

*Once you've dealt with changing the structure, the hard part is just beginning...*

## Navigating the effects of LLP conversion

BY TIM WURTZ  
BAKER NEWBY LLP

A limited liability partnership (LLP) is a modified form of general partnership that is gaining wider and wider acceptance in Canada.

Many large firms have already made the conversion, and even mid-sized firms are following suit.

LLPs have many of the same advantages as limited partnerships, with the added benefit that the mem-

bers of an LLP can take an active role in the business of the partnership without exposing themselves to personal liability for the acts of their other partners above the amount of their investment in the partnership.

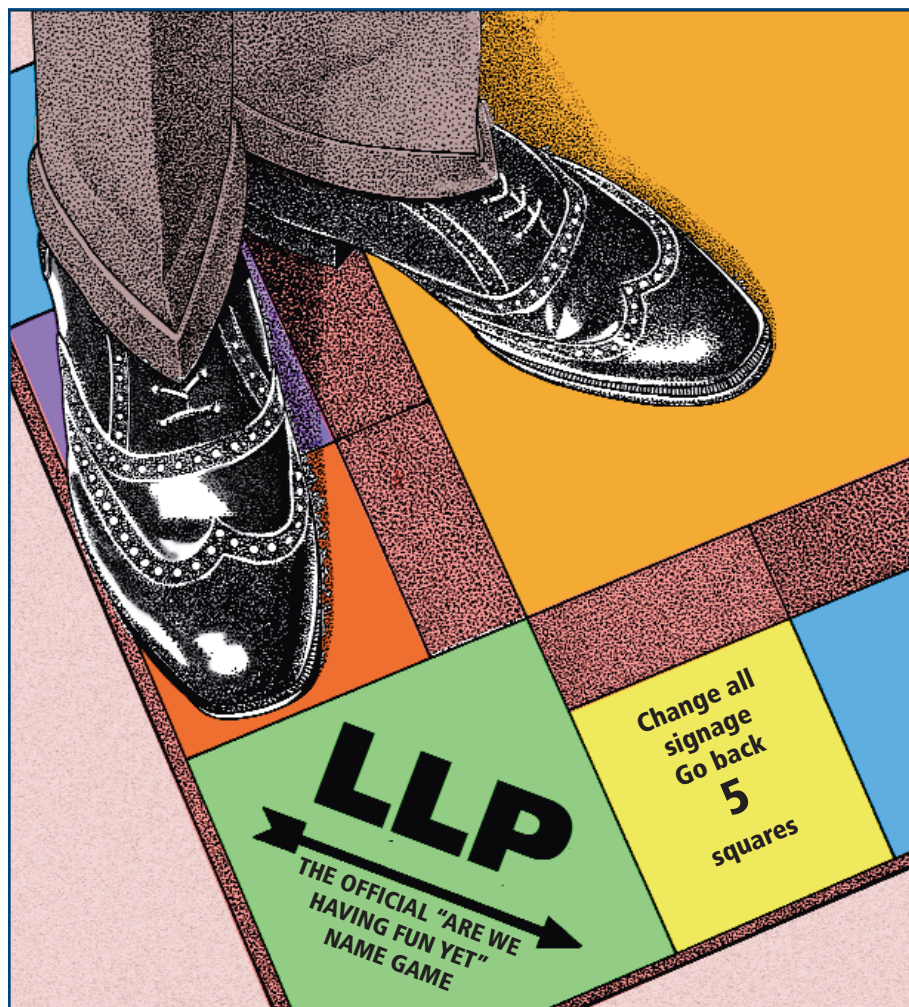
There are various considerations that should be taken into account by partners, their accountants and other advisers before making such a decision, including the degree of risk, the conversion process, tax consequences and cultural issues. However, once the decision is made, you will

likely get the instruction: "OK, make the changes." Right.

In accordance with requirements of the *Partnership Act*, the firm must take reasonable steps to notify existing clients in writing that it has registered as an LLP and note the resulting changes in the liability of the partners. But, even after you've sent out the appropriate announcement, and informed your clients to the best of your ability, there are still a tonne of changes to make. You are now faced with the task of amending all occurrences of your firm name.

The first point of the *Disclosure of LLP Status* in the Law Society rules:

*Continued on page 6* →



### *BCLMA's Partner's Meeting*

## 'Schadenfreude' concept considered

BY STEPHANIE CORNELL,  
STIKEMAN ELLIOTT LLP

On October 6th, Managing Partners and Administrators gathered at the Terminal City Club for the BCLMA Annual Partners Meeting sponsored by Wolrige Mahon. Traditionally a lunch, this year's event was an evening dinner, and it was a success; more than 50 people attended.

