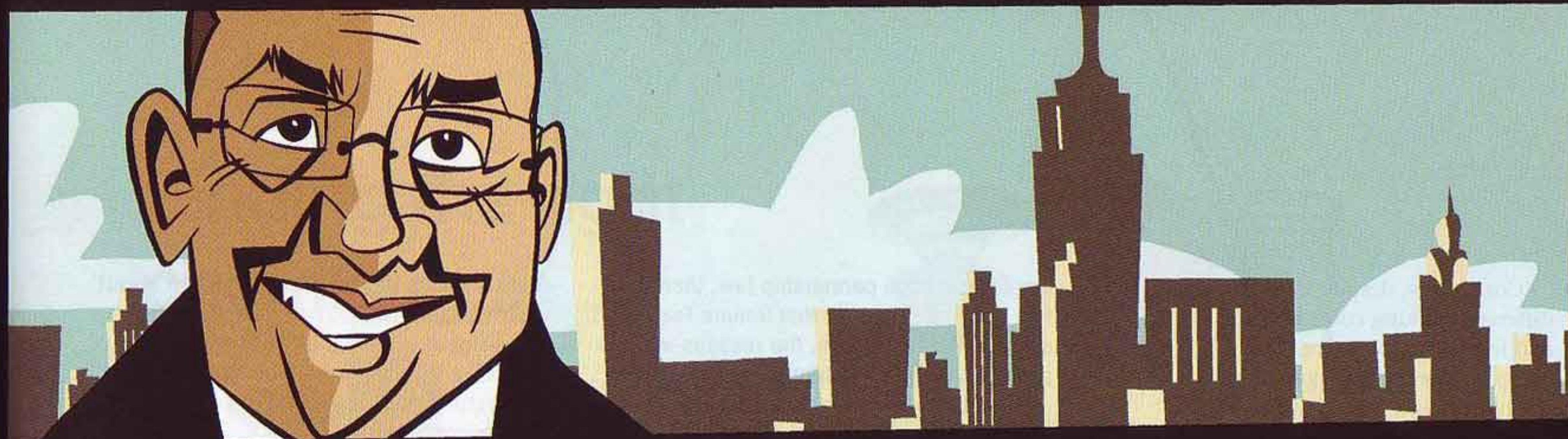




LEX-MEN

FIVE DIFFERENT LAWYERS. FIVE DIFFERENT FIRMS. FIVE DIFFERENT LIVES. JUST WHAT DOES IT MEAN TO BE A PARTNER IN 2006? **ANTHONY NOTARAS**





BEING A PARTNER WAS NEVER MEANT to be easy. Long hours, demanding clients, rigorous management and high expectations are the norm. Everybody knows this. The potential fallout from such constant pressure is equally apparent.

'Our profession has had its share of stress, suicide, alcohol abuse and early death,' declares Lawrence Graham senior partner Bill Richards rather ominously. 'We do have a responsibility to look out for that sort of thing and ensure that those people who are so steeped in work don't go over the edge with it. It's very important to recognise that no one way is right. It's by no means a one-size-fits-all industry.'

Certainly, the Holy Grail of a decent work-life balance is not one that can be universally applied. When it comes to work

and chargeable hours, one partner's stroll in the park is another's slog through hell. Fortunately, the UK legal market is filled with firms and partnerships of all different cultures and sizes, catering to a wide variety of attitudes, abilities, egos and expectations.

In recognition of this, *Legal Business* spoke to five high-performing partners at five distinct types of law firm, from the Magic Circle down to the very smallest boutique, asking one simple question: what does it mean to be a partner today?

In light of the variety of firms they work in, differences inevitably arise, the most contentious being the issue of partner remuneration and what's best: lockstep or eat what you kill? Working hours also vary greatly and, yes, US partners do generally bill the hardest.

