

# WHITE PAPER

## THE VALUE OF COACHING IN THE LAW FIRM

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# EVEN IN A RECESSION, EXECUTIVE COACHING CONTINUES TO MAKE NEWS IN THE BUSINESS WORLD.

Last month's *Harvard Business Review* research report on "the realities of executive coaching" is evidence that the practice of coaching is growing and, more importantly, working. The coaches who participated in the HBR study relayed that their work had helped executives "become more strategic, navigate tricky political waters and transitions, and increase leadership skills."<sup>1</sup>

It's not a stretch of the imagination to transfer the success of executive coaching to the legal field. We already employ continuing legal education (CLE) programs to increase and strengthen attorney knowledge of legal and ethical issues, and many firms employ a professional development director to provide resources and guidance to attorneys, particularly young associates, who aim to build their skill set and advance within the firm.

Coaching offers attorneys the opportunity to realize their own talents, understand their limitations and use the knowledge of both to their advantage.

## WHY APPRENTICESHIP ALONE NO LONGER WORKS

The model of professional development from 50, 30 or even 20 years ago, is no longer valid in our hyper-connected world. Young attorneys cannot act as apprentices to the established lawyers at their firms, learning and working alongside veteran counselors for months or years.

New associates now demand higher salaries, and, consequently, are expected to be productive (i.e. billable) at a much earlier point in their careers. Small cases that previously allowed associates to get their feet wet are no longer viable within the larger law-firm business model, so new attorneys are often relegated to a backseat role performing research, due diligence or similar tasks, for which their services can still be billed. At the same time, clients are increasingly sensitive to law firm billing rates and, understandably, are unwilling to pay passed-along costs for professional development.

Partners are also under pressure to perform at a high level and have much less time to shepherd apprentices. If firms don't maintain optimal profits-per-partner, they risk losing key talent who leave to join more profitable firms. This is a shift from 20 or 30 years ago when most lawyers spent their careers at one firm.

Partners have responded to this market pressure by spending more time producing their own billable work and less time mentoring new attorneys. In addition, they may have lost their own mentors to lateral moves along the way.

## ENTER COACHING

The diminishing relevance of the apprenticeship model in today's legal arena has led law firms to find alternative ways to develop attorneys. Some firms use the "sheep dip" approach – offering formal group training programs in-house for all attorneys, led by outside consultants who focus on specific topics, such as writing or etiquette.

The sheep dip definitely has a role in career development because it is cheaper and easier to organize than programs aimed at individuals, but it is less effective in the long run. Firms are often tempted to solely rely on these programs, but they're not enough.

Other law firms, such as my firm of Thompson & Knight, offer one-on-one or peer-group coaching to their attorneys. Coaching is more time-consuming and expensive than the one-size-fits-all sheep dip, but researchers are finding that people learn better with this approach for a variety of reasons:

THE MODEL OF PROFESSIONAL DEVELOPMENT FROM 50, 30 OR EVEN 20 YEARS AGO, IS NO LONGER VALID IN OUR HYPER-CONNECTED WORLD.

<sup>1</sup>Diane Coutu and Carol Kauffman, "The Realities of Executive Coaching," *Harvard Business Review* (January 2009).

#### PEOPLE DON'T TAKE ADVICE THAT IS DOLED OUT TO THEM EN MASSE

As John Medina notes in his book *Brain Rules*, "people comprehend complex knowledge at different times and different depths."<sup>2</sup> An all-firm course on improving writing skills, for example, won't necessarily be effective because 1) the members of the group will have widely varying levels of writing competence, 2) each participant has a different preferred method of learning, and 3) each participant has a different knowledge gap. One-on-one or small-group coaching allows the facilitator to adjust the content or format of the coaching session to the specific needs of the individual(s).

...IT IS COACHING, RATHER THAN DIDACTIC INSTRUCTION, THAT MAY LEAD ATTORNEYS TO TRULY GROW AND CHANGE.

#### ATTORNEY PERSONALITIES MATCH WELL WITH COACHING

Dr. Larry Richard has found that attorneys traditionally score high on personality traits such as skepticism and autonomy and low on traits like sociability.<sup>3</sup> Coaching requires attorneys to take the lead and find their own solutions to the work challenges that they face by asking in-depth, individualized questions. This approach reduces the skepticism and resistance inherent in one-size-fits-all solutions that have been crafted by others without regard to the individual lawyer's needs.

Furthermore, **scientific studies have shown that self-directed problem solving can help an individual overcome his or her brain's natural resistance to change and effectively adjust his or her behavior.** According to David Rock and Jeffrey Schwartz:

When people solve a problem themselves, the brain releases a rush of neurotransmitters like adrenaline. This phenomenon provides a scientific basis for some of the practices of leadership coaching. Rather than lecturing and providing solutions, effective coaches ask pertinent questions and support their clients in working out solutions on their own.<sup>4</sup>

Rock and Schwartz cite studies conducted by Mark Jung-Beeman of Northwestern University's Institute for Neuroscience and others that used fMRI and EEG technologies to study these "a-ha" moments. One study found that the brain produced sudden bursts of energy, in the form of high-frequency gamma waves, just prior to the a-ha moments, and the gamma waves help several parts of the brain connect with one another.

