



# Age against the machine

Partners are retiring at an increasingly early age, but few are prepared for a life outside law. *LB* reports on how law firms, and the partners themselves, can make the whole process less traumatic

**ANTHONY NOTARAS**

During his time as president of the City of London Law Society, a position he held until June this year, Bill Knight regularly made presentations to the senior partners of major City firms. Often the talks related to law firm retirement strategies, and whenever Knight felt the partners weren't taking full notice of him, he had a guaranteed way of bringing them around.

'I looked them in the eye and said: "I am the ghost of your future",' Knight recalls. 'That got their attention.'

And so it should. Managing a partner's retirement properly is a subject close to Knight's heart. During his five-year tenure as senior partner of Simmons & Simmons, Knight was very much on the other side of the table. When he retired in 2001, at the age of 57, he quickly realised how poorly he had prepared for life after the law. He simply did not have the time while he was still at Simmons, and saw that this was a mistake. It is this message that he has tried to convey to partners ever since. Nevertheless, for most still immersed in the day-to-day reality of working in a major law firm, Knight's point takes a while to sink in. As a result, many partners ride the career escalator only to find that there is nothing there to catch them at the end.

Reflecting on the days that followed his own retirement, Knight describes a reality that

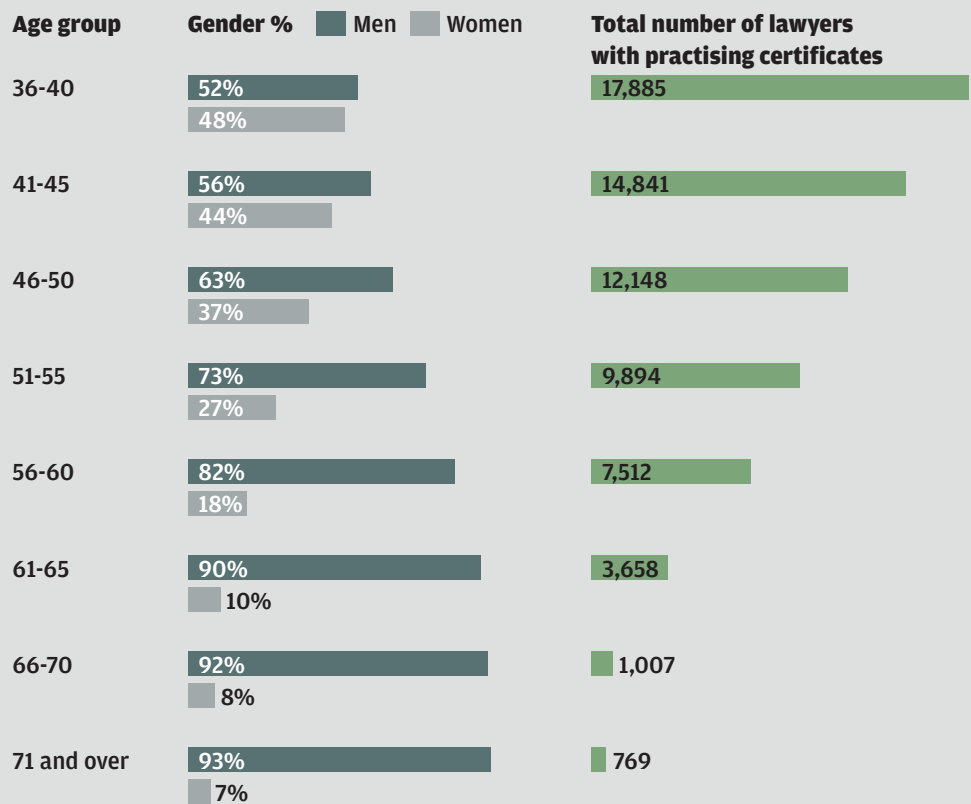


► does not fit with the pleasant pipe-and-slippers clichés of going out to pasture.

'Any big shock to the system, such as retirement, takes about a year to get used to,' he warns. 'It's like a bereavement or a divorce. It's good to know that going in, and I didn't. If you know it's going to take a year, you know it's not going to last. You've been going to work every day for 35 years, so it's a big shock and one shouldn't belittle it.'

