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Delicate balance: When law firms hire experienced lawyers, a comprehensive acclimation process begins

Premium content from Pittsburgh Business Times by Patty Tascarella, Senior Reporter

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Patty Tascarella

Senior Reporter - *Pittsburgh Business Times*

[Email](#)

When a large practice group leaves a local law firm, they're often either establishing a boutique firm or paving entry for a large out-of-town firm.

But three of the area's biggest recent departures, reflecting more recent trends, were flights to other Pittsburgh firms.

In May 2010, 14 professionals, including seven lawyers, joined **Reed Smith LLP** from **Pepper Hamilton LLP**. The contingent was led by [Dusty Elias Kirk](#), co-chair of Pepper's real estate practice and a member of Pepper's executive committee. A year later, Reed Smith added a group of 14 that included 11 lawyers to create an e-Discovery practice that works within its Global Customer Care Center in Pittsburgh. They had been previously part of the e-Discovery Analysis & Technology Group at **K&L Gates**, led by [David Cohen](#), who had been co-founder of K&L's e-Discovery group.

In December, 16 lawyers, two paralegals and two support staffers, joined Babst Calland from Tucker Arensberg PC. Led by [Bruce Rudoy](#) and [Steve Silverman](#), the group specialized in title work and had grown rapidly because of burgeoning activity in the energy sector.

These lateral moves are giving law firms talent, connections and new clients. Reed Smith picked up Kirk, who comes with several big-box clients and connections, and Cohen, who enabled the firm to create a new practice, while Babst Calland, known for its energy work, gained technical expertise in title work that the company hopes will expand its capabilities for clients in the shale.

"We're focused on providing our energy clients with the breadth and depth of legal services they need to carry on their businesses in this region," said Chip Babst, Babst Calland managing shareholder. "I talked with [Bruce Rudoy](#) about where our energy practice was going and where his was going, and it all flowed from there. This was a very natural combination of a very sophisticated energy practice on the M&A and title side that Bruce developed and our environmental, land use and litigation group. It's a perfect fit."

After seeing many law firms do no lateral hiring in 2009, the National Association of Law Placement said a rebound occurred in 2010, when it rose by 38 percent. The group also noted in an April 2011 report that the Northeast saw the highest level of lateral hiring, with an average of 7.5 lateral hires in 2010.

A comprehensive approach

Acclimating any lawyer who built a career elsewhere is a delicate procedure. It takes time to see results.

"I really wasn't looking to leave my former firm at all," Kirk said. Pepper is a regional firm; Reed Smith has an international network of offices. "It was the platform and the reach that Reed Smith has. I felt that it was an opportunity for the partners in our group to have a much larger platform, and for a client base that has a lot of international interests. But when you go from a firm of 500 to 1,700, that's a huge change."

Although Reed Smith does not disclose financials, there are some ways to gauge success: The group stayed intact and, within 10 months, Kirk was promoted to heading the firmwide real estate group, 120 lawyers spread around the world.

Kirk figures her group was sized just right from their own perspective — "We came in together and it was easier for us to continue doing our work than if I had come by myself and was dealing with new associates" — as well as Reed Smith's.

"We weren't so large we were unwieldy," she said. "It was seamless for our clients."

And Kirk's group began working increasingly with Reed Smith's real estate lawyers — for the most part, they already knew each other.

[George Stewart](#), managing partner of Reed Smith's Pittsburgh office, who personally recruited Kirk, believes "there was comfort among the group coming over en masse."

Planning helped the process.

"We talked to them about a lot of issues up front, before they said yes," Stewart said. "We were very comprehensive in our approach, dealing with everything from the promotion schedule to compensation issues to retirement vehicles to benefits to office locals to secretarial support. Once they arrived, we bent over backward to help them acclimate ... to put faces to names and feel they were a welcome part of the team."

Babst has a shorter frame of reference than Reed Smith, but said the integration process for the largest group ever added to his firm has gone "incredibly well" and credited planning. Each newcomer was assigned to an established member of the firm to provide one-on-one assistance.

"Each person had a person," he said. "We've had joint activities. And we go through a very thorough process at the end of the year to set individual goals for our lawyers to make sure they're coordinated and consistent with the goals of the firm. Working them into that process also helped."

'A big challenge'

This is not to say that integrating groups of lateral hires isn't complicated.

"It's a big challenge in the main office, and when you're dealing with branch offices, it's huge," said [Robert Denney](#), CEO of Wayne-based law firm consultants [Robert Denney Associates](#).

K&L Gates LLP, with 40 offices around the world, "is in the business to grow market share," Chairman and Global Managing Partner [Peter Kalis](#) said. Lateral hires are a principle way to do that.

"Oddly enough, mergers of entire firms are usually easier to integrate than a group of lawyers," Kalis said.

An entire firm already has a cohesive, internal dynamic, he said.

"Basically, what we need to do is harmonize the other firm internally with our own, and we've done so many mergers that we know how to go about that," Kalis said. "With onesies and twosies — which we do a lot of also — it's not so much dealing with the personality of a merging-in firm, it's human beings who can have a lot of aspects or dimensions that require individual treatment."

Eckert Seamans Cherin & Mellott added a group of 14 lawyers from the Philadelphia-based law firm Wolf Block to its existing Harrisburg office a few years ago.

"What we learned from that experience was the need for continuing attention," Eckert CEO [Timothy Ryan](#) said. "It's really easy to get these deals done; it takes more work to maximize the benefits. This was an incredible success, but it caused us to create a group with a partner in charge of lateral integration."

Jeffrey Conn, managing partner at **Thorp Reed & Armstrong** LLP, believes integrating lateral hires is “very difficult” for most firms. The toughest situation is bringing in a group of lawyers “performing a certain type of work that the rest of the firm doesn’t perform or is new to us,” Conn said.

Thinking long-term

[Lori Carpenter](#), president of Downtown-based recruitment firm Carpenter Legal Search, said the key to keeping new groups of laterals on track is realizing that the effort by the firm isn’t short-term.

“After the first three months, the rubber hits the road,” she said. “The lawyers have started to get into a routine, but it’s got to be a continuing process with the entire partnership helping the new lateral partners feel part of the team, and it takes time and effort.”

There’s no tried and true formula for acclimating lateral hires, but there are similar components firms utilize.

“Firms emphasize meetings, get lawyers to introduce themselves, involve top management and share information on a knowledge management system — Reed Smith, I believe, has an excellent one — which connects lawyers firmwide and gets them the help they need,” Denney said. “But nothing replaces face-to-face compatibility and familiarity.”

That’s hit home for Kirk, whose promotion has resulted in an increasingly hectic travel schedule.

“You have to adjust your whole thought process and way of working when you’re dealing with people in different locations and time zones,” she said.

Patty Tascarella covers banking, finance, legal, marketing and advertising and foundations. Contact her at ptascarella@bizjournals.com or (412) 208-3832. .