



Jason Butwick: Why managing partners should be full-time fee earners

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Should managing partners be full-time fee earners? Manju Manglani speaks to Dechert's London managing partner about how he juggles client and management work

One of the biggest career challenges facing managing partners is finding a balance between fee earning, client development and managing the firm. In recent years, there has been a greater appreciation of the challenges of law firm management and the need for managing partners to be full time. Many have consequently been given remuneration packages that include profit participation.

But, with this comes the inevitable blame if the firm's profits do not consistently rise in line with partners' expectations – something which has proven to be a real challenge since the onset of the global recession. Those who have been unable to push through significant revenue growth and/or overhead reductions before the end of their terms have tended to find that they are not invited to renew their posts as managing partner. Some have even been asked to step down early.

Having sacrificed their practices to meet the demands of the position, former managing partners have then found themselves in the difficult position of having to build a new client base from scratch or looking to create a new role for themselves either within or without the firm.

To balance these risks (and retain their sense of identity as lawyers), some have insisted upon maintaining their practices, with client work taking up a large part of their time. But, the competing demands of both roles has sometimes resulted in neither being performed particularly well unless personal lives are sacrificed or significant support is provided.

At India's largest law firm, Amarchand Mangaldas, for example, co-managing partner Cyril Shroff says he allocates about 40 per cent of his time to client work by delegating a large share of the management of the family-run firm to his wife and partner Vandana Shroff.¹ But, his approach is the exception rather the rule.

For the majority of managing partners who are not fortunate enough to have such a resource, clients tend to get passed on to other members of the firm over time, with managing partners retaining their role as client relationship partner on only a handful.

Others have handed over their entire practice after failing to juggle the competing demands on their time, and put their trust and faith in their partners to do right by them when their terms end. Not all have fared as well as they had hoped.

Attitudes towards management now seem to be changing, with the global recession – the longest and deepest in the past century – entering its seventh year. More pressure is being placed on managing partners than ever before to demonstrate their value to the equity partners in financial terms.

At DLA Piper – the world's highest-grossing law firm – this is said to be translating into demands on full-time managers worldwide to return to fee earning.

Meanwhile, Linklaters partners have reportedly requested a reduction in the number of partners on its international board and executive committee so that they can contribute more to the firm's profits.

Dual roles requirement

At international law firm Dechert, most of the partners in leadership positions are expected to maintain reasonably full-time practices. This includes the global chair, Andrew J. Levander, who jointly heads the firm's policy committee with CEO Daniel O'Donnell.

"It's a theme across the firm," says Jason Butwick, managing partner of the London office – the firm's largest outside of the US. "There are only two or three people in the firm who don't work full time – that's the chief executive and international counsel – everyone else works full time or near enough on the practice of law."

This means that, for example, the firm's talent team – which is responsible for addressing associate retention issues, among other things – is led by partners who are full-time lawyers. "They spent a lot of time coming to meet associates in London and elsewhere trying to understand what associates' concerns are and trying to respond to them," comments Butwick.

Juggling responsibilities

For Butwick, being a full-time fee earner makes his job as managing partner easier rather than harder. "The advantage is that I'm that much closer to the partners, associates and staff, because I'm dealing

with the problems they face on a daily basis,” he says. “So there’s an advantage I think, I’m closer and I do understand... I’m certainly closer than my predecessor.”

Butwick was asked to replace Steven Fogel – who had been a full-time manager and held the role for 11 years and eight months – from end-March 2012. “He was unfortunately managing partner when there were downturns, but I’ve been lucky and been managing partner when we’ve grown,” he reflects.

Fogel retired from the partnership in June 2012 and joined SJ Berwin (now part of global law firm King & Wood Mallesons) as a non-executive director in January 2013.

Butwick says that continuing to do client work was a prerequisite for him accepting the position of managing partner. “I wouldn’t have accepted the role if the firm had said to me ‘you’ve got to give up the practice of law’, because I chose to do law and that’s what I enjoy doing,” he emphasises. “But I don’t think the firm would have asked me if I wanted to give up the practice of law – they want someone who is working.”