Guest speaker, Allan Shewchuk, Q.C., spoke to the group about a little-

*Continued on page 2* →



Stephanie  
Cornell

→ Schadenfreude: Continued from page 1

known concept called *Schadenfreude*, a German word used to describe the way that people secretly enjoy the misfortunes of others and take joy in the failures of enemies, friends or col-

leagues in order to make themselves feel better. It is Shewchuk's theory that lawyers have turned into *Schadenfreude* "junkies" due to the changing pressures in the practice of law over the past 20 years, with devastating results for those working in the profession. Shewchuk is a barrister, a litigation lawyer practicing in Calgary. With more than 20 years experience in the courtroom as well as the environ-



Allan Shewchuk

ments of large and small firms, Allan's sense of humour and unique point of view make him a popular public speaker. Recently, Allan addressed the international gathering of the Association of Law Office Administrators, to rave reviews. He is one of Canada's favourite luncheon and after-dinner humorists. In addition to his legal and teaching background, Allan is also a food writer, cooking instructor and chef. Guests enjoyed the dinner, company and speaker highlights. John Smiley of Wolrige Mahon was pleased with the overall result. "It was a great evening to showcase our firm and to give our people a chance to network with managing partners and administrators within the BCLMA. Everyone was approachable."

And, congratulations to David Bain, of Bull, Housser Tupper, who won the door prize: a pair of Canucks tickets.

Exit interviews

# Saying 'Goodbye' provides valuable info for law firms

BY KERRI PEARCE, ALEXANDER HOLBURN BEAUDIN & LANG LLP

A company's most valuable asset is its people, so retaining professional and support staff in today's tight legal market can be an ongoing challenge.

The workforce includes proportionately more women, working mothers and workers with dependent parents or other responsibilities.

Even if your firm provides a competitive salary and benefit plan, those necessities are not the only criteria the new generation of employees considers when choosing their 'home' away from home.

A firm's corporate culture and *Continued on page 3*

## Shewchuk's theory: lawyers have turned into Schadenfreude 'junkies'

# We got stuffed on Thanksgiving. What did you do?

Whenever Thanksgiving arrives, we always stop and reflect on life and the things that we hold dear and are grateful for.

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→ Exit Interviews: Continued from page 2

work style is also a large factor for them, especially at the associate level. Although lawyers value their careers and the demands required for the profession, having a life outside of the office is equally important.

If an associate decides to leave a firm, they generally depart within the first few years of practicing. Often, the reason is because they are not practicing the area of law in which they prefer, there are not as many opportunities for advancement, and probably it's a mixture of both.

To retain this niche group, it is crucial to consider the information gathered from the associate-review process so you can decide whether to align the priorities of the associate with the firm's needs.

Associate reviews are typically conducted annually, however, it would be in a firm's best interest to gather feedback from staff more frequently to avoid a revolving door.

Exit interviews are conducted when an employee leaves an organi-

zation, whether voluntarily or involuntarily. In law firms, they are usually performed primarily for professional staff and management rather than support staff.

When a support staff-member leaves a firm, the reasons are usually more obvious. It could be that the lawyer/secretary work style or personality was not a great fit, or the staffer is leaving for external factors.

Although law firm's salary structures are similar from firm to firm and are based on the size of the organization, the younger secretarial staff, in particular, tend to move every few years.

There are various reasons for this: it could be to receive a larger salary increase, learn a new area of law, or find the right job fit. To reduce a firm's employee turnover, it is imperative to determine the reasons behind an employee's departure.

Who should conduct the exit inter-

view? Typically, a member of the HR department would do it on an employee's last day when providing them with their final documentation. For associates, it is beneficial if a supervising lawyer, such as a partner, also attends the exit interview in order to gain feedback and to improve working conditions for other associates who may be filling that role.

Regardless of who in management is present during the interview, it would have to be a comfortable situation for the departing employee in order to gain valuable feedback.

Depending on the situation and the reasons why the person is leaving, it may be not be appropriate to have a supervising lawyer present; they may be intimidating and could also be part of the reason why the employee is leaving the firm.

It is best to encourage honesty from the departing employee. Again, depending on the situation, that may not always be achieved. Employees are often emotionally stressed when leaving an organization, especially if

Continued on page 4 →



Kerri Pearce

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Two significant changes to registry rules are detailed

# Changes afoot at Provincial, Supreme Court registries

**ROSHNI REDDY  
MANAGER,  
VANCOUVER OPERATIONS,  
DYE & DURHAM**

There have been a couple of significant changes to the rules that govern BC's Provincial and Supreme Court registries that became effective September 1.