> Conversely, despite the very different working conditions and levels of experience, common themes emerge among the partners *LB* interviewed. One is the advance of technology – best represented by the ubiquitous BlackBerry, seen as both a blessing and a curse – and how it has impacted on their daily routine. Secondly, the increased sophistication of the clients and their ever-growing expectations have been a key driver behind what each firm demands from its partners – technical excellence is no longer everything; savvy business development skills are also crucial. As Ronnie Fox, the partnership and employment veteran who we profile in this article, says: ‘The first rule of practice is to keep the clients happy. That’s also the second rule and the third rule.’ Last, and least surprisingly, each of the five partners firmly believes that they have found their ideal partnership. Whether you agree with them or not is another matter entirely.

RONNIE FOX, FOX

Age: 60

Practice area: Employment and partnership law

Total chargeable hours: 1,000

Working day: 9.30am to 6.30pm

CV

1968	Graduated Lincoln College, Oxford
1969-71	Articled Herbert Oppenheimer, Nathan & Vandyk
1974	Made partner
1988	Joined Denton Hall Burgin & Warrens
1989	Formed Fox Williams and became senior partner
2006	Formed employment and partnership boutique Fox

Having carved out a reputation as one of the leading experts in

employment and partnership law, there are few law firm problems that Ronnie Fox hasn’t seen firsthand. For him, the reasons why partners and partnerships become unstuck are all too obvious. On the one hand, there are institutional factors that can help undermine the very fabric of a partnership; on the other hand, there are the isolated personal issues that every partner must deal with individually.

‘I do know one or two people who have really lost interest in what they’re doing, but are locked in by financial and other circumstances, which is awful,’ Fox says. ‘Some people get bored by doing similar types of work. They’re no longer interested in the technical aspects of law and find it too much of a burden to keep up with the changes. They regard office colleagues as 9-to-5 people they have to put up with. I’m delighted to say none of that applies to me.’

‘If you don’t enjoy it, get out and do something else,’ Fox continues. ‘It’s remarkable how many people seem to proceed on the assumption that maybe they will have another life where they will enjoy it more. I take the view that we’re not going to come around again.’

A glance at his career is proof enough that Fox has the courage of his convictions, having on several occasions gone out and done ‘something else’. In 1989 he left Denton Hall to establish the employment and partnership boutique Fox Williams with Tina Williams. Earlier this year he shocked the market by leaving the firm, which now has 15 partners, to start out all over again with his new boutique called, simply, Fox.

Fox won’t be drawn on the specifics of his departure, preferring instead to look at the future of his latest venture. ‘[Williams] sees the world rather differently from me; has different ideas and a different strategy. I wish her and my former colleagues lots of luck but I want to do something

slightly different,’ he says. ‘I thought about what was the most exciting period of my professional career, and it was the few years following the start-up of Fox Williams. I thought I could replicate that sense of excitement and fun.’

One of the major differences between now and then is the huge leap in technology, which Fox, as an avid fan of gadgets (not to mention fast cars), has wholeheartedly embraced. When Fox Williams started, its IT capabilities consisted of no more than a memory typewriter. Fast forward to 2006, and Fox is fully equipped with an intranet, network computers linked to the homes of all the firm’s staff, as well as scanning, time recording and accounting programs. Fox claims this has enabled him to get the firm up and running much more smoothly, to the point where his own chargeable hours are already up 15%-20% on last year, when he was still at Fox Williams.

The unified sense of purpose and strategy he has established at Fox, which has six lawyers in total, is a microcosm of all that he feels is vital for a successful firm. ‘Different partners looking for different things have a deeply unsettling effect on everybody in the office,’ he says. ‘My vision of the firm is like a jigsaw: if you look at a partially completed jigsaw, your eye focuses on the pieces that are

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‘THE FIRST RULE OF PRACTICE IS KEEP THE CLIENTS HAPPY. THAT’S THE SECOND RULE AND THE THIRD RULE.’ RONNIE FOX, FOX

> missing – so a dysfunctional department that isn't working will throw the whole picture of the law firm out of focus.'

