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The Evolution of Partner Peer Review

Law firms have relied on feedback from other partners as a factor in evaluating partner contributions and setting compensation for many years. Some firms asked all partners to rank others or even to make compensation recommendations. However, as firms grew in size and geographic spread, it became a less important factor, and in many firms faded away entirely.

As partner feedback models have become more sophisticated, the industry has seen a resurgence and reinvention of the peer review process. Firms are exploring new ways to gather information on partner contributions. The reinvention of the traditional peer review approach has arisen out of a desire to gather more comprehensive and well-rounded information about the more subtle ways in which partners contribute, particularly in areas which may not be readily or easily observed based on quantitative data or from the vantage point of centralized firm leadership.

These new forms of peer review are largely centered on gathering broader partner input on other partners' contributions in several high value and difficult to measure areas, including:

Alignment with the firm's core values: Many firms have invested substantial effort redefining their core values over the past decade. Some firms see their core values as a key differentiator and critical to maintaining their success. In a mid-size or large firm, or a firm with multiple offices, it can be challenging for firm leaders to spend sufficient time with partners to assess whether their behavior is aligned with the firm's core values. Are partners actively reinforcing values associated with diversity, inclusiveness, and professional treatment of staff and lawyers? Peer review processes offer the potential to solicit broader partner input on how partners' behavior is reinforcing or undermining the firm's values statement.

Commitment to collaboration and teamwork: Many firms today are taking action to reduce internal competition and to reward collaborative behavior. The peer review process can offer a critical component of gathering broader feedback on partner contributions to building teams, expanding client relationships, opening doors, and leveraging and sharing their personal networks. It can also offer a window into behaviors which undercut teaming and interfere with building a collaborative culture. In some firms the very process of peer review encourages more cooperation among partners because they know their contributions can be commented on in the peer review process.

Contributions to firm building efforts and strategic initiatives: Too often, law firms fail to call upon individual partners to play an active role in implementing strategic initiatives in their own practices, or to recognize partners when they do make these efforts. This is in part driven by the difficulty in measuring and capturing smaller or lower profile contributions which may provide a meaningful benefit but are not easily recognizable apart from the day to day practice. Peer review processes open the door for partners to recognize the contributions others are making to important firm building initiatives, which go beyond day-to-day operations.

In each of these three areas, there can be substantial benefit in gathering broader partner input since partner contributions in these areas are not easily quantifiable and can be difficult for management to readily discern without regular exposure. To a degree, law firms are experimenting with an element of 'crowdsourcing' partner feedback through the peer review process, casting a far wider net to gather broader information based on multiple points of exposure and observation.

While a reinvented peer review process offers advantages, there will undoubtedly be firms where peer review runs into hurdles. As in the case of most strategic initiatives, the effectiveness of an adapted peer review process will be determined in large part based on a firm's ability to implement these programs in a way which is viewed as building the partnership, and not building 'big brother'.

So what steps are firms taking to try to ensure the success of their peer review approach?

Protecting confidentiality: Whether feedback is solicited in writing or verbally, firms must remain highly committed to protecting the confidentiality of the information received. Partners are less likely to provide honest feedback if they have concerns that the information may be inappropriately relayed or attributed to their peers. In fact, some firms have used their talent management staff or other professionals to gather feedback, to provide a neutral ear.

Multiple data points: A key benefit of utilizing broader partner input is the ability to solicit multiple views. Multiple perspectives can also be critical in determining the legitimacy of a set of observations. This enables firms to look for and rely upon general themes in feedback instead of single data points or observations which may be outliers.

Ensuring validity and currency of the feedback: Firms want to make sure that feedback from peers is current information rather than based on events from years ago, or the perpetuation of urban legends. Asking for specific feedback on partners who worked on the same matters or clients is one way to ensure a current relationship. Asking for the context on pitches or firm work or other interactions can ensure currency on non-client work.

Soliciting both positive *and* constructive feedback: In order for peer review to offer meaningful benefit, it must be centered on soliciting both accolades as well as concerns. Too often, partner feedback on other partners can focus on the negative. Of course, this feedback is often necessary and valuable to the organization in addressing problematic behavior, and without it, peer review processes can lose a lot of their overall benefit. However, many firms have also seen value in encouraging partners to act as champions for their peers, asking them to observe their colleagues' key contributions or wins. In fact, in firms where partners complete self-evaluation memos that highlight their successes many firms will include the question “Who helped you?” and similarly will ask partners “Who did you help?”

In recognizing the value that others bring to the table, some partners are better able to self-realize the relative value of their own contributions and be more objective about why others are being rewarded. The key to success here is really around ensuring that partners provide both positive and constructive commentary – balancing both the need for improvement among some, with the recognition of strengths among others.

Overall, the evolved peer review processes providing the most value in firms today are aimed at capturing input on select, high value and difficult to measure areas and from multiple sources capable of observing these types of partner contributions on a regular basis. This reinvention of peer review allows firms to gather broader qualitative data about partners - a far more well-rounded perspective - while simultaneously empowering their owners to think more deeply about partner contributions (including their own) and the relative roles that partners play in influencing the firm's success.

London

Principal: Giles Rubens
giles.rubens@fairfaxassociates.com
44 (0)20 3633 3943

Washington

Principal: Lisa Smith
lisa.smith@fairfaxassociates.com
202.365.4180

California

Principal: Kristin Stark
kristin.stark@fairfaxassociates.com
415.215.9294