Understanding the Impact

What Does Culture Have to Do with Governance?

People are at the heart of any law firm. For better or worse, partners have the ability to shape the firm’s culture. Associates learn from the partners and, as they mature, will begin to mimic partner behaviors, all of which will send clear signals as to the range of tolerant behavior. The resulting attitudes will cause veiled limits on the nature and scope of any improvements to the firm’s governance and to the possibility of the firm achieving new levels of success.

Setting the Tone
Partners can be enthusiastic and upbeat, creating a positive work environment that propels everyone to work at their highest performance level. The tone may be relaxed, but with a professional atmosphere in which every person understands what is expected and is motivated to be productive and effective in making their individual contributions to the firm’s goals and objectives. On the other hand, if the partners are ineffective, pessimistic, or unhappy, the negative vibes will permeate the entire office and will lower expectations.

The Staff-Driven Culture
While the lawyers’ attitudes and behaviors can have the greatest influence on firm culture, there are firms with staff-driven cultures. In most cases, staff-driven cultures are the result of a vacuum due to the lawyers’ lack of interest in setting a consistent tone, or due to the absence of effective leadership.
Staff-driven cultures are rarely positive in nature and often need to be transformed.

The Heavy Hand of Times Past

Lawyers in firms with a long history must realize that their firm’s culture may be a legacy left by generations of former partners. Longstanding staff members, who have survived the departure of their bosses, may have an inordinate influence on the firm’s culture. A negative culture that has survived from the olden days will present a huge challenge, but the possibility of change becomes realistic once the significance of the historical influence is acknowledged.

Molding the Culture

A strong firm leader committed to change is the first step in improving the firm’s culture. The leader will need a vision for the firm’s future, while at the same time thinking strategically and being receptive and fair minded. An effective leader needs to have the partners’ trust and confidence as well as the ability to motivate those he or she is charged with leading.

Lawyer Recruitment

If your firm is relatively new, you have an opportunity to mold the firm’s culture based on the policy decisions and the hiring decisions going forward. While the same opportunity exists for firms with a long history, the challenge is greater.

Regardless of past mistakes, the activity of hiring lawyers, whether entry level or lateral, needs to focus on more than the candidates’ law school transcripts and books of business. After all, it is the personalities, attitudes, and behaviors of the people that drive the culture. Because of that, there are certain personal characteristics that vigilant lawyers look for in building a partnership with a positive culture. Keep in mind the qualities that will be most important in shaping the firm’s culture in the years ahead, some of which are set out below:

- **Collegiality:** Are they likely to care about and get along with you and everyone else in the firm? Are they able to manage their ego and be a team player? Are they generous in spirit? Do they have any idiosyncrasies that would drive you or others crazy?
- **Attitude:** Are they optimistic in nature? Do they have a can-do attitude? At the same time, are they realistic in their approach and their
expectations? Are they entrepreneurial and do they have a progres-

■ **Shared values:** Are they honest and ethical? Will they share your concern as to the quality of the work? Will they treat staff with respect? Will they share your view as to the importance of client service? Will they exhibit an ability to put the firm’s interests ahead of their personal goals?

■ **Common purpose and direction:** Will they share the partners’ common purpose and direction? Diversity is important, as is a variety of compatible practice areas. But, in the last analysis, the partners need to come together and focus on a common purpose and a common direction.

■ **Commitment:** Will they be committed to the firm? Will they be serious in their approach to the firm and their role in its success? Are they prepared to be accountable for their contribution? While the whole area of work ethic has become an issue in many firms as generational differences cause strains to develop, there can be an accommodation of differences, as long as there is an unyielding commitment to the firm and to each other.

■ **Adaptability to change:** Will they be open to change? Do they have an ability to consider other views and compromise? Will they be flexible in doing what is necessary for the sake of the firm?

Personal characteristics can be difficult to judge in a job interview setting but should not be overlooked as a significant consideration. Attention to the firm’s evolving culture with each hiring decision will have a profound affect on its governance and the firm’s ability to succeed.

### Troublesome Behaviors and Tough Decisions

Most firms have at least one disruptive partner. The partner is often out of step with the others and creates controversy at every turn. The partner may be hard on the staff or just difficult to get along with. The partner may be a bully or self-centered, believing the staff exists primarily to serve his or her needs. Unfortunately, one person can be enough to prevent the necessary change in the firm’s culture.

From a governance standpoint, the question becomes whether the disruptive partner’s financial contribution is so significant that the firm needs to tolerate the behavior at the expense of impeding improved governance and all of the well behaved partners, associates, and staff.

Too often, law firms will ignore partners’ personal idiosyncrasies and tolerate troublesome situations. By not addressing these problems, firm
management will lose credibility in trying to deal with other issues. Action may be necessary, even if it causes short-term pain or financial challenges.

Similar issues pertain to staff members who are not exhibiting desirable behaviors and are having a negative effect on other staff members. An unwillingness to pitch in and help lawyers other than their individual boss is far too typical. In many firms, the problem staff member seems untouchable, perhaps due to the fact that the troublesome behavior has been tolerated for decades. Unfortunately, failure to make tough decisions on issues such as this will interfere with a well-meaning firm leadership’s ability to achieving the firm’s goals and objectives.

Whether a partner or a staff member, the problem person is undoubtedly having a negative impact on a broader group of people. Don’t underestimate the effect of a “bad apple” on the firm and be sure to take appropriate action.

**Ensuring a Highly Productive Staff**

With properly selected people and the necessary synergy, a working group can yield results greater than the sum of its parts. Or, as is more likely in many law firms, the opposite can be true.

Successful firms have learned that good skills and the willingness to cooperate with others are critical considerations in selecting staff.

Hire the best candidates available to you. Qualifications are important. But take it one step beyond the skill set. Don’t underestimate the importance of a cooperative, team-focused can-do approach. Ask yourself if the applicant is the type of person who can get along and cooperate with others. Can this person put the firm’s goals ahead of individual needs? Will he or she support others as part of an integrated staff? Look for employees who appreciate what it takes to participate in a way that best contributes to the firm’s success.

Your staff members are the “face” of the firm. Your staff will have the first opportunity to make an impression on new clients and potential clients. There is no amount of good lawyering that can effectively overcome a client’s initial bad experience with a staff member.