At the same time, scientists observed activity in the brain's right anterior superior temporal gyrus, which helps an individual process, among other things, spatial and structural relations. Rock and Schwartz note that "the findings suggest that at a moment of insight, a complex set of new connections [in the brain] is being created. These connections have the potential to enhance our mental resources and overcome the brain's resistance to change."<sup>5</sup> But, Rock and Schwartz caution, people only experience these a-ha moments "If they go through the process of making connections themselves." Therefore, it is coaching, rather than didactic instruction, that may lead attorneys to truly grow and change.

<sup>2</sup> John Medina, *Brain Rules* (Pear Press 2008).

<sup>3</sup> Larry R. Richard, "Herding Cats: The Lawyer Personality Revealed," Hildebrandt International Web site, [http://www.hildebrandt.com/Documents.aspx?Doc\\_ID=2430](http://www.hildebrandt.com/Documents.aspx?Doc_ID=2430).

<sup>4,5</sup> David Rock and Jeffrey Schwartz, "The Neuroscience of Leadership," *strategy+business* (Summer 2006).

## CASE STUDY

### PEER-GROUP COACHING AT THOMPSON & KNIGHT

At Thompson & Knight, we've adopted peer-group coaching to help guide the professional development of our associate attorneys. While peer-group coaching is not as intense as one-on-one coaching, we have found it to be an effective way to leverage the coach's time, while still providing a more customized experience.

We begin in January by offering the attorneys the opportunity to participate in small peer groups based on their years of experience at the firm: junior (1-2 years out of law school), mid-level (3-5 years) and senior (6-7 years). Coaching sessions are conducted by phone to allow lawyers from different offices to participate together. During the initial call in January, we make introductions, go over housekeeping details, such as the schedule of calls and discussion topics for the year. We also talk about the individual tests, such as the Myers-Briggs Type Indicator and Marcus Buckingham's Strength Finder, that each attorney will complete.

We also schedule individual meetings with each attorney at the beginning of the year to discuss test results and set goals for the year. We use the GAPS grid, created by Mary Dee Hicks and David B. Peterson of Personnel Decisions International, to assess each attorney's goals and values, abilities, perceptions and success factors.<sup>6</sup>

**(See table 1)**

TABLE 1: GAPS GRID: CRITICAL INFORMATION FOR DEVELOPMENT

	WHERE THE PERSON IS	WHERE THE PERSON IS GOING
THE PERSON'S VIEW	<p><b>Abilities</b> What the person believes they can do. The person's view of their capabilities, style, and performance, especially in relation to important Goals and Standards.</p>	<p><b>Goals and Values</b> What matters to the person. This refers to the motivators that energize and drive the person's behavior, including their interests, values, desires, work objectives, and career aspirations.</p>
OTHER'S VIEW	<p><b>Perceptions</b> How others see the person. How others perceive the person's capabilities, performance, style, motives, priorities, and values.</p>	<p><b>Success Factors</b> What matters to others. Success factors are defined by the person's roles and responsibilities, cultural norms, and other people's expectations.</p>

<sup>6</sup> David B. Peterson and Mary Dee Hicks, *Leader As Coach: Strategies for Coaching and Developing Others*, (Personnel Decisions International 1996).

The peer-group conference calls throughout the year cover topics like networking and business development, often with senior partners and, occasionally, clients joining the calls. Individual meetings are held again at the end of the year to help attorneys re-evaluate goals and set new ones for the coming year.

Whether or not they participate in the peer-group coaching, attorneys at all levels can request one-on-one coaching sessions from time to time. Generally these requests can be accommodated in two or three brief (30-60 min.) individual sessions. We refer attorneys to external experts for more extensive coaching if necessary.

The peer-group coaching program has been regarded as a success throughout the firm. The program has received very good year-end evaluations, and attorneys are enthusiastic about participating.

"The coaching groups have been a big hit with the associates. They are very appreciative to have this additional resource to help them think through their long-term career goals. Because it is personal, interactive and specific to them, it is much more valuable than a career development or client development CLE. They are getting specific guidance based on their individual needs, goals, and desires - and they love that the firm has chose to invest in them in this way."

*–Marcie Davis, partner in Thompson & Knight's Trial Practice Group*

"Too often, I think, senior associates become isolated from one another because of increased work and personal demands. I recall as a first-, second- and third-year attorney, I would have lunch with my colleagues at least twice, sometimes three times, a week. That doesn't happen any more because of additional time constraints. The peer group provided a forum not only for insightful guest speakers, but also for we senior associates to hear and share with one another subjects that are affecting all of us."

