



THE NEW ELLIS GROUP

# 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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**Serial Lateral Moves: The Issue of Trust.** Acquiring laterals remains one of the most common strategies for law firms faced with flat demand from clients and pressure to keep growing. As the number of lateral moves has grown, so has the number of serial lateral moves. It is not unusual for a new lateral to have made one or more previous lateral moves. One of the biggest challenges for laterals and law firms alike is the issue of trust. Why should a lateral, usually with only a two year contract partnership in the new firm, entrust valuable clients to new partners who may try to retain the lateral's clients especially since the firm may ask the lateral to leave after two years? And why should law firm partners entrust their clients to new laterals who may make another lateral move and try to take their valued clients? Here are some strategies to consider to strengthen the bonds of trust between laterals and their new colleagues:

- Before confirming a new lateral hire, firms and laterals should commit to specific client introductions by each side with a tentative timetable.
- Firms should ask laterals to commit to adding firm lawyers to all their client teams even if the lateral is bringing along a team which has worked together at their old firm.
- The firm leaders and staff who are responsible for lateral integration should identify a few firm partners for each lateral where reciprocal introductions are feasible.
- If a lateral has made multiple lateral moves, the lateral needs a credible narrative that explains why the current move is likely to be their last one.
- In an effective lateral integration process, firm leaders should verify that introductions have been made and that teams have been integrated. Review of the lateral's bills to clients will reveal, for instance, if some of the timekeepers are new to the matters from the firm.
- If the firm has client teams in industries where a lateral has experience, there should be an invitation to the lateral to join one or more client teams from the outset.
- To the extent consistent with state law on non-competes, firms and laterals could agree on the rules of disengagement if the lateral leaves the firm. For example, each side could agree upfront that, for a period of time, they would not solicit clients who had been introduced by the other. Or firms and laterals could agree to designate certain clients "protected" against poaching much like professional sports teams can designate protected players when expansion teams are created.

**Example:** A firm assigned a senior partner as a mentor to a new lateral to insure a smooth integration. The partner reviewed with the lateral a list of client introductions that were expected as part of the lateral's business plan, including introductions by the lateral and by the firm to the lateral. Three months later, the partner asked the lateral which introductions on each side had been completed. The partner then pressed other partners who had not made promised introductions to the lateral to do so. The partner also pressed the lateral to complete her part of the bargain to introduce firm partners to clients she had brought with her. The partner also reviewed the lateral's hours and billings each month to make sure they reflected that the lateral was bringing other firm lawyers into her matters and that she was being used by other lawyers on their matters.

If laterals remain siloed because there is distrust of the laterals' loyalty and distrust by the lateral of the security of their clients if things don't work out, the turnover among laterals will continue to be very high, at great cost to laterals and firms alike.