

# The Jupiter effect

By Anita Punton, Australian Law Management Journal

"The Jupiter effect": that's how Law Council of Australia Secretary General Michael Lavarch described the recent World Masters of Law Firm Management seminar in Sydney. When the planets come together in perfect alignment, extraordinary things take place.

"We have here our own Jupiter effect," Lavarch said in welcoming the delegates, "by drawing together masters of their field in the one room."

Delegates were enlightened, coming away with practical solutions as to how to improve their practices and their own management capabilities. But they also came away with something quite rare and unexpected: a radical shift in thinking that goes far beyond the realm of law firm management and into how they really want their lives to be. The energising outcome of the day was essentially a call to arms to go back to the basics and ask, "Who are we? What do we stand for? How should we act?"

With a line-up of four world-class industry experts – David Maister and Ward Bower from the US, and Australia's own Sam Beasley and George Beaton – the conference attracted 231 law firm managers and partners from Australia, New Zealand, Malaysia and Singapore. Some of the biggest names in the legal industry were present.

The morning was devoted to individual presentations. In *Key Essentials to Practice Growth*, Ward Bower offered an insight into the experiences of US firms. He warned against growth for the sake of growth alone; in particular, he warned against using merger as a means to grow. He said that it is rare that merging firms will exhibit the same values and

philosophy, and it is these variables, not the financials, that create the most conflict in mergers.

George Beaton addressed the so-called war on recruitment in *Recruiting and Developing Talent*.

"Attracting and retaining professional staff is rated as the single most important 'burning issue'," he said. His presentation laid out the reasons for the "war" and then went about offering delegates a comprehensive strategy as to how they can win it.

Sam Beasley's presentation, *Productivity and Profit Improvement*, offered a clear, concise strategy on which to base a plan for improvement using five key points: enlightening and enabling the teams, developing the performance culture, performance measurement and management, personal development and career management.

Maister's *Key Essentials to Strategic Management* took the day in a whole new direction. He asked the delegates to answer nine questions as if they were senior associates in their own firm. "Nothing matters as much as these nine attitudes," he said. "These are the people whose views are really correlated with profits. You don't look at the managing partner or the partner, you look at the recipients."

Maister said that, intellectually, there is nothing more to learn about making money: "What's missing is the managing partner with guts."

During the afternoon, delegates were split into two groups. Ward Bower and George Beaton took a Strategy Development and Marketing Workshop, while David Maister and Sam Beasley worked on Practice Group Management/Coaching. The sessions were an opportunity for delegates to raise issues of concern, and to gain the unique perspectives of these management experts on their own challenges.

The day concluded with a panel discussion moderated by Tony D'Alosio, winner of the recent Australian Law Awards' Managing Partner of the Year, at which delegates posed questions to the panel such as: How do you get someone to be a person who will lead in a new direction? Should grounds for dismissal be measured against minimal standards? Are we grappling with the same issues as the US and UK? Is there too much emphasis on sole practitioner profitability?

At the end of the day, it was evident that the same key issues kept emerging as striking at the very heart of law firm management:

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## *Jupiter effect, from previous page*

**Are we afraid to connect?**  
"Lawyers are terrified of making a human connection." David Maister

When David Maister made the above statement in an afternoon workshop, there was a noticeable hush.

The message came through loud and clear: forget the financials, forget the profit indicators; what really matters are people and how we connect with them.

One delegate asked what it is about law schools or people who decide to pursue law that makes them so bad with people? While it was agreed that lawyers have plenty of intellectual intelligence, perhaps for some of them – as another delegate suggested – their emotional intelligence has been underdeveloped.

According to David Maister, it is emotional intelligence that is far more important – being able to empathise with and respond to an individual's motivating emotions, such as fear or insecurity.

When relating to clients, Maister made the analogy that many firms go for the instant gratification of "one night stands", instead of "romancing" their clients and forming a long-lasting relationship that is meaningful and unique.

"It's like when men ask, 'What do women want?'" he said. "Well, it's the wrong question, because every woman wants is to be treated like an individual. It's the same with your clients."

In terms of connecting with staff, Maister said that what makes a good manager is not "being smart".

"It's about people who can make others excited," he said. "It's the character and skills of the individual manager to create energy, excitement and enthusiasm that really matter."

**How can we attract good people?**  
"Yes, there is a war." George Beaton

"Recruit for values and attitude first – technical ability can be taught," said George Beaton. He emphasised that winning the recruitment war does not begin with HR policies and practices – it must evolve from the roots, the firm's strategy and core values. He also encouraged delegates to take the



Above: Ward Bower.

Right: David Maister presents his case. (Photos by David Hancock, courtesy of Australian Law Management Journal)

important step of defining what "talent" means for their firm – and then align that with the firm's strategy.

Ward Bower commented that a vital aspect of a firm's growth is an internal component: there have to be opportunities for lawyers to grow and reach their potential.

"Lawyers don't join firms that simply wait for a partner to die before they hire," he said. "It just doesn't work that way." He said law firms should see themselves not just as sellers of legal services, but as buyers of legal talent.

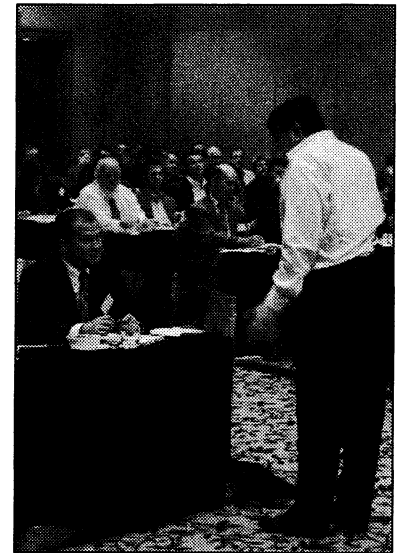
**Are we men and women of principle?**

"Can we stop being cynical, jaded, detached lawyers and become people of principle?" David Maister

Great practice managers aren't successful because they have special insights others don't, according to David Maister. They're pulling it off because they're men and women of principle.

For principles, read discipline: the discipline of ensuring timesheets are completed – more crucial than people realise, said Sam Beasley – to the discipline of acting out your firm's core values without giving in to the lure of an attractive prospect, even though it might fall outside your firm's strategy.

"Only when something is treated as the force of principle means something gets done, not because it's a convenient business strategy," said Maister. The point was made that, more often than not, there may be a lot of talk about strategy at a partners' retreat, yet partners return to work and continue to operate on a basis of what's convenient at the time.



Maister said he was sick of this "hypocritical middle" who pretend to go for strategy but don't follow through.

For Sam Beasley, part of being men and women of principle is for partners and managers to act as role models, exhibiting in their own behaviour the same kinds of values and attitudes they want to see in their staff.

"Partners do not realise some of their own behaviours and the impact of them," he said.

### **Summary**

Values. Philosophy. Principles. Relationships. The importance of these considerations is incalculable, yet they are often forgotten by practice managers, who continue to look elsewhere for answers as to why they aren't driving profit.

Many of the World Masters delegates agreed that the speakers articulated what they had been sensing in their own practices. Murray McCutcheon, partner at Hunt and Hunt in Melbourne, said that he had felt for some time that it is the soul of the organisation that really makes a difference. "Most people tend to look at the practical, the nuts and bolts and finances, without really looking at the human side of the business," he said.

"And if you look at businesses that survive a long period of time, it tends to be something other than those issues that keep it going."①

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