



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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## **When Your Firm Posts Lower Profits: A Time to Go or A Time to Grow?**

If you had a good year last year but your firm's revenues or profitability are down, is it time for you to consider a move? Legal recruiters pay attention to the news reports this time of the year and you may get more calls from recruiters than usual. To evaluate whether a lateral move is in your best interest, consider both the negative -- and positive -- implications of the firm's results:

- Are the firm's results likely to impact you personally?
- Will you earn less?
- Will you lose key lawyers on your team or be less able to attract laterals you need for your practice?
- Will you have fewer resources available for business development?
- Is the firm likely to value you more highly at this juncture?
- Is this an opportunity for you to assert more leadership at your current firm?
- Will the firm become more open to changes you think are necessary?

Before you start talking to recruiters about the firms they would recommend and what compensation you might expect elsewhere, also consider whether there are other relevant factors:

- How are your clients likely to react to your making a move? Have you made other recent moves which they tolerated begrudgingly?
- Are there other reasons that a move might be desirable such as client needs that your current firm cannot meet?
- Are there other reasons such as family commitments that make this a bad time for a move?

Before you invest time on a lateral move, consider whether a lateral move is your only option or the best option.

**Example:** When his law firm's dip in profits was published, a partner received many calls from recruiters. He only responded to one recruiter he had met a few years earlier who had kept in touch with him. He used the one recruiter as a sounding board to talk through his options. He said that he appreciated the support his firm had provided to him, especially the firm's flexibility on rates which had allowed him to attract a key client. He asked the recruiter whether he was likely to get pressure from other firms to raise his rates if he made a move to a more profitable firm. He also said how much he and his clients relied on the team he had built. The recruiter was candid that he was likely to get pressure on rates from the kinds of firms that would be a step up from his current firm. The partner decided not to explore the lateral market. Instead, the partner approached his practice group leader and proposed that they ask the firm to double down on their investment in growing the practice including more staff support and budget for business development. The practice group leader and the partner put together a proposal which the firm's management committee enthusiastically accepted. The partner communicated with lawyers on his team that he was committed to staying at the firm and hoped they would too.

If your firm is struggling, is it time to consider jumping ship or an opportunity to be one of the leaders of efforts to right the ship? Which direction provides the best opportunity for you?