law, the definition of talent varies considerably from company to company, so its meaning is not clear-cut. It will be interesting to see if the view of talent broadens in the legal profession with the Legal Services Act

and growth in alternative business structures (ABS), with more non-lawyers involved in discussions and decision making.

Even after redundancies, talented people can be in short supply and high demand, so are expensive to recruit and liable to be poached by other firms. Talent is primarily about the ability to bring in fees and clients; but is also about the fit with the firm's culture and the possession of useful skills to support its health as a whole – the wider contribution of managing and growing the firm.

Different firm definitions

Most firms have limited budgets for supporting employees, so defining their talented people helps to manage costs, prioritise support and recruit around specific desired characteristics. Having too narrow a definition of talent can lead to clones or narrow thinking. A mix of skill, talents and approaches is important for a high-performing team, especially in a partnership. This has never been more so than in the changing landscape of the legal profession, with the enhanced competitive threats it faces, where only the fittest will survive.

Talent can be defined and categorised using psychometric testing (personality and behaviour profiling) which profiles talent and provides descriptions of typical personalities and characteristics. Myers-Briggs and Insight are common tools. A typical lawyer profile is INTJ (introvert rather than extrovert, intuition rather than sensing, thinking rather than feeling, and judging rather than perceiving). See below for a more detailed description.

Specific talent competencies are used as a framework for recruiting and, in performance management, measured in annual appraisals.

Myers-Briggs type indicator: INTJ

Have original minds and great drive for their own ideas and purposes. Have long-range vision and quickly find meaningful patterns in external events. In fields that appeal to them, they have a fine power to organise a job and carry it through. Sceptical, critical, independent, determined, have high standards of competence and performance.⁴

HiPos (meaning high potential) is a commonly used term for talented individuals. These are the lawyers who are identified as having high potential for growth and are therefore more likely to be rewarded, developed and treated as a priority by the firm.

Rainmaking

In the legal profession, the ability to bring in fees is what talent is all about. A successful career depends on the ability to generate business for the firm.

Rainmaking incorporates various competencies including negotiation, winning deals, research, empathy and project management, so it is important that the firm's talent possesses a range of these skills.

Law firm league tables are an advert for the rainmaking acumen of individual firms and their lawyers. Success tends to breed success, so this is important.

Firms must look after their talented rainmakers as they are highly prized and will command a premium in the marketplace as lateral hires. The departure of a high-profile lawyer can be damaging to a firm's stability and reputation – and can be a fatal blow to a practice group.

Challenging work is important to these individuals and so acquiring quality clients is crucial in attracting and retaining talent.⁵

A broader view of talent

This guide focuses on the management of talent by line managers. The ability to develop, motivate and enable direct reports to achieve and deliver more could be presented as a success factor for law firms. Few firms make this competence high priority, but it could be argued that younger lawyers (known as generation Y or millennials) increasingly require this approach. Making more of the employees you have is going to be more vital in future than it has been in the past.

I recently coached an equity partner whose performance criteria had been changed, so that they were measured and rewarded on what their direct reports achieved. This created a mindset change from 'eat what you kill' to making managing and motivating direct reports to achieve their targets a higher priority. Failure to do so would result in a smaller bonus. What gets measured gets done, especially when it is managing people versus tasks, rather than client-focused fee earning in six-minute units.

Outside of the law, definitions of talent vary depending on the organisation and include:

- All staff;
- Staff with specialist technical skills that are critical to the organisation;
- People with specific skills who are in short supply, such as engineers;
- HiPos – staff perceived to have the ability to develop quickly and move rapidly through the different levels of management or grades; and
- Staff with good emotional intelligence and the leadership ability to engage and motivate employees.

Five tips:

1. Know your firm's definition of talent;
2. Segment your direct reports into current talent and HiPos;
3. Be sensitive about when, where and how you discuss talent issues;
4. Know who your HiPos are and give them a disproportionate amount of your time; and
5. Get psychometric profiling done for your team so you know the talent mix you have and any gaps.

Three actions:

1. Meet HR to discuss talent in your firm;
2. Attend conferences and seminars to develop your understanding of this critical topic; and
3. Complete this exercise with all your direct reports – 'X [direct report name] has talent because they are really good at... '.

Remember to make your actions SMART [specific, measurable, attainable, realistic and timely] so that they happen. For example, 'It is 17:00 on Wednesday 7 October 2014 and my practice group has a better understanding of each other's strengths and differences, having had a Myers Briggs assessment. We have now evolved roles to play to each member's strength'.

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