

COMPETENCY MODELS

Why Associates Should Care if Their Firms Have One

By Susan Manch

In his book, *The End of Lawyers*, Richard Susskind poses this bleak vision for the field of law: “The market is increasingly unlikely to tolerate expensive lawyers for tasks (e.g., guiding, advising, drafting, researching, problem solving, and more) that can equally or better be discharged by less expert people supported by sophisticated systems and processes.” This spring, Citigroup, Inc., declared that it would no longer pay for time billed by summer associates, according to “Law Firm Clients Cool to Support of Summer Classes” by Nate Raymond in the *New York Law Journal* [a sibling publication of *The Am Law Daily*]. Many other clients reject hours billed by first- and sometimes even second-year associates on firms’ invoices. If you are an associate and this trend does not send shivers up your spine, you are not focusing on the perils of pursuing a legal career in the coming years. The tasks that Susskind highlights--at least drafting, researching, and problem solving--are likely the stuff that fills your days (and time sheets).

Firms have a responsibility to develop attorneys’ talents, but associates must manage their own performance by taking a leading role in setting and achieving developmental and career goals. In his book, *Outliers*, Malcolm Gladwell introduces the concept of the “10,000-hour” rule. He recounts research that suggests that people who begin exercising a talent at equal levels of skill only begin to differentiate when one “practices” that talent significantly more than another person. The research showed that truly distinctive performance followed 10,000 or more hours of “practice.” To prove Susskind wrong--to be a great writer, researcher, problem solver, and giver of legal advice whom clients WILL pay for, you must manage your own performance and log significant numbers of hours in those tasks.

It is not only because firms love high-billers that associates who log the most hours often become the most successful lawyers. Unless an associate is billing hours doing mindless work, more hours equals more refined talent. The central issue facing associates is this: How will you develop the skills, knowledge, and experience needed to ADD value to client work when you may not be able to DO client work? The answer, or at least one of them, is the quality of the talent-development strategy envisioned and executed by the law firm that employs you.

As an associate, you may already hate competency models, even if you don’t really know what they are. If you read *Above the Law*, you have heard of them—mostly in a negative light. Announcements that firms are moving to a talent-management model are often greeted by the posting of a rash of nasty comments about how the models are obviously designed to cheat associates out of money and make it easier for firms to fire them for performance issues. This confusion is unfortunate because a competency-based approach to talent development is both fairer and more “developmental” than the traditional models in place at most firms.

The pay issue is a red herring since a competency model and merit-based compensation are not interchangeable; nor are most models currently in use in law firms tied to compensation in any

way. If this encourages you to read on and understand competency models better, remember two key points:

- Competency models do not equal merit-based compensation.
- Competency models are good for associates.

The competency movement is attributed to psychologist David McClelland, a researcher into social intelligence and organizations. As the professional workforce expanded at an unprecedented pace in the sixties and seventies, industrial psychologists turned their attention to understanding these employees and their motivational constructs. Researchers followed in the footsteps of the “efficiency experts” of the fifties who studied the relationship between manual workers in their increasingly mechanized work environments and the humanistic management theorists of the 1920s and 1930s who tried to understand how to help workers flourish as they transitioned from an agricultural to an industrial economy. Attention was then focused on a new worker, “the professional.”

McClelland searched for a way to explain why some professionals exhibit a high-achievement orientation in their approach to work while others do not, regardless of level of intelligence. He believed that the traits necessary to succeed in an organization could be taught and/or changed. In a “competency” approach to talent development, he posited that specific capabilities common among successful individuals (core competencies) could be identified. These core competencies could then be validated by measuring the relationship between the presence of the core competencies *and* objective measures of success, such as profitability of projects, number of hours billed, repeat business, revenues, and other concrete measures. *Translation: Your billable hours still matter, but now the firm also cares whether you do quality work--and work that fits your level of experience.* When individuals who exhibit core competencies also do well on objective measures of success, firms know they have distilled the right set of competencies.

This approach is in stark contrast to traditional talent-development models that set static performance criteria. There, performance is measured based on completely subjective judgments of the extent to which individuals meet expectations in skill areas or behaviors (such as writing skills or showing initiative). Does this sound familiar?

A competency model articulates a series of core skill areas and behaviors exhibited by past successful performers. Partners are asked the extent to which they observe these specific behaviors in associates rather than how they judge fitness or progress. *After all, how effective is it to have 200 partners defining in their own terms the concept of “ownership?” Doesn’t it make more sense to have one accepted behavioral pattern that everyone agrees signifies “ownership?”*

Firms distill their unique core competencies through an inductive identification process using behavioral interviews. The interviewers probe for information about how an individual behaves in actual work-related situations. They look for patterns of behavior shared by highly successful individuals that are not common among average performers. McClelland proved that the way

people *actually* behave (as opposed to the way they say they will behave) is the most reliable predictor of success.

