



SORTING EVERYTHING OUT

By Cailey Gleeson

Managing partners have plenty on their minds for 2023, future

Economic uncertainties. Technological advancements. Pay raises. Retention issues. Those are just a few considerations on the minds of managing partners as they lead their firm's day-to-day operations.

And that's just during normal times. Magnified by unprecedented circumstances of the COVID-19 pandemic and adapting to the work-from-home era, managing partners have had to weather a plethora of changes.

Six managing partners shared their insights with Chicago Lawyer on the pandemic's impact, associate pay increases, a potential recession and other changes.

COVID-19 CHANGES

Every managing partner echoed the permanent changes resulting from the pandemic.

"While in some ways the pandemic is over, I think it's safe to say that we are still exploring the new normal," said Melissa Root, managing partner of Jenner & Block's Chicago office.

Jenner & Block continues to develop its firm culture despite the fluctuating changes the pandemic brought to the office and face-to-face meetings.

"We are back in office, with flexibility for remote work, and really enjoying re-connecting in person and living our values in our shared workspace," Root said. "For personnel who started since 2020, there's a lot of connections that we're still working to foster."

Toby Eveland, Chicago managing partner at Saul Ewing, said he is currently experiencing "balancing the desire for a hybrid workplace" while maintaining the firm's "high level of camaraderie and collaboration."

"This is particularly important for our younger attorneys who need to shadow more experienced partners and work elbow to elbow with them," Eveland said. "It's possible to do this on Zoom, but not ideal. So we are still figuring out this balance."

Benton Mathis, Jr., managing partner at Freeman Mathis & Gary LLP, said firms' actual facilities, such as square footage and office layouts, in the work-from-home era is another management challenge that is "fluid."

"What's the appropriate balance?," he said about the balance between being a fully remote or hybrid operation. "How does that affect your training of young attorneys? But not just attorneys, also staff?"



*Melissa Root,
Jenner & Block*



*Toby Eveland,
Saul Ewing*

Patricia Brown Holmes, managing partner at Riley Safer Holmes & Cancila added: "There are some tasks that simply can't be done remotely or asynchronously. Resolving a complex question for a client requires lawyers to have conversations with each other in real time."

Smith LaCien Founding Partner Todd A. Smith said the court system was not "immediately on board" with adapting to the virtual needs of the pandemic, but that it has been interesting to see how it has changed.

"I think Zoom is here to stay in litigation," Smith said.

IT INVESTMENTS

The remote work era has brought increased investment into the information technology departments at firms. It has also further integrated IT departments within firms' overall company culture.

Eveland said IT investments allowed Saul Ewing to transition to remote work "seamlessly," adding that it launched an app last year, called SAUL2GO, which offers marketing materials, learning tools and an online forum. It launched an innovation challenge on the app called SAULutions, allowing users to propose ideas to improve the firm.

"So far, we have seen tremendous engagement and collaboration across offices, practice areas and positions," he said.

On the other hand, Mathis said hybrid work hasn't necessarily been a driver in the firm's "substantial" investments.

"In our world, given our significant overall headcount increase, our costs are really driven by adding additional people, the cybersecurity and just all the complexity of hardware and software costs," he said.

The cybersecurity emphasis has also contributed to an integration between the IT department and other members of the staff, according to Mathis. The other component is training, as the firm offers "sophisticated software for litigation support."

"For lawyers to be able to take advantage of all the technology we have to offer, they've got to be familiar with it," Mathis said. "And I think that's (how) our lawyers think of themselves, as being much more tech savvy than they were a few years ago. And that's all a part of the integration with the IT group."

THE ASSOCIATE 'TALENT WAR'

With notable pay increases and demand for first-, second-, and third-year associates in recent years, managing partners are inventing innovative measures to not only attract, but retain them.



*Benton Mathis, Jr.,
Freeman Mathis
& Gary LLP*



*Patricia Brown Holmes,
Riley Safer Holmes
& Cancila*

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“ The ability to attract and retain the best lawyers and professional staff is critical to the success of law firms.” -Teresa Wilton Harmon

Teresa Wilton Harmon, managing partner at Sidley Austin, said while she's not willing to make a prediction on whether pay increases will continue, she believes the "talent war is here to stay."

"The ability to attract and retain the best lawyers and professional staff is critical to the success of law firms," Wilton Harmon said. "We will continue to compete on price but also on much more."

On Jan. 1, Sidley Austin opened a professional development program aimed at fourth- and eighth-year associates called "Built to Lead."

"It's designed to disrupt the status quo," Wilton Harmon said, adding that it "deepens associates' business acumen and leadership abilities, in addition to other boardroom and business development skills."

Eveland said Saul Ewing assesses the market to provide associates with competitive compensation packages and has

added some "very meaningful benefits" to this year's complete package — like its "4 + 4" policy. It encourages firm members to work onsite every Wednesday, and then pick four other days per month to be in the office or work with clients offsite.

"We liked the idea of setting one day a week when the whole firm will be encouraged to be in, so no one is sitting in an empty office," Eveland said. "But we also liked giving flexibility around the other four days."

He added that feedback from associates has been positive. "And we believe, and have heard from recruiters, that this plan is a differentiator," he said.

Jenner & Block's Root said his firm is focusing on mentoring and supporting its associates to "help them mature into excellent lawyers," through a variety of efforts, such as mock trial trainings.

"Jenner & Block also provides a specialized team of professional staff to assist new associates during their first year when they face the steepest learning curve," she said.

Root added the firm also shows appreciation for associates through a sponsorship program, a pipeline program aiming to increase diversity.

"The program pairs associates of color with senior partners and firm leadership to help build their book of business and progress along the path to partnership," Root said.

RECESSION FEARS

Aside from pandemic changes, a potential recession is on the minds of some. Mathis said while he is worried about its possibility, the litigation space has "historically weathered economic downturns pretty well."



*Teresa Wilton Harmon,
Sidley Austin*

"Litigation is typically much more steady in its growth," he said. "You're less susceptible to just drying up dramatically."

Smith noted the same for his practice. "It's tied to the court system, and there's nothing about a recession that causes a case to change in terms of when it's scheduled for trial or the time it's been pending," he said.

Wilton Harmon said past economic uncertainties, such as in 2008 and 2020, caused a "rush to quality" for companies in terms of legal services — a trend she notices to this day.

Holmes said a balance in management between being "appropriately conservative" while "being forward thinking" in appropriate. She added that she doesn't "listen to a lot of the outside noise" regarding other firm's moves.

"We just listen to clients," she said. "We hire based on our clients' needs and on the trends we see, especially with regard to regulatory enforcement. We've been growing but have been careful not to outsize ourselves."

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*Todd A. Smith,
Smith LaCien*