With *Rule 68-Expedited Litigation Project Rule* for Supreme Court, and the monetary-limit increase in Provincial Court from \$10,000 to \$25,000, there's enough to keep administrators, secretaries and assistants of any practice busy.

The monetary increase for Provincial Court and Small Claims registries, designed to improve access to the court system and simplify judicial practice, will allow law firms, on behalf of their clients, to pay lower filing fees than at Supreme Court for claims, and take advantage of the *Notice to Mediate* process.

That process, which applies to disputes filed in provincial Small Claims courts, will be available

across the province for any claim up to \$25,000. Although there may be a minimal charge for this service, it will allow those filing Small Claims actions to possibly avoid trials, and the long waiting period that can be

expected from the increased volume of actions that will be directed to Small Claims.

*Rule 68, the Expedited Litigation Project Rule, is a two-year pilot project*  
*Continued on page 7 →*

## FAQ ABOUT REGISTRY ADJUSTMENTS

Some of the frequently asked questions posed by lawyers when the news of these changes broke earlier this year, as well as answers obtained from the Court Services Branch, include:

**Q: Will there be a transitional provision?** **A:** There are no transitional provisions in place for the monetary increase at this time.

**Q: If you have an existing action where the amount over \$10,000 has been abandoned, can you go for the full amount after September 1?** **A:** Rule 8(1) states that anything in a notice of claim may be

amended without permission prior to a settlement conference, and thereafter with the permission of the judge. However, if the claimant previously abandoned a portion of the claim under Rule 1(5), at this time, the amount of the claim cannot be increased in Small Claims.

**Q: Will this increase apply to actions that arose before September 1?** **A:** Yes, but only if the Notice of Claim was filed on or after September 1.

**Q: Will the filing fee increase?** **A:** Currently, there are no plans to increase the Small Claims fees.

→ *Exit Interviews: Continued from page 3*

they have been with the company for a length of time. In some cases, an employee may feel that the situation has exhausted itself and there may not be any point in bringing up the issues on their last day.

Since it's important the departing employee feels safe and comfortable in the surroundings where the interview is to be conducted, the interview could take place in the HR manager's office, a boardroom for privacy, or alternatively, a more casual environment, such as a luncheon, to ensure confidentiality and no interruptions.

The most commonly used format to conduct an exit interview is face-to-face, however, there are other methods used, such as questionnaires, online surveys and in some cases, a neutral third-party, such as a consulting company, supervises.

## TOPICS FOR EXIT INTERVIEW OFTEN WIDE-RANGING

There are various areas that can be discussed in an exit interview, such as:

- ✓ Reasons for joining the firm;
- ✓ Reasons for leaving the firm;
- ✓ Orientation and training procedures;
- ✓ Policies and procedures of firm;
- ✓ Likes and dislikes about the work;
- ✓ Area of law;
- ✓ Workload;
- ✓ Mentoring and advancement;
- ✓ Compensation and benefits;
- ✓ Work/life balance;
- ✓ Morale and culture of the firm.

It is imperative to make changes where necessary and possible, in order for the firm to remain progressive and to retain valuable employees.

It is best to have exit procedures in place that are supported and approved by the managing partner or committee. Exit interviews tend to generate positive and negative feedback. If the information is collected and not used, it is a redundant exercise.

Once the data has been gathered, the interviewer should report to management, supervising partner or the practice group the pertinent information in a tactful and diplomatic manner. One must be mindful of preserving relationships with firm members.

Although law firms are traditional and a working situation may not change overnight, it is important to attempt to rectify any potential or recurring issues as to why professionals, in particular, may want to jump ship.

# Human side of HR

BY STEPHANIE CORNELL  
STIKEMAN ELLIOTT LLP

**T**ina Giallanardo, Director of Human Resources and Facilities for Vancouver and Whitehorse at Miller Thomson LLP, has been in the legal business a long time, and in the business of human resources even longer. She has seen and been a part of the evolution of law firms and Human Resources Management as well as BCLMA's HR sub-section. She has a wealth of knowledge and experience that she enjoys discussing and sharing.

Tina's career began with the BC Teacher's Federation (BCTF) where she worked for 12 years. She identifies the BCTF as affecting her HR success. In 1981, Tina left the Federation to further her career.

