
FIRM GUIDANCE

Only Those Who Master the Art of the Hustle Will Survive

By Sandy Lechtick

If one eye is king in the land of blind, the hustler is clearly king.

Never has the hustler been so important to law firms – their growth, prosperity and in many cases, their very survival. It is an understatement, but quite frankly too many law firms are propped up by too few rainmakers. And too few partners actually hustle.

In the two plus decades I have been placing partners – and working with top law firms – large and small, it has been crystal clear that the firms that continue to do well – through thick and thin, peaks and valleys, boom and bust, simply work harder, hustle more and find a way to be at the right place at the right time. It's not just smart business decisions but lots and lots of elbow grease – certainly a lot more perspiration than inspiration.

If one were to do a post-mortem on law firms who failed, one inescapable conclusion would be that there was far too much reliance on too few partners bringing in clients or a compensation structure which rewarded those at the very top of the pyramid, not necessarily based on revenue generation on contribution to the firm.

Today, hustling is more important than ever. By hustling, I mean – hustling. Pitching new business, meeting new contacts for lunch, breakfast or dinner; deepening and widening ones referral base; getting involved with sources of new business (accountants, business groups, attorney organizations, etc.), developing stronger relationships with key partners at your firm – giving speeches to key groups, writing articles – in short, enlarging your sphere of influence. Sure, good work, great results and a fine reputation helps, but there are lots of lawyers who do good work, get great results and have fine reputations. In the land of finders, minders and grinders, the emphasis is increasingly slanted to finders – who also happen to be pretty good grinders.

It clearly is easier to go after new business and generate new clients when there is wind at your back and momentum from a busy portfolio. Hustlers keep a sense of urgency going even when they are busy.

I recently had breakfast with one of the top rainmakers in L.A., a major partner at one of California's hottest most profitable law firms. The social breakfast reaffirmed in my mind

that these guys are extraordinary hustlers. Sure, the firm has a great reputation and terrific lawyers – some of the best trial lawyers in the nation and a very strong batting average of victories. But oh, do they hustle. And they do not let up.

In fact, all the law firms that have consistently done well, encourage an environment conducive to the hustler – some more than others. It is no secret why Quinn Emanuel, Munger Tolles & Olson, Irell & Manella, Loeb & Loeb, Lewis Brisbois, Jeffer Mangels, Greenberg Traurig, Liner Yankelevitz and a relatively small handful are weathering the storms better than most.

All I believe, instill a sense of urgency, a strong work ethic, an entrepreneurial spirit and a business model that encourages both partners and in many case associates to generate business. These firms may have different business models and compensation structures – but they hustle. A steady business development focus is the norm – not the exception. They live and breathe the stuff. The word “complacent” is never attached to these firms – or any firm for that matter that stays ahead of the pack.

When I am representing a partner who is looking to move his practice, timely communication is critical. But when I can reach him at his office any time of the day, and he jumps right on the telephone, I start getting a bit nervous. If he is always in his office, he is obviously not out hustling, beating the bushes, meeting with clients. I don't mind at all when a partner tells me he's very busy and can only talk to me at 6:30 in the morning or after 8:00 p.m.

Any stockbroker worth his salt admonishes his clients – at least those still in the stock market to diversify. No client should consistently generate more than 5 percent of its revenue. I have seen some law firms where more than 50 percent of revenue was two or three major clients. Those firms are gone. Partners who hustle, look to fill their pipeline with matters from different clients and certainly maintain a relationship with those who may be quiet. Their M.O. is not waiting for the phone to ring.

Top firms do not sit back on their laurels or slow down. When partners at some firms are super busy and their portfolio is bursting at the seams, there is the tendency to back off on business development, slow down on pitches and kind of hunker down. Today, everybody is scrambling and many are chasing the same clients. For some, a sense of urgency is nipping at their heels, but things are tougher now. It clearly is easier to go after new business and generate new clients when there is wind at your back and momentum from a busy portfolio. Hustlers keep a sense of urgency going even when they are busy.

Today more than ever, being nimble, and adapting to an extremely fluid landscape and tough market is essential.

Never quit hustling new business. When business is off, most of your matters are dead or your practice is in a tail-spin, it's more challenging to push the boulder up the hill. I guarantee that every rainmaker, mist-maker and those in between, do not sit back – even after significant courtroom victories, major transactions or great press clippings.

Lately I have been coming around to the benevolent dictator point of view. Having one or two key partners calling the shots will not work for some firms. There is certainly something to be said for democratically run law firms. But at some firms, where everything is diced and spliced ad nauseum, in a never-ending quest for consensus, action becomes inaction. Analysis becomes paralysis. Today more than ever, being nimble, and adapting to an extremely fluid landscape and tough market is essential – in winning beauty contests, capturing attractive laterals, cutting dead wood.

I have said this before, but “life style” firms have pretty much vanished. There are exceptions, but a firm's profitability is to a large degree based on billable hours and instilling an environment where it is the norm – not the exception – to work hard. Virtually every successful firm I am aware of has associates billing at least 1,900 hours and increasingly closer to 2,000 plus, and partners billing at least 1,800 – and closer to 1,900 plus. I might add that some of the top revenue-producing partners we have placed – left their firms in part because too few adhered to the same work ethic they had and in some cases paid significantly more. Therefore there has to be a uniform work ethic and compensation structure that gives incentive for everyone to work hard and produce.

Many firms say they would like to work harder and do more hours but there simply isn't enough work – hence the layoffs. Certainly many folks at Heller Ehrman suggested they would like to have been busier and do more hours. Yet many at Heller waited for the phone to ring or waited for rainmakers to bring in the next killer case. There simply were not enough hustlers and business generators and certainly not an environment that pushed hustling or made business development a high priority. Too many simply expected the firm's reputation and branding to carry the day. Years ago maybe, but not today – especially today.

With the most challenging law firm environment in decades, increased competition from many out-of-state firms and more people scrambling for shrinking pieces of the pie, only the strong will survive. Law firms that push their lawyers to work harder, that make hustling a priority, that incentivize their partners to generate business and not let up will prosper at the expense of others.

Sandy Lechtick is president and founder of Esquire, Inc., an L.A. – based partner placement firm. Lechtick specializes in representing partners, practice group acquisitions and law firm mergers. He can be reached at – sandy@esquiresearch.com.