Even if you simply want to live a life of leisure after 30 years at the coal-face, often working at just one firm, this still entails a sudden lifestyle change. For most partners in the UK, retirement typically comes between the relatively youthful ages of 55 to 60. This is especially true at major City firms, where the demanding schedules often become increasingly difficult to bear for most partners in their 60s. This is despite the fact that most City firms' official retirement age, if they have one, is around 65. Law Society figures (see box, right) illustrate the huge decline in lawyers holding practising certificates after the age of 60: in England and Wales in

### AGE OF SOLICITORS IN ENGLAND AND WALES, JULY 2007



Source: Law Society REGIS database

**'We do have a greater expectation now that we are able to continue being active in our late 60s. Many of us recognise that this in itself prolongs life.'** Jonathan Ody, Norton Rose

2007 there were 7,512 lawyers between the ages of 56 to 60, a number that drops to 3,658 for those practising between the ages of 61 to 65. With life expectancies rising, the newly retired should hopefully have at least 20 to 25 years of active life ahead of them. For most, especially after a long and busy career, to dedicate such a long time to idle leisure is unthinkable.

'For whatever reason, we seem to be living much longer now,' says Jonathan Ody, a 66-year-old partner and former real estate specialist at Norton Rose, who retired from fee-earning and for the last six years has

been the firm's money laundering officer and head of compliance. 'We seem to be fitter and more active in our late 60s than our parents' generation were. We do have a greater expectation now that we are able to continue being interested and active. I think many of us recognise that this in itself prolongs life, or at least delays the onset of a second childhood.'

#### TRANSITION REVAMP

How someone stays active after they stop practising is very much a personal choice. Most prefer to carry on working in some shape or form, either for the public or private sector or for a charity. Whatever their choice, however, it still

takes a certain amount of preparation. Unfortunately for most, they simply do not have the time. It is at this career juncture that firms are facing growing calls to make allowances, and give older partners a bit more leeway to prepare for their futures.

'It is an issue. I've seen partners coming up to their late 40s and 50s without the time to think about what they want to do after practice,' says David Dickinson, Simmons & Simmons' current senior partner and Knight's successor but one (after Janet Gaymer). 'Quite a few will delude themselves and think they can go off and find two non-executive directorships. They need to start doing things in their last few years, such as in the not-for-profit sector. They need to get some appreciation of what is around. We are going to have a series of workshops. We will give them a bit of latitude to start doing things that aren't practice-related, just to help them develop themselves.'

Systems whereby partners can slow down in the latter stages of their



► career, allowing them to focus on other activities, are often mooted, but there are practical and institutionalised hurdles to overcome first, especially for firms operating on a lockstep. As Slaughter and May partner Nigel Boardman pointed out in a recent round-table discussion hosted by recruiter Graham Gill: 'The difficulty when lockstep firms look at it is that if you allow older people to take a part-time partner role and pursue other activities, you cannot limit that to older people; you have to make it available to all partners. A lot of younger partners would be perfectly happy to settle for a four-day week and 80% of the money. Age discrimination legislation, and previously sex discrimination legislation, mean that firms have not built in slow-lanes because too many people would want it.' Linklaters' senior partner David Cheyne added: 'Lockstep is an extremely punishing method of remuneration. Unless you are willing to abolish it, it is very difficult to keep people on.'

US firms with more flexible merit-based systems are much better at molding themselves towards the individual partner's needs, which is why it is not uncommon for US partners to keep practising into their 70s (see box 'Working hard, the American way', page 42). 'US firms have found better ways to use the talents of senior partners,' partnership and employment expert Ronnie Fox of law firm Fox says. 'Older partners do different things and may maintain relationships without spending all night maintaining documents. They might fly the flag for the firm without doing vast amounts of client work. It varies, and I do think American firms tend to be better at working out what is the right role for people. That is one of the reasons why the American firms have been so successful in London.' This has been a



Graham: be open to opportunities

boon to London-based recruiters and headhunters over the past ten years, especially with more US firms setting up offices in the City. 'We do get asked by a number of US firms to look for an *éminence grise*, as it were,' Seamus Hoar of the executive search firm Hoar Marshall says. 'Someone who is coming out of a UK firm, has a substantial reputation and is on the verge of retirement. These lawyers are able to push on doors that are ordinarily shut, because they are well-known figures and have developed relationships over 20 to 30 years. Obviously, it makes sense for a number of US firms that are looking to establish themselves.'