Core competencies are simply the categories of skills and traits top performers demonstrate more often, in more situations, and to a greater degree than average performers in the firm. A fully articulated competency model includes core competencies as well as practice-specific benchmarks that describe the skills that developing lawyers should accumulate as they progress in their career. The core competency categories are further defined by multiple performance factors that distinguish the dimensions of each competency. Because these performance factors are described in behavioral terms, they offer you and the firm more objective and consistent standards against which to measure performance and progress and to set career goals. *In other words, a competency model offers a roadmap that explicitly describes what it takes to make it at your firm.*

All the Moving Parts

Competency models have been around long enough and in use by enough organizations that some basic terminology has evolved to describe a typical model's essential elements. While each firm adopts its individual terminology, the following terms and definitions are most commonly used within law firm competency models:

Core Competencies

The overarching categories of skills and traits needed to become successful at your firm (e.g., leadership or professional excellence).

Performance Factors

More specific skills, traits, and behaviors that together describe the full behavioral dimensions of a core competency (e.g., strategic thinking may be one dimension of leadership, or writing may be one dimension of professional excellence).

Behavioral Elements

Descriptive phrases of distinct, observable behaviors exhibited by lawyers who have mastered a performance factor (e.g., drafts documents free from errors of grammar, usage, and spelling, or uses forms and precedents in a sensible manner).

Levels or Stages

The evolving descriptions of mastery for each performance criteria, aligned with each distinct phase of development, typically based on time spent in the organization. In some firms, each level is associated with a title (e.g., associate, managing associate, senior associate, counsel).

Practice-specific Benchmarks

Too often, people think of these just as "checklists." However, they are much more useful than that. Benchmarks include appropriate experiences both in terms of work and other activities that are necessary to build practice skills and attain a professional profile. Benchmarks show the full complement of activities and experiences associates need in their career to advance from one

level to the next (e.g., interview clients and witnesses to obtain relevant facts, or prepare clients and expert witnesses for critical interviews).

Why Should Associates Care?

A competency-based approach is effective because it articulates and makes transparent what in the past could only be found in the minds of each individual partner--what it takes to be successful. Too many partners still say, "I know good talent when I see it." Rather than leave success to the few individuals capable of "figuring it out," or assume that some partners are inherently good judges of talent, a competency model offers a clear understanding of what associates need to accomplish in order to be perceived as progressing, and ultimately, as successful. Competency models level the playing field for associates because they rely on behavioral observation rather than applied intuition as the primary source of performance information. In a competency model, you and the partners are working with the same information.

Go or No-Go Signals for Adopting a Competency Model

Before initiating any change as broad as a shift to a competency model, it is important that the firm study it from all angles. Input from all interested parties should provide insights into readiness. Institutional commitment can begin to be won during the design process and increased as information is shared in the implementation process. While firms do not have to adopt all elements of a competency model, the full benefits of a model are only realized when a firm embraces the model as its sole talent-management approach. Recruiting, new-lawyer integration, work coordination, training, evaluation, advancement, and reward systems can all be tied to the model.

Yes, eventually tying compensation to the competency model actually does make sense and will be advantageous to associates who really want to make a career of private practice and are not just biding time. However, it should not be done until a firm is certain that the model is supporting associate development--which is its first and best use. If your firm decides to adopt a competency model, you should want and expect to be actively involved in the design.

Last Thoughts

The amount of information we deal with every day increases in astounding increments and with blinding speed. Law firm partners and associates are on the front line of this onslaught and must manage all of this information effectively to serve clients and generate revenues. Senior lawyers too often say, "In my day, we didn't need all these fancy programs and frameworks to be successful--we just figured it out." The game has changed. More is asked of you than was asked of them as developing attorneys. Getting your 10,000 hours of practice is no longer a matter of staying at the office 24/7. Defining and attaining core competencies ensures that a majority of associates not only "figure it out" but also thrive. A competency model should be a strategic priority.

Unfortunately not all firms value talent management, so it is up to you to choose your employer wisely or actively lobby for the supports that you need. A competency model requires a higher level of commitment from the firm's lawyers, its administrators, and staff. The presence of a

competency model in a firm, and the extent to which it is operating effectively, will provide you with an important clue regarding how deeply a firm values its talent.

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