JEREMY DICKENS, WEIL, GOTSHAL & MANGES

Age: 43

Practice area: Capital markets

Total chargeable hours: 2,000

Working day: 8.30am to 7.30pm

CV

1987	Graduated University of Texas College of Law
1988	Joined the Dallas firm Johnson & Swanson
1989	Moved to Weil, Gotshal & Manges
1996	Made partner
1999	Appointed co-head of global capital markets
2004	Moved to London office

'There's the old saying that in the US people live to work and in Europe people work to live,' says Jeremy Dickens, Weil, Gotshal & Manges' London-based co-head



of global capital markets, as he tries to compare how lawyers on either side of the Atlantic approach their work, even within Weil Gotshal.

'It's cultural, it's historical, it's the way people have grown up,' Dickens explains. 'People here take their vacations. That's an important thing – you need the time away to recharge your batteries. When I worked in Dallas, while no one said don't take your vacations, it wasn't as important for people. At that time, you wouldn't find people making use of their four weeks of vacation a year. Here people are set on it.'

Having spent a large proportion of his career at Weil – starting in the hothouse of the Dallas office, moving to New York, and eventually arriving in London in 2004 – Dickens is in a good position to comment. Even when it comes to total chargeable hours, he notes that his firm's London average is a little lower than in the US. That's not to say that Weil's London office is some sort of drop-in centre for legal slackers. Dickens himself bills 2,000 hours a year, while partners are on average expected to charge about 1,800 hours, which is hundreds of hours more than the other practising partners featured in this article.

'Nobody stands around cracking the whip, but the culture of this firm is that it tends to be filled with people who enjoy practising the law. Although those hours sound high, I doubt you will find many people who think they are working excessively hard,' Dickens says, pointing out that most UK partners who join the firm know what to expect. 'People come in with their eyes open. The sort of people who join tend to have been big-billers at their old firm. They know they're not coming to a country club. For people who have come up within the system, it's just what they're used to doing.'

While his firm fits into the widely held view that US partners are expected to work harder, Dickens insists that, in his time at the firm, the culture has improved, at least when it comes to remuneration. The firm

now operates on a modified lockstep system, giving more of a sense that people are achieving for the firm rather than just for themselves.

'Certainly over the ten, almost 11 years I've been a partner, I've seen a marked change in the way the firm has built itself, and it's been a hard adjustment for some people,' Dickens says. 'There is an increasing expectation that partnership really means acting as partners, sharing the burdens and opportunities of the firm. It's less about individual fiefdoms and more a sense of what can be done collaboratively.' Dickens adds: 'One talks to older colleagues, and they say that probably the greatest expectation was technical excellence. They had to be just astoundingly good lawyers, hard workers and problem solvers. That is not enough anymore. There is much more of an expectation for partners to be actively involved in developing business for the firm and helping to plan for the next generation. Technical excellence is assumed.'

The changed expectations for partners aren't just confined to the work side of things, but they take in the partners' entire contribution to the firm, which is sometimes less tangible. At Weil, appraisals are not just from management, but also from associates, which is an entirely new development within the firm. 'If people are being criticised because they are abusive or there is some failing, these things get factored into the perception of your contribution to the firm. If it's so bad that it's really become a chronic problem, then that's a negative contribution to the firm.'

Dickens firmly believes that, in the long term, this is a very positive change. 'Look at law firms in the abstract – there isn't a motivation to have long-term thinking because you take your profits out every year and when you retire there's no ongoing equity and you don't benefit from the future success of the firm,' he says. 'That can create a very short-term mindset. I think a lot of us in the firm feel that if it's

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'OLDER COLLEAGUES SAY THAT PROBABLY THE GREATEST EXPECTATION FOR A PARTNER WAS TECHNICAL EXCELLENCE. THAT IS NOT ENOUGH ANYMORE.' JEREMY DICKENS, WEIL, GOTSHAL & MANGES

> just about the money today, that's a shallow way of looking at things. It's nice to feel you are part of building an institution.'