'I am finding that a lot of people in UK firms are reaching 50 and, even

though retirement age is 62 or 65, there is no precedent for people leaving at 65,' Dominique Graham of Graham Gill adds. 'They are starting to look at credible alternatives for themselves just after 50. A whole spate of US firms has taken on more senior people.'

Examples of this can be seen with McDermott Will & Emery, which is now rebuilding its UK presence and credibility after an extended run of partner defections. McDermott's recruitment of Taylor Wessing's former UK managing partner and IP expert Gary Moss in September and Lovells corporate guru Hugh Nineham at the start of the year are two classic illustrations. There are, of course, other ways around the lockstep, such as through consultancy roles, which will allow partners a softer landing for when they eventually retire, but these aren't available to all.

#### EXECUTIVE DECISIONS

Irrespective of the lockstep system, however, firms are

### FIRM COMMITMENTS



Jonathan Ody  
Age: 66  
Norton Rose

'I just happened to be around at the right time,' Jonathan Ody says, reflecting on how he went from being a real estate partner (and former group head) to Norton Rose's money laundering officer and head of compliance. 'It's a role that really requires someone who is known to, and I hope respected by, the main body of partners. It almost certainly needs someone who has had a pretty wide experience of the firm.'

Ody's new role is a good example of how older partners can remain within the firm even though they no longer wish to practise the law. 'I got to the age of 60, which at the time was the formal retirement age,' Ody recalls. '2,000 hours of fee-earning a year was beginning to get a bit much. I was quite prepared to take on something else. In looking around, I identified a couple of non-exec roles I could have taken, but in time I thought this would be more worthwhile.' That isn't to say Ody has taken on a much easier role. There are still pressures. 'In one sense there is more responsibility, especially when you are thinking about anti-money laundering operations. In other respects, I am not fee-earning and I am an overhead. Then again, there aren't as many time issues. In that sense, it's a less stressful thing to do.'

### AVERAGE AGE OF PARTNERS

	Average (July 2007)
Partners in private practice	46.6
Female partners	43.4
Male partners	47.6

Source: Law Society REGIS database



► increasingly keen to address the issue of retirement and offer their older partners guidance, should they want it. As well as Simmons, firms such as Linklaters, Freshfields Bruckhaus Deringer and Eversheds have actively provided guidance for their partners, be it internally or through the use of external life coaches and consultancies.

'We will be running one- or two-day seminars for partners to help get them thinking early,' Eversheds' new human resources director Lucy Adams says. 'This includes proactive seminars and workshops with a variety of experts covering what you might like to do with non-executive and consultancy opportunities. You ought to be thinking about this five years before you retire.'

It is clearly a fine balancing act for both the firm and the partner, who have to be equally motivated if they want to make it worthwhile. From the partner's point of view, the ball is ultimately in their court when it comes to defining what they want to do and how they go about it. Unfortunately for lawyers who want to take up non-executive roles after they leave their firms, the path isn't as clear as it is for their counterparts in accountancy, banking and the wider corporate world. 'What strikes me is that people coming up to retirement in corporates don't necessarily get more support than partners do, but on the whole they are better equipped because their skill sets are broader and are more attractive to the non-executive market,' Adams, who prior to joining Eversheds was head of human resources at Serco Group, says. 'They therefore have broader options.'

This is less of an issue for former managing and senior partners, who generally don't have any problems finding prestigious roles after leaving their firms. Former Clifford Chance managing partner Peter Cornell, who is currently director of stakeholder relations at the private equity house Terra Firma, and ex-Linklaters managing partner Tony Angel, now executive managing director at Standard &

## WORKING HARD, THE AMERICAN WAY



A. Paul Victor  
Age: 69  
Dewey & LeBoeuf

Taken at face value, A. Paul Victor is very much your typical Wall Street lawyer: 2,400 hours a year, most of them billable, is par for the course for any partner who wants to make an impression. Victor, co-chair of Dewey & LeBoeuf's antitrust group, will, however, be celebrating his 70th birthday this November, and has no intention of packing it in just yet. 'I'm still having a good time, and I'm still enjoying what I'm doing,' he says. 'I've been encouraged all along, and fortunately I have no health reasons to slow down. I continue to have an intellectual interest in what I do and have no problem in working hard.'