*–Senior Associate in Thompson & Knight's Trial Practice Group*

"The most informative coaching sessions for me were those where we had guests offer their perspective on career development. And because as associates, we don't know what questions to ask, it was very important to have Cindy there asking the questions and moderating the interview."

*–Junior Associate in Thompson & Knight's Tax Practice Group*

"It is always helpful to listen to others' experiences with respect to a certain topic that affects everyone. Each of us had a different reaction to certain situations in the workplace or different approaches to how we plan to control our careers. Hearing the varying viewpoints of the group members helped me appreciate the options that I have with respect to how to manage my career."

*–Junior Associate in Thompson & Knight's Trial Practice Group*

### THE ROI FROM COACHING

As in almost all areas of industry these days, the legal field is not immune to the demand for return-on-investment figures (ROI) for its initiatives. While no research specific to the legal industry has been completed, studies from the business world have shown that the ROI from coaching is varied but substantial.

In their report "Driving Change with Internal Coaching Programs," David Rock and Ruth Donde offer a case study of AIG, which in 2004 instituted an internal-coaching program designed to reach 200 "high-potential" employees. By calculating the increase in sales, customer retention, cost control, time savings, individual and team retention and individuals and team engagement, the company discovered its coaching program had an ROI of 17:1.<sup>7</sup>

Rock's firm, Results Coaching Systems, has prepared similar case studies that demonstrate coaching's success. DB Breweries Limited, a major brewer in New Zealand, worked with Rock's firm to create a coach-training initiative. More than 60 managers participated in a series of 3.5-hour coaching workshops in 2005 and 2006, and while no direct studies on ROI were conducted, evaluation measures found that 59 percent of the managers' direct reports felt more valued by their managers, and 68 percent of the direct reports felt more valued by the organization.<sup>8</sup> Results Coaching Systems also worked with a large Asian bank to study its coaching program and found that the 40 percent of the coachees reported improved work/life balance, 55 percent reported improved productivity and 38 percent reported improved profitability.<sup>9</sup>

### INVESTING IN COACHING DURING A RECESSION

The current economic recession has affected all areas of American industry, including the legal field. Many law firms are facing decreases in revenue, which could lead to spending and salary freezes and, if necessary, lay-offs. So why should firms invest in coaching now?

A down economy is actually the best time to embark upon a firm-wide coaching initiative. The true cost of attorney development isn't the money spent on coaching fees, but rather than the participating attorneys' lost billable hours. Every hour spent in coaching or in ancillary development activities, such as reading outside material and completing GAPS grids, is an hour in which an attorney is not doing billable client work.

<sup>7</sup> David Rock and Ruth Donde, "Driving Change with Internal Coaching Programs," Results Coaching Systems white paper available at <http://workplacecoaching.com/resources.html>.

<sup>8</sup> Linley Rose, Matt Rule and Ruth Donde, "DB Breweries Business Impact Study," Results Coaching Systems case study available at <http://workplacecoaching.com/resources.html>

<sup>9</sup> "Business Impact Study - Large Asian Bank," Results Coaching Systems case study (March 2006) available at <http://workplacecoaching.com/resources.html>.

...STUDIES FROM THE BUSINESS WORLD HAVE SHOWN THAT THE ROI FROM COACHING IS VARIED BUT SUBSTANTIAL.

However, during a downturn, lost opportunity cost isn't nearly as great because attorneys have less billable work on their desks. Lawyers also often find it necessary to skip professional-development activities when their days are full of client work, but more time on the schedule gives attorneys the opportunity to make coaching and other professional-development programs a priority.

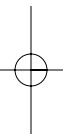
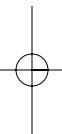
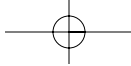
A recession also gives attorneys, as well as all business leaders, a chance to step back, assess the current economic climate and figure out where the next business opportunities will be. With a business forecast in mind, lawyers, along with their coaches, can tailor their professional-development goals to meet those challenges. When the economy rebounds, as it always does, these lawyers will be better-trained and well-prepared to face the new legal and business environment, which will help them bring in new clients and additional revenue to the firm.

We can't overlook the psychological benefits of coaching during a down cycle. Using the slower time to strengthen skills and set personal goals is a constructive way to manage negative emotions, such as anxiety and depression, stemming from an economic downturn. Coaching helps attorneys, many of whom are uneasy about the recession's impact on their practice and on their personal financial health, keep a productive and upbeat attitude. During a time when attorney morale is vulnerable to sinking, a firm's investment in coaching reassures attorneys of their value to, and future with, the firm.

## CONCLUSION

Though the science of coaching is still in its infancy, early studies have made the case that coaching should be a vital function of law firms. Today's legal workplace demands a different approach to developing new attorneys. Coaching, either one on one or in small peer groups, is a time- and cost-effective method to help lawyers increase their productivity, improve their job satisfaction and prepare for taking on new responsibilities and leadership roles within the firm. Even in a time of financial uncertainty, coaching helps law firms boost attorney confidence and ensure the firms' position at the front of the pack when the economy moves in an upward direction once again.

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