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NEXT STEPS

The 2018
Largest Law
Firms Survey
and lessons
for growth



2018 LARGEST LAW FIRMS SURVEY

GROWTH

STORIES



A photograph of a person's hands, wearing a purple and white striped shirt, pointing towards a large window. The window offers a view of a city skyline with various buildings. The text is overlaid on the right side of the image.

LESSONS FROM FOUR GROWING FIRMS

BY PAUL DAILING

On Neill Jakobe's first day as the fifth lawyer in a small, temporary office in One South Dearborn, he looked around the space — a floor of hip-hop recording studios, day traders, a modeling agency and a shared assistant named Honey handling it all — and had one question.

"What have I done?" he said, laughing. "It was completely shocking when I left Morgan Stanley. I had this nice lakeshore office."

The gamble paid off, and the fifth lawyer in Boston-based Ropes & Gray's Chicago office was in November named managing partner of a bustling space at 191 N. Wacker Drive. As per the *Chicago Lawyer* survey results you will find on the next few pages, the firm is now the 52nd largest in Illinois, up from 54th in the 2017 survey and 59th the year before.

They're currently at 67 attorneys, but Jakobe expects to see a few more in the years to come.

"I think we'll continue along those lines," Jakobe said. "We're seeing an incredible amount of client demands."

There are as many growth strategies as there are firms. Some snap up qualified comers and let the workload do the culling. Others make selective hires as the right candidate comes along. Some bring in summer associates, others look toward laterals.

We talked to managing partners at four firms that have seen strong growth in recent years to find out what their growth story is.

WHY GROW?

For Faegre Baker Daniels, growth came in Chicago because it couldn't come in the firm's main markets.

"The firm is the biggest law firm in Minnesota and if not the biggest certainly one of the two biggest in Indiana," managing partner Rick Michaels said. "We're cognizant of the fact that the growth is primarily not going to come from those markets, so we're looking to grow in other markets."

The firm opened in Chicago in 2008 as Baker & Daniels with seven attorneys. The 2012 merger with Minneapolis-based Faegre & Benson was the last combination, Michaels said. Since then "we've brought in mostly onesies and twosies of lawyers," he said. The largest group was six.

They're currently at 60 attorneys in Illinois, nearly double where they were in 2013. They're now the state's 58th largest firm, up from 67th last year. They hope to have more than 100 lawyers in the Chicago office over the next few years.

"There's no limitation or desire to have a limited presence here," Michaels said. "Our goal is to have [Chicago] be one of the growth vehicles for the firm as a whole."

At Akerman, growth has been a response to client demand, said Chicago managing partner Scott Meyers.

"We've never had a magic number in any of our offices. When we started in Chicago we had our original eight and now we're at 51," Meyers said in late February.

The Miami-based firm had 55 Illinois attorneys at the time of the survey, making it the 67th largest firm in the state, up from 86th last year. They came to Chicago in 2014 and have been growing steadily since.

"We did not come to Chicago just because we wanted to grow. We came to Chicago because our clients wanted us to be here," Meyers said.

Most of their lateral hiring has been at the partner level, which spurs growth

on the associate level. The new partners bring their associates from the old firm, or Akerman hires other lateral associates to assist with growing practices. The firm's largest one-time hiring was four lawyers.

The firm does have "some home-grown associates and partners," Meyers said, including through the Leadership Counsel on Legal Diversity program, in which the firm hires 1Ls of various affinity groups for summer work within its major markets.

In Chicago, Akerman's staff growth has become physical. This month they will be expanding from the 46th to the 47th and 48th floors of 71 W. Wacker Drive, adding 41,000 square feet to their current 33,000.

"We have always worked backwards from 'What do our clients need? What do our clients want? What do our clients expect us to be?' rather than a strategy of 'If we build it the clients will come,'" Meyers said.

STUDENTS OR LAWYERS?

Riley Safer Holmes & Cancila partner Ronald Safer, who co-manages the firm with Patricia Brown Holmes, has a guiding principle when hiring first-year associates: Don't.

"I've studied the interview process and the summer program process and

I've concluded that it is broken," Safer said. "It is extremely costly and it does not result in you hiring necessarily the best lawyers."

The firm debuted in 2016, when 22 Schiff Hardin partners set up their own shop. As of January, it's at 51 lawyers.

"We planned to be in the mid-30s, but client demand dictated otherwise," Safer said.

It is currently the 73rd largest law firm in the state. It wasn't even on the top 100 list last year.

As that growth has come through lateral hires, the firm revised its interview process to best find candidates with experience, success rates, leadership roles, lessons learned or other insight that can only come through practice.

Interviews are typically around 90 minutes and "not the half-hour interview where they say hello for five minutes and goodbye for five minutes and you have five minutes of cogent questions and 15 minutes of questioning that by definition is very surface," Safer said.

That type of interview might not result in hiring great lawyers, but "resumes who can carry on a conversation for 15 minutes."

"There's very little about being a law student that translates into being a lawyer," Safer said.

By contrast, Ropes & Gray has 10-12 summer associates per class, "mostly all of whom will get offers and I believe all of whom have gotten offers over the last couple years," Jakobe said.

The firm started in Chicago hiring lateral associates, but now it's more balanced between laterals and first years. As for partners, they prefer to promote than to hire from the outside.

"I think it's very important for a growing office to show people who have been there that there's upward mobility," Jakobe said.

But there's another reason the firm prefers to hire young lawyers and train them from day one.

"There's risk in going into the lateral market," Jakobe said. "Anytime you're hiring someone from another law firm, there's a reason they're leaving." CL

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Photo by Lisa Predko