When Victor looks at his British counterparts, he is surprised at the early retirement that most partners take. 'In the UK you kick people out when they're still in diapers. I'm familiar with a number of Magic Circle partners who left their firms in their 50s because they saw the writing on the wall.'

Victor faced a similar scenario a few years ago while he was still at Weil, Gotshal & Manges, which has a retirement age of 68. His wish to carry on working couldn't be accommodated within his old firm, which remained unbending in its structure. This was much to Dewey's benefit, as Victor brought with him a heavy caseload and quality client base, and is illustrative of how counter-productive it can sometimes be to force older partners out the door.

Victor takes a philosophical view about his departure from Weil. 'They decided that they would prefer not to make exceptions, so they stuck to their guns,' he says. 'One might quarrel with that policy for a number of reasons, but it is what it is. However, if someone wants to continue working, they are going to do so, and a firm runs the risk that, if there is a mandatory retirement age, a partner with substantial business might leave that firm five or more years before D-day and go to a firm where his or her long-term interests will be better accommodated.'

Generally speaking, US firms are much more accommodating to their elder statesmen. Aside from Victor, high-profile examples include Davis Polk & Wardwell litigation partner Robert Fiske, Jr who joined the firm back in 1955, but is a mere sapling compared to Skadden, Arps, Slate, Meagher & Flom's name partner Joseph Flom, who became an associate in 1948.



**'There is the idea that lawyers don't always make good non-execs. That is a perception rather than a reality.'**

Jeremy Thomas, Outside Insight

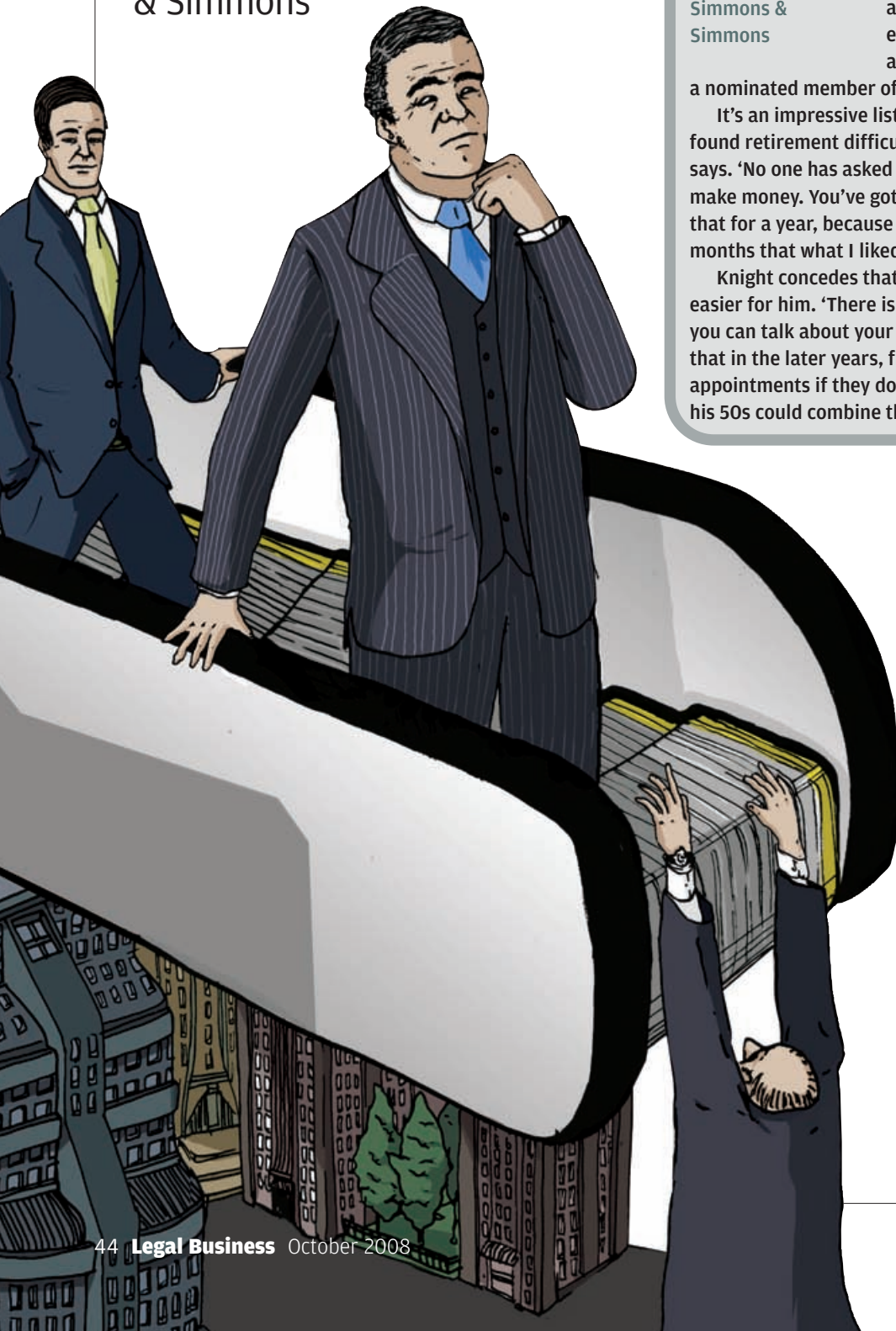
Poor's, being two recent, very high-profile examples. For those without management experience, the route to such positions is less assured.