LINDY PATTERSON, DUNDAS & WILSON

Age: 48

Practice area: Construction litigation

Total chargeable hours: 1,100

Working day: 7am to 7.30pm

CV

1980	Graduated University of Edinburgh and joined Burness
1982	Joined Biggart Baillie
1984	Joined Menzies, Dougal & Milligan
1985	Joined Bird Semple
1988	Made partner
1992	Qualified as a solicitor advocate
1998	Joined MacRoberts
2001	Appointed joint managing partner
2003	Moved to Dundas & Wilson and appointed head of construction and engineering

'I suspect that what happens in London happens in Scotland, just slightly slower,' says Lindy Patterson, head of construction and engineering at Dundas & Wilson. 'Obviously you are playing in a different market and you need to adjust appropriately.'

The Scottish legal market has certainly been slower at getting up to speed with the scale of the lateral partner moves that have dominated London and elsewhere in the UK. In Scotland, where the market is smaller and more collegiate, lateral hires between the major firms have traditionally been few and far between. However, since 2005, high-level recruitment has shifted up a gear, with McGrigors' recruitment of 12 partners from Aberdeen's Ledingham Chalmers and Brodies' current expansion drive in both Edinburgh and Glasgow considered market-moving events.

Back in late 2003, however, Dundas & Wilson was one of the first to really shake up the recruitment market in Scotland. The firm lured Patterson from MacRoberts, which had groomed her as one of its star names and even appointed her joint managing partner a year before she left.

Patterson's move was indicative of the challenge Scotland's mid-sized firms faced in holding on to their most talented partners. Dundas & Wilson's size and ambitions in London were what ultimately persuaded her

to leave. 'This was too good an opportunity to miss,' she says now. 'I was very keen on the UK focus. I could see that the market I was operating in was changing and I hugely admired the firm from the outside.'

The prospect of working in the larger UK market has led to a brain drain as many



'THERE WERE TIMES WHERE I WOULD GO TO A MEETING AND THERE WOULD BE 15 GUYS AND MYSELF. THE BUILDING INDUSTRY WASN'T EXACTLY A MIXED CULTURE.' LINDY PATTERSON,

DUNDAS & WILSON

promising young Scottish lawyers have headed south, though Patterson believes this will change as firms like hers make a greater impact south of the border. 'There is less of a drain than there was because there is recognition in Scotland that there are firms doing the same level and quality of work as those in the City,' she insists. As with many non-London law firms, there is also the added benefit of being able to avoid 'the commuting grind', as Patterson puts it.

Patterson's typical day starts in the office at 7am and doesn't usually finish until 7.30pm. Regular work on Sundays and fortnightly trips to London puts paid to the suggestion that non-City lawyers enjoy an easier life.

The expectations on the younger Scottish partners have also increased in much the same way as they have for those working in the City. When Patterson became a MacRoberts partner in 1988, she was only 30 years old, an achievement she concedes would be more difficult now. 'I feel I learnt my business development skills when I became a partner,' she says. 'What happens now is that, prior to becoming a partner, you will need to show your ability to develop business. It's a realisation that, as well as being a bloody good lawyer, you need a lot of other skills to make partner now.'

On the flipside, Patterson acknowledges that more of those partners who are coming through are female. 'When I started, there certainly weren't many female partners,' she recalls. 'There were times when I would go to a meeting and there would be 15 guys and myself. The building industry wasn't exactly a mixed culture. I probably did sometimes find it a challenge when starting out on the big jobs as a female, but it didn't take long to get over that.'

