



## Transition Planning: A LOOMING CHALLENGE

BY PHYLLIS WEISS HASEROT

The elephant in ever-more-elegant law firm conference rooms is the demographic reality that the over-age-55 population is growing much faster than the Generation X (45 years and younger) group that will gradually need to replace them – starting now. That means clients are aging too. Most firms, even those with mandatory retirement ages (which range from age 55 to 70 in our surveys), have not squarely faced the issues related to planning to transition responsibilities and clients to the next generation – and to retaining the loyalty and goodwill of senior professionals when they depart.

Never before have there been so many lawyers eligible to “retire” in some fashion in any given year. The transitioning issues are ones of intergenerational relationships as well as firm economics. The most neglected aspect is behavioral. When these issues are ignored or handled badly, a firm will experience poor morale and high turnover, resulting in diminished client loyalty and negative economic outcomes. When transitioning is done right, the firm will have goodwill ambassadors, business continuity, and profits for the long term.

The issues in transition planning are considerably more complex than just transferring

knowledge and technical skill. In fact, that transferral is the most straightforward of the requirements to fulfill. More challenging and equally important are:

- Establishing trust and confidence on the part of both senior lawyer and client that the next generation can perform at the desired level.
- Fostering client relationship (“soft”) skills in the new generation of firm leaders.
- Bridging the communication gaps between Baby Boomer and Generation X lawyers.
- Building appreciation and respect for divergent attitudes and approaches to work among the generations.
- Easing the inherent tension when older lawyers report to younger lawyers.

This is not a matter of “fixing” the attitudes and objectives of any generation. There is no absolute right or wrong. Once there is agreement on goals, there can be several ways to reach them, and different approaches favored by each generation can contribute to the desired result. In order to harness the strengths of age diversity, we need to understand where each is coming from and their different emotional underpinnings.

A number of generational issues account for the lack of and resistance to transition planning. The older generations feel less secure in their positions than they have in the past and therefore are reluctant to let go of their ticket to control – their client relationships. The free agency environment that has taken hold in most firms also discourages the building of relationships across the partnership and the generations. Teamwork is more important than

ever but is not valued equally: Baby Boomers participate or at least give lip service to teamwork; Generation Y has worked in teams since elementary school; but Generation X members are, by preference, typically not team players.

Further, the next generation is anxious to acquire authority and make changes that fit the world as they see it. With the Boomers holding on, Generation Xers may come to feel a bit like Prince Charles. And given the heavy emphasis firms place on billable hours over training and mentoring lawyers to become well-rounded, mature professionals, Xers may not be adequately prepared for the multi-faceted roles they will need to play.

In leading some of our *\*Next Generation, Next Destination\** workshops for senior partners, we have witnessed the tension that gets in the way of the transition planning process. While it is often expressed initially in financial terms (i.e., danger of reduced compensation), a major emotional component generally surfaces. Senior lawyers want to continue to feel valued for all their experience, maturity, judgment, mentoring and training time, and stature outside the firm. But it often feels to them that all they are valued for is their current billables.

Transitioning can’t happen overnight. Planning should start at least five years in advance. When planning is left until six months before changes have to be made, senior partners frequently start panicking, although they will try to hide it. We are seeing this at many excellent firms, even among highly paid partners. Issues of losing professional identity are huge and lead to emotional insecurity, which gets in the way of the smooth and rational transition that would benefit the firm and its clients.

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© Phyllis Weiss Haserot, 2006. Phyllis Weiss Haserot, president and founder of consulting and coaching firm Practice Development Counsel, which has worked with law firms for over 20 years, focuses on improving intergenerational working relationships and has developed the *\*Next Generation, Next Destination\** program to plan and implement transitioning to benefit both senior partners and the professional growth of younger partners. She may be reached at [pwhaserot@pdcounsel.com](mailto:pwhaserot@pdcounsel.com), or through [www.pdcounsel.com](http://www.pdcounsel.com).



Legal career professionals can advocate for and help implement the steps that firm management must take in order to set and enforce expectations about transitioning responsibilities and clients to younger lawyers.

An institutional process that respects people at both ends of the transition needs to be put in place with sensitivity, with both information and coaching resources offered. For the Boomers to “let go,” they must see what’s in it for them and be optimistic about what’s next. Building trust and confidence, if they are lacking, takes time yet is essential for a successful transition in which the firm retains both younger lawyers (who might be tempted to defect) and clients.

Baby Boomers are leaving a big footprint in the legal profession as in all other work and life arenas, and they are different in many ways from the generations that came before them. They are healthier, more tuned in to their own professional and personal development, conscious of their image, and used to determining their own destiny. It is important to understand all of these factors in order to develop a workable approach to transitioning. For example, the large number of Boomers has translated into clout, competitiveness, and compensation policy changes that favor billing workaholicism rather than overall contribution to the strength

and future of the firm. While the Boomers were responsible for many of the changes that some in the younger generations lament, ironically Boomers themselves now need to finesse adjustments that meet their new realities.

It may be necessary to establish a sort of “safety net” for risk-averse senior lawyers through changes in policy and attitude. In most firms there is more than lip service to the significant value of training, mentoring, and treating people well. However, it is the exception rather than the rule that these actions are rewarded either with financial compensation or with recognition that is meaningful to the recipient. The following changes will benefit all generations.

- Offer the possibility of flexible work arrangements for people at all levels from third year associate up based on submission of concrete business plans. The flexibility that Gen X and Y are so vocal about wanting is equally desired by many Boomers who, after so many years of billing so many hours, would like the choice of cutting back

somewhat (with a correlating reduction in compensation). They are rarely given a choice other than all out 24/7 dedication or exiting the firm.

- Ensure recognition and reward for training, mentoring, feedback, and transition planning. This is necessary to obtain engagement and sustain effective programs.
- Acknowledge and promote the value of veteran lawyers beyond current billables and originations.

The planning process requires individual partners to recognize the benefits to themselves as well as to their firm and to buy in to the goals of transitioning. *Senior partners* need to start mapping the transitioning and next career (reinvention) phase well in advance of leaving or changing roles so they feel in control. *Next generation partners* need to encourage smooth transitions, with *respect* for elders and *recognition* of senior partners’ value. Many will need to enhance their soft skills in teamwork, client relationship management, and building rapport with clients of all ages. Mutual mentoring and sensitivity to issues that arise when more senior lawyers report to younger lawyers will help to smooth transitions among the generations.

Legal career professionals can advocate for and help implement the steps that firm management must take in order to set and enforce expectations about transitioning responsibilities and clients to younger lawyers. These actions include –

1. Recognizing the impact to the firm of looming losses of older talent and beginning planning now.
2. Setting results-based expectations for transitioning and providing clarity on time frames.
3. Exploring new solutions that tweak or break the established model.
4. Encouraging or requiring the two generations to have transition training together, including coaching and facilitated dialogues to work out solutions.

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5. Identifying ways senior professionals can continue to be valuable to the firm and considering some senior lawyers for ongoing positions and role changes, as appropriate.
  6. Supporting the career/life “reinvention” planning of senior professionals with resources and advice.
  7. Ensuring retention of goodwill of the senior partners transitioning in order to assist recruitment, training, and referrals.

As an expert in career matters in your organization, you can help put the pieces of the puzzle together and help assure that your firm institutes a transition planning program that will answer the important questions, create reasonable expectations and foster positive, long-lasting impressions and relationships between the firm, personnel at all levels, and external stakeholders. ■

