# Leaders of Midsized Firms Aim to Keep Practice Focus

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For the leader of a midsized law firm, daily life is marked by constant balancing between keeping an active practice and managing the firm's business and strategic operations.

While leaders of large firms have increasingly looked to do less in the way of practicing law, leaders at midsized firms appear to be hunting for ways to reduce management responsibilities.

Paul Fires of Weber Gallagher Simpson Stapleton Fires & Newby has been with his firm since its founding with seven lawyers 22 years ago. As the head of the firm for the past seven years, he has seen it grow from 70 attorneys to 115 lawyers.

"The midsized manager really does a lot more work because they have a dedicated practice that they keep and add to that practice certain responsibilities," Fires said.

While Fires said an average day consists of a 50-50 split between time spent on practicing law and managing the firm, as his firm has grown, he has looked to spend less time on management issues.

"As we've grown and added layers of administration, I find myself doing less management," Fires said. "If you are going to hire someone to do a job you have to let them do it."

To that end, Weber Gallagher is set to move to a new management model at the start of 2015.

The firm currently has a three-attorney management committee, of which Fires is the head. The committee also includes non-attorney professional managers, such as the chief financial officer, director of human resources, chief marketing officer and director of IT.

As the head of the committee, the bulk of the management duties have fallen to Fires, who continues to maintain an active workers' compensation practice, which he co-chairs at the firm.

The firm is planning to move Jan. 1 to a board of directors model consisting of six attorneys, including Fires as the head. It is also preparing to hire a chief of operations, which is a new role for Weber Gallagher. The expanded board as well as the new administrative position will allow Fires to spread out the management functions and give him more time to practice law.

Fires said that as the firm grows, more issues will inevitably arise. He said he didn't want to create an unwieldy management structure that resulted in no one having time to deal with a problem when it arises. So for Weber Gallagher, making investments now to be prepared later made sense, Fires said.

Timothy G. Dietrich, who served as managing partner at Barley Snyder for six years beginning in 2008, said the firm has had a nonlawyer handling the day-to-day staffing, compliance, budget and technology issues for more than 20 years.

"Part of our goal to have that person is to free up the managing partners so they can continue to practice," he said. "If you're not practicing, it's easy to lose touch with what everyone's doing."

Managing partners at Barley Snyder typically stay in the position for six to eight years, and striking the balance between litigating cases and managing the firm typically comes down to personal preference for the sitting managing partner, Dietrich said.

Dietrich took over the management position in his early 50s. He always intended to return his focus exclusively to his book of business. However, a managing partner who takes over in his or her 60s might have an eye on winding down his or her practice, and would then focus his or her work more exclusively on management, he said.

Dietrich said he kept the balance of managing and practicing at about 50-50. Along with a team of nonlawyers who can step up to handle the administrative issues, teams of lawyers are also available to help out with the legal practice if needed, Dietrich said.

"Some days it was all client work, and some days it was all management work. In general it worked out to be an even split," he said. "Balancing the time constraints is not easy. You have times when the needs of the firm are front and center and the needs of the client are just as present."

Mitchell S. Kaplan, the managing shareholder at Zarwin Baum DeVito Kaplan Schaer Toddy, said he devotes the majority of his time on administration and marketing. Only about 20 percent of his time is spent on "legal guidance and leadership," which includes developing legal strategies and advising on how best to staff a particular case.

As managing shareholder, Kaplan heads a management team of firm leaders, each in charge of not only managing his or her designated practice area, but also handling his or her own caseloads, he said. The day-to-day decisions that don't require the full team, and the minutiae that falls between the managing partners is what Kaplan said he focuses on.

"The administrative role for somebody leading a medium-sized firm is critical," he said. "Every day there are new and more complicated issues, and maintaining a profitable law firm is much more difficult today than it was 10 years ago."

Kaplan said he has been managing shareholder for the past 10 years, and during that time his focus on the administrative duties has not shifted greatly. Kaplan said he felt it will remain important to have top-level administrators who are also attorneys.

"I'm not saying you can't have a CFO-type running the finances," he said. "I just think that they better report to a committee of attorneys who understand the ins and outs of practice."

Of course any approach a managing partner takes, whether it be billing less hours or investing in nonlawyer professionals, needs the buy-in of the partnership and can face backlash.

Bala Cynwyd, Pa.-based attorney Jeffrey Campolongo, who is co-chair of the Philadelphia Bar Association's law practice management committee, said he has heard, anecdotally, that managing partners who have their business dry up, but are still responsible to ensure that junior-level attorneys remain busy, can lead to resentment when the managing partners are still required to meet billable hour requirements.

Campolongo said it is not the norm yet for firms to have managers who are not lawyers, although some are taking that route. He speculated that firms may begin hiring nonlawyers in roles that were previously exclusively held by lawyers as a way to avoid this tension.

"If there was enough work to go around, if work were more plentiful, maybe that wouldn't be the case," he said.

Dilworth Paxson, with around 110 lawyers, recently made the unusual step of hiring its CEO from another law firm. Ajay Raju was hired earlier this year from Reed Smith to serve in the newly created position, which works in conjunction with several other management functions at Dilworth Paxson, including a chairman and vice chairman. While Raju brought over a sizable practice and a number of attorneys from Reed Smith, his role is mainly one of firm management.

Raju said "hybrid" attorneys like himself, who practice and manage, are not going anywhere.

Although the balance of his time shifts on any given day into what he describes as "organized chaos," Raju said he generally has structured 20 to 25 percent of his time dedicated to his managing role.

Raju said he foresees firms will be increasingly more likely to base lateral hires not on an attorney's book of business, but on his or her management skill.

"You will now start seeing people who have operational experience become more attractive," he said.

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