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612-752-6000 thl@hcba.org

Switching Law Firms: Will the Grass Be Any Greener?

By Roy S. Ginsburg



Almost every lawyer will, on occasion, think another firm is better than his or her own. Such considerations are normal, especially when changes occur at your firm that cause friction or discomfort, or when you hear fellow lawyers from other firms say they have no issues with their firms.

After a while, however, some cynicism takes hold. Thoughts may turn from “the grass is greener” to “better the devil you know, than the devil you don’t.” So which cliché fits you better? Let’s take the emotion out of the process by following an analytical approach.

What’s Wrong with My Law Firm?

Create a short list of the reasons why you think switching law firms is the answer to your career woes. The key word here is “short.” No nitpicking. The list should only contain fundamental problems that you have with your law firm.

Now that you have your list, ask yourself these two questions before polishing up your résumé:

1. Is the problem with my law firm, with private practice, or with me?

Is one of your complaints that you hate the pressure to bring in business? Well, welcome to the world of private practice. Certainly the pressure will vary from firm to firm, but the days of relying on other rainmakers to feed you are gone. If you are averse to business development, think of switching to in-house or government work, not to another law firm.

And if you have already worked at three firms in the last three years and hope to get it right this next time, the issues could be elsewhere. Perhaps, you are not as easy to work with as you think. Or your expectations about private practice might be unrealistic.

2. Can I fix the problem at my present law firm?

Conventional wisdom holds that it is usually easier to fix a problem at your present job than to find a new job where you hope the problem does not exist. For example:

- If you are tired of the inherent conflict in a litigation practice, does your firm have transactional practice groups?
- If you work in a practice group that is dominated by jerks, are there other groups that interest you? Changing practice groups may be problematic at some firms, but do not automatically dismiss it. It may be easier than changing law firms.
- If you think the management of your practice group or firm is flawed, will the leadership change soon? Being patient may be a better strategy than finding a new job.
- If the firm’s technology is outdated, have you considered ways to work around the problem? That may not be easy, but neither is finding a new job.

I Gotta Get Out of This Place!

There are more prudent reasons to consider switching law firms:

- **You need a better platform to build your practice.** If you work for a local mid-sized firm and most of your corporate clients (or desired clients) have multiple locations across the country, a larger firm with nationwide offices would probably be a better long-term fit.
- **Your practice area is neglected by firm management.** Few law firms—no matter what size—are as good in as many practice areas as their websites would like potential clients to believe. If you are practicing in a group that constantly gets shortchanged in resources, or when no one at a networking event recognizes your firm’s practice area, your long-term career prospects will probably be better somewhere else.
- **Your firm is floundering.** Admittedly, the tea leaves are not easy to read on this one. However, you do not want to be caught off-guard. Some signs that your firm may be in serious trouble include substantial lawyer turnover, the loss of major clients, and late payments to vendors.
- **You want an improved work-life balance.** Be very careful here. At a certain level, all attorneys struggle with this issue, especially new parents. Employment in private practice is rarely conducive to an optimal work-life balance, although some firms seem to be more flexible than others. If your job has prevented you from seeing your family for weeks on end due to your firm’s culture (rather than your own workaholic tendencies), another law firm could be the solution.

Can Money Buy Happiness?

Usually not. One should rarely switch firms if the only reason is to make more money. Before increasing your job search efforts, make a list of all of the things that you like about your firm. What makes you so sure another firm that pays you more will satisfy you in the areas on your list? This gut-check exercise will force you to re-examine other factors and your priorities to see how they compare to financial gain.

If you believe that you are grossly underpaid, however, it may be worth exploring other firms. This is especially true considering that being excessively underpaid is frequently a symptom that shows your law firm underappreciates your efforts.

Due Diligence

Once you are convinced it is time to move on, carefully examine your options. Every lawyer knows how critical it is to conduct due diligence before closing a major transaction. Make sure you put the same thoroughness into your job search.

When you are networking and when you interview, do not just speak with lawyers who have been hand-selected by the firm's leadership to talk to you. While it is not necessarily a bad place to start, make sure you speak with a variety of employees.