'There is the idea that lawyers don't always make good

non-execs,' says former Allen & Overy corporate managing partner Jeremy Thomas, who left the firm in 2006 and has since set up consultancy firm Outside Insight, with Laurie Adams, the former head of legal at ABN AMRO and European general counsel for Citigroup. The firm helps lawyers prepare ►

## 'I've seen partners coming up to their late 40s and 50s without the time to think about what they want to do after practice.'

David Dickinson, Simmons & Simmons



### PUBLIC SECTOR ROLE MODEL



Bill Knight  
Age: 63  
Former firm:  
Simmons &  
Simmons

Bill Knight might have warned other senior partners that he was the ghost of their future but, in reality, for most that wouldn't be such a bad thing. For those wishing to take a route that incorporates meaty public sector roles, then his path is exemplary.

On top of his former role as president of the City of London Law Society, Knight sat on the London Assembly's London Weighting Advisory Panel, which looked at the salary weighting people should receive for working in the capital. Other responsibilities include being chairman of the Financial Reporting Review Panel, which monitors the annual accounts of public and private companies and ensures they maintain high accounting standards. Knight also sits on the board of the Gambling Commission and is

a nominated member of the Council of Lloyd's.

It's an impressive list of commitments, but Knight admits that he initially found retirement difficult. 'You have to figure out what makes you happy,' he says. 'No one has asked you that before, because you have to go to work and make money. You've got to decide what you want to do. You're not going to know that for a year, because you won't be used to it. I decided after about nine months that what I liked doing was work.'

Knight concedes that, given his seniority at Simmons & Simmons, it was easier for him. 'There is no doubt that it is easier for a senior partner because you can talk about your management experience,' he says. 'I feel quite strongly that in the later years, firms should encourage solicitors to take outside appointments if they don't cause conflicts. I think that a really good solicitor in his 50s could combine those jobs with his practice and you wouldn't notice it.'

► for different stages in their careers, including retirement. 'That is a perception rather than a reality. Part of the perception is that lawyers aren't numerate,' Thomas explains. 'My argument to that is if you have been a senior corporate finance lawyer at a big firm, you have to be numerate up to a point otherwise you would never be able to do your job. The finance community likes the idea that lawyers can't do those jobs, because, to be blunt, it means there is more for them.'

Thomas adds: 'Some of the analytical skills that the top lawyers have are extremely developed. Frankly, it's up to lawyers to work hard to change the perception.'

'It's because solicitors aren't terribly popular,' Knight explains. 'We are thought to be people who advise within a framework. Therefore, the thought process is that if I want a lawyer, I'll hire one. So what's the point in having one on the board? I don't agree with that. I think that solicitors are trusted, they tell the truth, they are able to analyse complex situations quickly and have years of experience in dealing with people's crises.'



► For partners to promote those skills, they have to prepare early, taking full advantage of their network of clients. 'If you're networking, planning and talking to your clients and their contacts, then you are out there in the marketplace and people get to know you,' says Karen Gill, a former recruitment expert who has since gone into career counselling at Career Balance. 'They will understand you aren't just a lawyer and you aren't just Mr Small Print.'