When commenting on diversity issues, Ronnie Fox believes that law firms will have to quickly adapt to the greater influx of female lawyers, and ultimately partners, with more flexible working arrangements that are not viewed negatively when it comes to remuneration. 'I have found that women who spend part of their time working at home are often more productive than those who don't,' he says. 'I've undertaken cases for partners in law firms who have been discriminated against in terms of profit share because their firm took the view that, if they were working part time, they couldn't possibly be showing the same commitment. That is no longer an acceptable attitude.'

> JOHN BALSDON, HERBERT SMITH

Age: 40

Practice area: Banking and finance

Total chargeable hours: 1,500

Working day: 7am to 8pm

CV

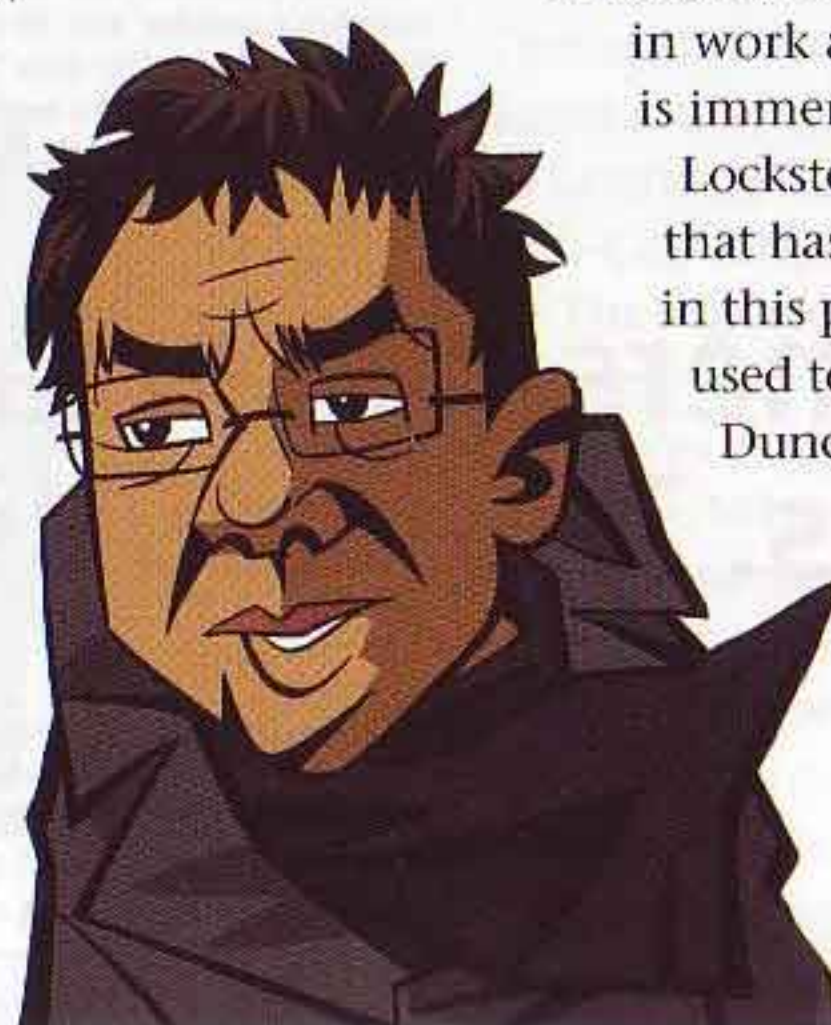
- 1989 Graduated University of Warwick
- 1990-91 Studied at the College of Law, York
- 1991-93 Trained at Brecher & Co
- 1993 Joined Addleshaw Sons & Latham
- 1995 Moved to Clifford Chance
- 1999 Made partner
- 2002 Joined Herbert Smith

'Everyone assumes you are contactable day and night, but no one takes into account what timezone you're in. Half the time they don't even know what timezone you're in,' Herbert Smith finance partner John Balsdon remarks.

