



Monday Monday

Connecting the Dots with Karen Kaplowitz



*Helping you create and reinforce the habits of successful career building,
gleaned from my work as a business development strategist, trainer and coach*

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Keeping Clients When Partners Retire. Your competitors are paying close attention to information that certain of your partners who control significant clients are going to retire. They are ready to swoop in to compete for the business, especially if there have also been leadership changes on the client side. (**Click here to read about responding when clients retire.**) Even if the firm generally does a good job of institutionalizing clients and has a deep bench of lawyers with important relationships at each major client, the retirement of a relationship partner creates risk on which competitors may capitalize. To insure that retiring partners help facilitate continuity of the client relationships, consider these questions:

- Is there a transition plan in which the relationship partner is fully involved in identifying successors and building new leadership for each client team?
- Does the process for selecting successors encourage the relationship partner to take diversity into account?
- Has the firm assigned someone to work with the retiring partner to help iron out sensitive issues and insure timely implementation of the transition plan?
- Does the firm provide incentives to retiring partners to encourage them to facilitate the firm's ongoing success with their clients? Compensation? Pensions? Facilities/services?
- Will clients and junior client team members have access to retired partners for guidance during the transition and after the relationship partner's retirement?
- Does the firm have a culture of respect for older lawyers? Are junior lawyers encouraged to seek out advice from retired partners? Are retired partners used as mentors on a formal or informal basis?

Example: After a firm pressed several partners in their mid-50's to consider early retirement, another older partner with a significant book of business approached the firm's managing partner to clarify what the firm had in mind for her. The managing partner's assurances that her contributions were still highly valued did not fully satisfy the partner who decided to evaluate her options outside the firm. She proceeded to review the partnership agreement, the ethics rules on discussing a move with clients, and the firm's pension plan for restrictions on competing with the firm. She also talked to a leading recruiter about whether a move was feasible and which other firms had mandatory retirement policies. She ultimately concluded that she wanted to stay with the firm provided that she could work out an agreement for a smooth transition of her clients to lawyers she approved. She negotiated a detailed transition plan with the firm. The firm assigned a recently retired partner to work with her to implement the plan which included several years to accomplish the transition and incentives to the partner for successful retention of her clients.

Is your firm's treatment of older partners causing some of the most valuable rainmakers in the firm to consider options other than a smooth transition of clients to the next generation? Does your firm provide sufficient transition support, from inside or outside the firm, to partners who are nearing retirement?