

Managing Outliers

The handling of outliers, both the stars and the under performers, is a defining feature of a law firm.

By Nick Jarrett-Kerr

I have recently been commissioned by the Ark Group to write a special report about the management of underproductive and underperforming partners. When I was first invited to undertake this work, I wondered what could be said to fill some 40,000 words. But as my research has proceeded, I have found the subject both fascinating and informative.

My conclusion is that how a firm handles and manages its outliers — both its stars and high performers at one end of the bell curve, and underperformers at the other end of the performance spectrum — becomes a key feature that helps to define firms both in terms of sound management practices and in terms of a culture of discipline (or anarchy).

We all know instances of star partners being treated as *prima donna* characters for whom special rules are applied and kid gloves donned to avoid the risk of defection. At the same time, we also know of serial underperformers being allowed to continue in partnership through continued reluctance to confront difficulties. There are also extreme examples of partners in difficulties being summarily ejected without much opportunity to rehabilitate.

We also know — almost without being told — that in the ideal firm, partners would be treated even-handedly, supported caringly, and managed rigorously (but not ruthlessly). My report seeks to get the bottom of how to achieve these worthy ends.

One fascinating area is how firms set performance standards and then monitor and measure performance indicators. My research so far shows that although financial performance still heads the list of areas where partners are expected to contribute, business development and client relationship management are also considered critically important followed by team and people management.

As an aside, part of my research has been to invite a small number of carefully chosen firms to participate in a survey aimed at establishing best practice in this area. I have so far invited a restricted list of firms (globally) whom I know personally to be well managed, caring and thoughtful. The questions in the survey are designed to make firms think deeply about how they handle these matters.

If you would be prepared to complete the survey, please email me. I will in due course be compiling a detailed analysis of the results of the survey and circulating it to those firms that participate in it.

[Contact the Author, Nick Jarrett-Kerr.](#)