This might sound like a complaint, but Balsdon says he is just reflecting the reality of his situation. Most of the time people couldn't be blamed for not knowing exactly where he is. 'That's the reality of being in a

The majority of Balsdon's career has been spent in Moscow, where he first moved in the mid-1990s while at Clifford Chance. He spent three years as a CC partner, but eventually moved to Herbert Smith and hasn't looked back. Now, as his children start at English schools, Balsdon is finally returning to London, although he will still be making fortnightly trips to Moscow, where he has a flat, as well as regular stop-offs in New York and Tokyo.

Balsdon was initially surprised at the sort of unwritten cultural differences he found at Herbert Smith following his move, but he has bought into them entirely. 'At Herbert Smith it has felt like a very consensually driven



'Anything that starts eroding the partnership ethos is damaging to the quality of work and life you have. If the meritocratic system is such that it starts to impinge on partnership loyalties, then what do you end up with? A very fragile partnership. If profitability goes down, then you lose your partners,' Balsdon says. 'One has to recognise that perhaps older partners have different roles. An older partner who is not doing 2,000 chargeable hours a year but knows ten FTSE 100 chairmen, and brings in work and gives it to junior partners, is immensely valuable.'

Lockstep is certainly an emotive issue that has divided most of those profiled in this partnership focus. Patterson is used to a meritocratic system at

Dundas & Wilson and fully supports it, while Fox is convinced that pure lockstep is the root of many partnership problems. 'If you're on a pure lockstep it's harder; it is a very tough and merciless regime,' Fox says. 'Strict lockstep,

'IF THE MERITOCRATIC SYSTEM IS SUCH THAT IT STARTS TO IMPINGE ON PARTNERSHIP LOYALTIES, THEN WHAT DO YOU END UP WITH? A VERY FRAGILE PARTNERSHIP.' JOHN BALSDON, HERBERT SMITH

big law firm with an international presence, particularly in finance or corporate – you've got to go where your clients are and where they are doing business,' Balsdon adds. 'For firms like ours, there will be more time spent on planes, not less.' Technology has certainly enabled him to stay on top of a hectic schedule, not that he has had any choice.

'My clients are based in Moscow, London, Tokyo and New York, and want me to respond in a few hours; they don't particularly care where I am,' Balsdon says. 'Clients, particularly the banks, have all the technology where they expect their people to respond, so you have to follow suit. That can be quite a challenge, so you must embrace it and use devices that are available to you to save time. If you have a more traditional viewpoint, you will find it impossible. There is no way back from it.'

organisation, to a degree that I was very surprised at,' he says. 'It may be sometimes that we don't move as fast, but I think that's a good thing because it means all the partners buy in,' Balsdon feels that his approach to partnership has changed with it. 'I've become less driven to succeed at the expense of others. I'm much more sensitive of my overall role in the scheme of things.'

Balsdon insists that being a partner is about much more than just getting in the chargeable hours; it's about value generation and building the business. As such, he is a whole-hearted supporter of lockstep, which affords more time to this.

where what you earn depends on how long you've been sitting at your desk, is not a good model. If you're running a business, it's more important to retain the stars than support the weaker partners. If you see firms losing rainmakers, that's a bit of a worry.'

Nevertheless, Balsdon remains happy with the model at Herbert Smith and believes that changing it would be a mistake. 'As soon as you become like the rest, the value that seems like the weakness actually turns out to be the strength,' he says. 'As a junior partner you are a bit fixated on hours, but as you become more mature you realise there are other ways to measure the value of contribution. The key to lockstep is to ensure that partners contribute in a way that everyone recognises, and as long as that is the case then I don't personally think the meritocratic argument is really valid.'

