

From the Desk of George J. Wolf



The recipe for succession: why law firms need to focus on their talent

Without adequate measures to embed a succession strategy into a firm's culture, the departure of a partner or shareholder can impair long-term sustainability and capacity for growth. Alongside the loss of critical knowledge, experience and skills, the departure of a key rainmaker impacts client relationships and potentially erodes loyalty to the firm.

To prepare for the future, law firms must focus on building a pipeline of future leaders. Only by identifying future leaders as early as possible and then supporting their professional development can firms achieve a smooth transition of leadership and client relationships. This is vital for the firm, for its clients, and, most importantly, for the long term stability and growth of the firm-client relationship.

Talent development is a critical component of an effective succession plan. Firms can ensure they are taking a comprehensive and strategic approach to talent development by:

- Identifying the key knowledge, skills, and experience of each attorney
- Committing to regular performance reviews and evaluations for each attorney to identify areas for improvement
- Creating and continuing to refine professional development plans for each attorney
- Providing opportunities for growth and development, such as through mentoring and sponsorship programs
- Committing to succession planning at the management committee or board level by, for example, establishing a shadow management committee or board of peer-selected junior attorneys to work on certain strategic initiatives for the firm.

Alongside supporting the mechanics of succession planning, firms must also consider more abstract drivers, specifically, how communication, values, and a commitment to diversity, equity, and inclusion (DE&I) can elevate an effective succession plan to a dynamic, sensitive, and future-ready succession plan.

Communication – intentional communication is an important way to remain connected with individuals across the firm. Communicating with individuals and speaking honestly about their potential, opportunities, and future while also identifying how the firm can support them, is the bedrock upon which succession plans are built. An honest and sensitive approach to communication builds mutual trust and respect, and helps individuals speak candidly about their strengths and areas for development.

Remain true to the firm's values – being a skilled lawyer does not automatically translate into having leadership skills. Colleagues that demonstrate a commitment to the firm's people-centric values in their work ethic are likely to distinguish themselves as future leaders. Identifying leadership qualities that extend beyond subject knowledge and skill into personal characteristics and values will create a culture that highly regards empathy and integrity. By harnessing the firm's values, colleagues are more likely to feel confident to make their voice heard.

Make meaningful commitments to DE&I – embracing change is the hallmark of sustainability. For law firms, diversity needs to extend beyond a box-ticking exercise. Individuals should be valued for who they are, with a true appreciation and recognition of the value diverse experiences brings. By nurturing and empowering a diverse team, opportunities are created for individuals to harness their knowledge and experience to drive growth. Embracing change and celebrating inclusion fosters a **culture of caring**, and organically stitches DE&I into the firm's decision making.

In a globalized world where technology provides greater connectivity to a diverse talent pool, law firms must remain focused on their people as the core driver of effective succession planning. Trust the process and trust your people. Law firms are navigating rapidly changing client demands and industry challenges, and there is depleting value in inflexible succession plans. Regular recalibration is both healthy and necessary for sustainable growth, and law firms must regularly assess how their succession plan is aligning with the evolving world. By taking a holistic approach to succession planning, new hires and existing partners will feel fulfilled and invested in the success of the firm, driving long-term growth and sustainability.

Aon's **Professional Services Practice** values your feedback. If you would like to discuss any of the topics raised in this article, please contact **George Wolf Jr.**