The most important people to talk to are new lateral hires. Speak with associates if you have fewer years of experience and partners if you are a more veteran attorney. Here are a few questions to ask:

- What attracted you to the firm?
- Have your expectations been met?
- Since you joined your current firm, what, if anything, has not met your expectations? What has pleasantly surprised you?
- Does the firm have any specific policies or procedures to integrate laterals into the firm? Does the firm follow them? Were they effective?

Of course, it may be that some will tell you what they think you want to hear, but you may be surprised at how many will provide candid opinions about the firm.

Identify lawyers who have recently departed from the firm. Seek out their thoughts about working at the firm. Sure, some of the opinions may be tainted, but they can still be valuable to help you weigh the opinions of possible soon-to-be colleagues.

If you hope to bring along clients to the new firm, make sure the firm's billing structure is acceptable to them. Also, make sure the lawyers and staff at the firm are capable of handling your files.

You should be concerned about the firm's overall compensation philosophy rather than simply your starting salary. All law firms reward productivity and business development in varying degrees. Are you comfortable with the mix? How much of your pay is based on subjective factors? Is it a closed or open system? Does the system incentivize cross-selling?

Here are more areas that lawyers frequently neglect to ask enough questions about:

- **Firm governance.** Is it democratic? If not, how benevolent is the dictator? How much of a say will you have at the new firm? Do you care if you have a say?
- **Marketing.** Does the firm provide you with a marketing budget? Will the firm pay for out-of-town conferences that

you think will provide good business development opportunities?

- **Technology.** Is the firm's technology outdated, cutting edge, or somewhere in between?
- **Overhead.** What is the overhead per lawyer? Someone is paying for those fancy offices; can you afford them? Do you want to pay for that?
- **Firm administration.** What, if any, non-billable responsibilities do the lawyers have? Are there committees for certain areas (e.g. recruiting, diversity, etc.)? How are people selected for them? Do newer attorneys have a chance to become involved in firm administration?
- **Pro bono.** Does the firm promote pro bono or is everyone too busy billing to care?
- **Professional development.** Who pays for CLEs? What about out-of-town conferences? Is bar association involvement encouraged or poo-pooed?
- **Work-life balance.** Has anyone ever made partner while working part-time? Do any current partners work part-time? How many total billable and non-billable hours do most attorneys really work?

House of Cards

The colossal failure and bankruptcy of the New York firm Dewey & LeBoeuf has caused many a lateral to be more thorough in assessing the financial condition of firms before making a move. Indeed, it would be career malpractice not to do so.

But be careful when seeking financial information. A partner with a seven-figure book of business is entitled to be nosier than a third-year associate. (If you are the former, do not forget to examine the partnership agreement.) With that said, firms should be willing to share at least some basic information, including:

- **Client-base diversity.** Diversity here is

not talking about whether the clients are men or women or of a particular racial or ethnic background, but rather if the firm is dependent on just a handful of clients. If it is, then the loss of one or two clients will be a shock to the system. Ideally, a firm should not be greatly affected by the loss of a few clients.

- **Debt.** Most firms should not have significant debts. If they do, find out why. Financing a contingent fee case makes far more sense than financing partner guarantees. (consider Dewey & LeBoeuf.)
- **Buy-in for partners.** What is the price of admission? That number should not be a substantial financial burden. If it is, ask why, and make sure you can get it back in a reasonable manner.
- **Retired partners.** Is that named partner who occasionally comes in for lunch and maintains a seldom-used office still being paid? How much and for how long? And where is that money coming from? How will you be treated if you are close to retirement age?
- **Open litigation.** If you come in as a partner, do you want to be on the hook for past firm deeds, including malpractice claims?
- **Malpractice coverage.** Good coverage will save you lots of money on Ambien.

Look Before You Leap

If you are thinking of switching law firms, now is a good time to take a deep breath and inventory your values. Identify what is important to you in your career. Based on your self-reflection, is a law firm change what you truly need?

No one can guarantee greener pastures if you make the switch. But, if you perform a conscientious job search, you can minimize the risk of discovering a few rough patches along the way.



Roy S. Ginsburg

roy@royginsburg.com

Mr. Ginsburg is an attorney coach/consultant who advises lawyers on the right career choices at the right time.