BILL RICHARDS, LAWRENCE GRAHAM

Age: 55

Practice area: Management (before that, litigation)

Total chargeable hours: 0 (1,400 hours for other Lawrence Graham partners)

Working day: 7am to 6.30pm

CV

1973 Graduated University of Kent

1974-76 Articled at Slaughter and May

1983 Joined Blyth Dutton

1984 Made partner

1991 Blyth Dutton merged with Lawrence Graham

1995 Became Lawrence Graham's managing partner

2002 Appointed senior partner

In 1983, Bill Richards realised he wasn't going to make partner at Slaughter and May, where he had spent the past nine years. He recalls: 'I'll never forget the headhunter ringing me very early one morning saying, "Bill, I've got a medium-sized firm that might be of interest to you".'

The firm was Blyth Dutton and it had nine partners, which was considered a 'medium-sized' firm in the 1980s. 'That's one of the key differences between then and now, Richards says, 'in that we have more than 80 partners and we are considered to be very much a medium-sized firm.'

Richards did eventually join Blyth Dutton, where as a partner he enjoyed monthly partnership meetings where everyone could fit around one table, after which they all adjourned for a cordial dinner. This cosy arrangement was never likely to last, and by 1991 Blyth Dutton had become part of Lawrence Graham, taking its partners into a whole new world.

'One of the things we have seen is an erosion of the autonomy that individual partners used to have,' Richards says. 'Long-standing partners are owners of the business in just the same way as the management is. When you have people who are used to

being involved in all the decision-making processes and you remove some of that involvement, it can create some tension.'

As Lawrence Graham's managing partner, and subsequently senior partner, Richards has certainly dealt with his fair share of tension. Most famous was the case of his former partner Michael Fielding, who disappeared to Florida with several million pounds of his client's money. Fielding eventually returned and was given an eight-year jail sentence last year. The risk of such rogue partners comes with the territory, but Richards believes the likelihood of such a scandal hitting a larger firm is decreasing.

'Generally speaking, if you look at where the main frauds have been, they have tended to be in smaller firms, where you have fewer controls and less people in the accounts department,' Richards says. 'Although there are plenty of people who come to me from very well-known and high-quality firms, who have said, "There but for the grace of God go I".' However, Richards quickly adds: 'The last thing I want to do is convey the impression that what Fielding did was commonplace and that the profession is rife with it. Like any other business sector, unfortunately we are going to have our share of wrong 'uns.'

It is hoped that increased risk management will ensure another Fielding scenario won't occur at Lawrence Graham, and this, alongside conflict control, compliance and ambassadorial duties, is what takes up most of Richards' day, from when he arrives at 7am to when he heads home at 6.30pm, leaving no time for traditional legal work. 'That's a feature that 20 years ago was almost unheard of, to have partners who did nothing but devote their time to running the business,' Richards admits.



External factors such as the legal press have also had a huge bearing on Richards' own duties and how he deals with the partnership. 'We have to be much more media savvy. Much more information is readily available; there is more transparency,' he says. 'The media come in and want to know what your strategy is. If you can't demonstrate that you have coherent plans, not surprisingly you are going to be criticised. In my view that is often warranted.' Then again, there are occasions when the press, he believes, can go too far. 'From reading recent articles you might think that Allen & Overy was about to meet its nadir, because its average partner is only earning £700,000 a year. People who are as old and long in the tooth as me take it with a pinch of salt, but some of the more impressionable youngsters give more credibility to what they read than the articles often deserve.'

For partners, be they in management or otherwise, the increasingly fickle nature of clients is another two-way street. 'Clients are much more sophisticated now. There's more choice for them and they are less loyal, which is both an opportunity and a threat,' Richards notes. 'It's easier to compare quality of service in a way that might not have been 20 or 30 years ago. That has been a real benefit for the clients and a wake-up call for us as lawyers. You can't be complacent and expect your clients will always turn up, because they won't.' LB

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'CLIENTS ARE MUCH MORE SOPHISTICATED NOW. THERE'S MORE CHOICE FOR THEM AND THEY ARE LESS LOYAL, WHICH IS BOTH AN OPPORTUNITY AND A THREAT.' BILL RICHARDS, LAWRENCE GRAHAM