Butwick admits, however, that he still finds it a challenge to juggle his different roles, and depends heavily on support staff to manage his diary. “I think I have ended up in a position where clients and client work, when appropriate, always come first,” he says. “There are times that you have to say ‘I am just going to do client work’ at this time, I can’t be interrupted, I’m not going to deal with any human resources issues, I’m just going to work on this.”

‘Non-urgent’ management matters tend to get relegated to trough periods in client work, usually dealt with after client development matters.

“The important thing is making sure, having prioritised appropriately, that you use your time really well and, when you have downtime, you use it to do whatever you need to do to review management work,” he says.

For the most part, Butwick thinks his approach works well and is respected by his partners. But, he admits, “I’m still trying to work out if I’ve got the right balance”.

Gaining experience

Butwick, now 44, was a surprise choice for the role of London managing partner back in 2012, given his lack of seniority within the firm. While the employment lawyer was well known internally because his practice brought him into contact with most parts of the office, he did not have the experience that is typically expected of managing partners.

“I was not an obvious choice – I hadn’t managed any practice groups and I wasn’t one of the more senior members of the partnership,” he says. “I really hadn’t had much management experience. I only managed my small team of two partners and seven associates.”

What Butwick says he did have in his favour was a long track record – having been at Dechert for his entire career – and good communication skills. “And that’s a big positive,” he says.

He admits however that getting to grips with the role of managing partner has been a challenge. There was a handover period in which Fogel provided a ‘long list’ of his responsibilities to Butwick, who says that he found much of these difficult to comprehend at first. “It was all very cerebral – apart from things like salary reviews and bonus reviews, you couldn’t really say what it involved,” he recalls.

Unlike many of his peers, Butwick wasn’t sent on a course to learn how to manage a professional services firm, such as the popular one at Harvard, upon his appointment as managing partner.

“But I’m not unhappy about that because time is precious and I’ve got a practice to run, it takes up a lot of time,” he says.

He was however asked to speak with all of the other managing partners at Dechert to get a better understanding of the different issues facing each office and how they were managed. This experience proved to be invaluable.

“Understanding how things are tackled in New York and Philadelphia helps me to think about how we can do things – not necessarily the same way – in London as well,” he reflects.

Decisions by consensus

Butwick’s managerial responsibilities are limited to the London office – strategic and long-term decisions are made by the firm’s policy committee, which comprises the chair, executive chair and partners from across the firm. To some extent, this makes his juggling of management and fee earning work easier.

To ensure all decisions affecting the office have partner buy-in, Butwick says his approach to decision-making is largely consensual.

For him, this means garnering the views of key stakeholders and getting a sense that the majority support a decision before making it – and being open to changing his mind during this consultation process.

“I think it’s more positive,” he says, “and it has worked well to date”.

Butwick has also focused his efforts on improving communication and transparency, which he says have helped him to be more effective and to develop trusted relationships with partners and staff.

“It’s important for me that my dealings with everyone in the office are straightforward, open and honest. If they know that’s how I’m going to deal with them, then I can deliver even negative news in a way that is straightforward and honest, and they’ll accept it for what it is,” he says.

“But what is important – and it’s a challenge I face actually – is treating people consistently with respect at every level, especially in a period of intense stress.”

As part of his efforts to build relationships internally, Butwick says he tries to “get around the office and speak to people in the course of every month or few months”.

So, what, for him, is the key to being successful as a managing partner? “Having the strength of your convictions, having empathy, looking at what’s best for the office overall, being as transparent as possible and making sure you can communicate well,” says Butwick.

Prioritising management

Clearly, interpersonal skills and likeability can go a long way in helping managing partners to be effective in the role. Without the ability to communicate well and be open to the views of others, even the most gifted lawyers will fail as leaders.

Each firm will of course have its own approach to management, but the belief that it is something that can be relegated to ‘downtime’ in client work – as opposed to treated as a continuing priority – suggests that the need for long-term business sustainability is not being fully addressed.

Immediate deadlines are always on the minds of equity partners – who are keen to increase their drawings – but the long-term success of a business depends upon having managing partners who have the time, resources and training to manage the day-to-day internal issues and to plan for the firm’s future.

Sometimes this means empowering them to make investments that can take a few years to pay off – even if it involves sacrificing growth in annual profits per equity partner.

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