'Try to make yourself open to opportunities to show that you are much more than a lawyer and more akin to a business adviser,' adds Graham. 'If you do that then the offers of work outside of private practice will come from your network of clients. You must always be thinking about what you'll do next, working your contacts in a different way from just billing as much as you can. It takes at least two years, but when you're flat out and you have to bill, it's really hard to do.'

#### LONG-TERM BENEFITS

For those firms that offer guidance, however, it will only work if there is buy-in from the partners. The firms are also aware that they have to approach the matter sensitively, as they don't want to appear to be pushing the partners out. Dickinson's ultimate aim at Simmons is to foster an atmosphere of openness that ensures partners aren't afraid of talking about their futures for fear of getting sidelined too early.

'To be fair to many firms, they would like to encourage people to talk openly, but most partners are reluctant to do so,' Thomas says. 'The individual partner often thinks it's a sign of weakness to say: "I'm thinking of retiring".'

If firms can persuade the partners to be more open, there are obvious benefits in that it helps ensure that the succession process goes smoothly. 'It's better for client service,' Dickinson says. 'If people

#### NEW PRIORITIES



Paul Cowper  
Age: 56  
Lowless & Lowless

Once in a while a person will experience something that alters their entire perspective on life. This happened to Paul Cowper when he was holidaying in Sri Lanka in early 2004 and the tsunami struck. When Cowper returned home to Pembrokeshire in Wales, where he had been managing partner of the six-partner firm Lowless & Lowless for almost 18 years, he immediately set up a charity to help the tsunami victims, called START - the Sri Lankan Trust to Aid and Rebuild Tangalle.

Two years later, an eight-month sabbatical in September 2006 also forced him to reassess his priorities. 'I suppose I was probably planning to carry on till I was 60, with a view to working part-time, but because of the tsunami and the sabbatical it got me to think about other things in life. It was quite hard fitting back into the firm. I had passed on the managing partner role, and although the sabbatical was well planned, what wasn't well planned was the re-entry. I started seeing more things to life and retired from the partnership in March this year.'

Like many partners facing retirement at a relatively young age, the prospect of finding something new was daunting. While he continues as a consultant at Lowless & Lowless, Cowper can now afford to spend more time pursuing charitable roles and other public appointments. Working with external career coaches at Career Balance was a particular help. 'I started looking at my transferable skills with a view of developing my portfolio inside and outside the law,' he says. 'To a certain extent you are doing things you could have done yourself, but you wouldn't have had the motivation to have done them. I had a rough idea of what my strengths were, although when you are working with somebody else, you pay them a lot more attention. That is probably a useful exercise for all partners to do at some time.'

drop a letter on your desk and say they want to leave in six months, it's not very helpful. The obligation is to give six months' notice. If you're talking about someone coming at the end of a long career, you need more than that frankly. At least a year's or 18 months' notice would be more helpful.'

It's a sentiment echoed by Adams. 'As a former client, the firms that could say to me, "We've got a handover period of between six months to one year", were preferable,' she explains. 'That allowed everybody time to get used to seeing new people. If it's done too quickly, there is a potential danger that the client doesn't like the new person in, and secondly, you don't quite have enough time to bed in with the new relationship partner.'

Beyond helping with succession issues, Adams points to other intangible benefits that can be obtained from providing retiring partners with guidance, which are especially worth factoring in during a downturn. Not only will there be more

time to concentrate on well-managed exit strategies, but there is an increasing likelihood that more partners will depart, be it through retirement or simply for a change of scene. A positive approach to easing them through the door will ensure a healthy alumni network and the strong likelihood of potential new client relationships going forward. It will also help strengthen the internal morale of the firm. 'Some firms still ask why the partners want to spend money on someone who is leaving. That is at the Neanderthal end of the scale,' Adams says. The more progressive firms are realising that such initiatives are simply a matter of common sense. It helps the transition of a partner into doing something worthwhile and productive. Moreover, it is hoped that existing workers will look at how those partners are treated as a positive thing for their future.

As Adams sums up: 'If people do go on to do fulfilling things, it's also a badge of success for the firm.' **LB**

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