

RECIPE FOR SUCCESS: MERGING FIRM CULTURES

One evening a few years ago, my son Michael who was six at the time, announced that he wanted to cook dinner that night. Imagine my delight! All I could see was the rosy future. A son who cooks! My future daughter-in-law would love me for producing such a son.

Michael took a rather casual approach to the evening meal preparations. No plans, no recipes - he just mixed ingredients that he knew he liked, individually. Our main course was macaroni & cheese mixed with sugar. Alone or mixed with more appropriate ingredients, macaroni, cheese and sugar can be a delight to the palette. But, take my word for it, mixed together, they just don't work..

So, too, is the case of firm mergers and hiring lateral partners and associates for a particular firm.

Ingredients (think firm cultures) are often added together without much thought about what the resulting flavor will be. In most cases, culture or institutional knowledge is too often overlooked. The failure of most mergers and lateral hires can be pinned on not giving thought to combining these important factors or assessing whether a particular attorney will fit into the firm's "mix."

Check the Ingredients

How can merger and lateral hire failures be minimized? Begin by "checking the ingredients." The first step? Determining the ingredients that form your firm's institutional knowledge. Ask questions that will give you a means to describe these ingredients:

What does this firm value?

How would we describe our culture?

What is our working style? Are all styles accepted?

Is the firm environment casual? Formal?

What is this firm's mission? Why was it formed?

What makes us unique as a firm?

Asking these questions of potential firm merger partners is your next essential step. A discussion should take place regarding how these "ingredients" will mix. What features might be lost in combining the two cultures to create the new firm's institutional knowledge? Are these areas on which you and the other firm are willing to negotiate or compromise? What is non-negotiable for each of you? Like our ingredients of macaroni, cheese and sugar, some ingredients will not mix well, and if both firms feel strongly about keeping those ingredients, friction and poor flavor will result. If it is obvious that the two firms' cultures will not mix well, think twice before making a very costly mistake.

When you are hiring lateral attorneys, your firm culture should be fully described during the recruitment process. Ask the attorney the following questions to help you assess whether the individual will fit into your firm's culture:

What are your long-term career goals?

How do you work best?

What is your supervisory style (in the case of lateral partners)? How do you like to be supervised?

What are the goals for your practice? How do you see our firm fitting into those goals?

How would you describe the culture of your previous employer? What did you like most and least about that culture?

Too often, when a firm hires lateral partners and associates, it looks at portables, potential billings, substantive knowledge and skills, but misses out on whether individuals will fit into the firm's culture.

Mix Gently; Don't Beat

After the firms determine that the ingredients can mix well, form a small "integration" committee with representatives from both merging firms. The committee's goals will include deciding upon a strategy for combining firm cultures into one new culture, describing the new culture to firm employees, and helping employees become part of the new shared vision and goals.

Integration of two firm cultures or adding a lawyer into your firm culture is every involved lawyer's responsibility. For mergers, an integration committee goes a long way toward creating a smooth transition. For lateral hires, the firm needs to pass on institutional knowledge to the lateral as the firm would to a new law school graduate joining the firm. Many firms have some orientation for first-year associates, but rarely spend time "orienting" the new lateral partner or associate. Many firms expect an experienced lawyer to hit the ground running. The anxiety that comes from not knowing the "rules" can interfere with a lawyer's work product and integration into the firm. "I never felt like I was part of the firm," is an often-expressed sentiment among lateral hires.

Firm employees should be treated gently during this transition period. Allowing the individuals involved to ask questions for clarification, to find ways to resolve conflicts resolved (they will occur!), and time to become committed to the new culture are important steps in achieving the successful mix of all these

ingredients.

Blue Ribbon Winner

You have defined your firm's culture and that of the firm to which you are merging. The two firms have decided upon the ingredients from both cultures that will go into creating the new firm's institutional knowledge. An integration committee has been formed and is carrying out the important tasks of blending the two firms' cultures together. Information is openly disseminated to members of the newly formed entity. When conflicts arise, they are handled quickly in a win-win manner. Members of both firms are made to feel that the resulting firm belongs to all of them and that their feelings, thoughts and suggestions are considered important as the transition takes place. The ingredients from both firms have been mixed together to create a deliciously flavored new dish that not only stands the test of time in the legal marketplace, but will become a real winner.

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