She was briefly the HR Manager at H. A. Simons, an engineering firm, then took on the job of HR manager of Weldwood of Canada, a forest-products company, for a year. In May, 1982, Tina joined Swinton & Company as the Personnel Administrator.

While most law-firm HR managers at that time had been promoted internally, usually from the ranks of the legal secretaries, Tina proved that she was an excellent candidate based on the HR experience she had gained from her previous employment.

Tina welcomed the challenge of bringing the law firm into the mainstream business world by developing its first *Policies and Procedures Manual* and drawing on her HR-generalist background to implement many other HR-related practices.

Along with HR Managers from the bigger firms, through VALA and now BCLMA, she has helped other law firms develop similar policies and procedures.

Working together and sharing information is what Tina values most in her BCLMA membership. "There is a lot of sharing now. Members share



**Tina Giallanardo: "Firms still need to quicken their pace when it comes to technology and talent."**

their ideas, creativities, strengths, and they know that if the answers don't come to them, they can ask each other for them. At the time, VALA helped law firms progress from typewriters to computers. 'What systems are you using?' firms would ask of each other. One would lead and others would follow, based on the successes and/or failures of those systems."

Communication between the firms, whether through networking or monthly meetings, helped them each become good places to work. "Though firms have come a long way" she says, "they still need to quicken their pace when it comes to technology and talent. A law office is not just a profession—it is a business."

Throughout her career, Tina has both mentored and been mentored. "Many administrators have contacted me over the years and asked, 'What should I do?' Mentoring and coaching the small firms within BCLMA is important."

She fondly recalls her coach at BCTF. "She taught me principles, how to practice HR in a humane way, and to treat people as individuals—to be

fair and consistent." Tina always endeavours to bring herself to the staff level, and create mutually trustworthy relationships.

Wayne Scott, Administrator at Edwards, Kenney Bray credits Tina with much of his own success. "Tina was instrumental in my development as a Legal Administrator."

It's easy to impart tips and tricks of what you do when you love what you do and with whom you work. "The partners are the main reason I've not ever considered leaving the firm." (Apparently, much of the staff feel the same way about Miller Thomson. More than half of the support staff has been there five years or more. Approximately 25 people have been at the firm for more than ten years, and almost a half dozen of the staff have been employees there for more than 25 years!)

Tina particularly enjoys the diversity and autonomy in her current role. She appreciates managing the responsibilities for all areas of HR. While at H. A. Simons, for example, Tina was strictly in charge of recruiting. She would advertise the position and then interview the candidates. From there, the file would leave her and go on to the next level of the decision-making process. Tina quickly learned that this was not enough for her. "I like to see the whole process through. I have the people skills and the energy to do it all."

And she is. After Swinton & Company merged with Miller Thomson five years ago, the firms are bridging their cultural differences. "East met West," Tina notes with a laugh. Last month, MT launched its firm-wide, harmonized benefits program. Everyone's health, dental and life insurance coverage is now with one carrier and group number.

As Tina looks ahead, she has the same positive outlook for the new BCLMA. "It will do well. We'll have to grow up here without 'Big Brother' in the US to look to, but a Canadian focus will be better. We'll concentrate on our own Canadian issues, and we will evolve."



**Stephanie Cornell**

→ *Help with LLPs: Continued from page 1*

*"9-17 (1) When a firm provides legal services to the public through a limited liability partnership, all advertising for the firm must indicate that the limited liability partnership provides the legal services."*

Having gone through our conversion earlier this year, I became familiar with all the types of changes that needed to be made. Stopping to think about everywhere your name appears becomes a marathon—we seemed to come up with a new one every other day.



**Tim Wurtz**

The easiest and most obvious changes come to your pre-printed, day-to-day, business materials: letterhead, bill-head, fax cover-sheet, business cards and cheques.

You will also want to have your signing-authority documentation changed at the various banks with which you deal. Some other changes are less obvious because they are things you don't use or see everyday.

**PREMISES SIGNAGE** Your premises signage should be changed to reflect your new name: reader boards, parking lot signs, elevator signs and building signage.

You likely have custom-made logos and lettering decorating your reception or lounge area. One lesson we learned—color options change over time. We learned this as we endeavored to have only our lettering redone underneath our logo. However, when the lettering arrived, it was a slightly different color than the original logo. It turns out the original color had been discontinued several years ago, so we ended up having to have the logo redone anyway—with this whole process taking up a considerable amount of time and frustration.

**DISPLAY BANNERS & FIXED SIGNAGE.**

There may be considerable cost associated with redoing these types of signs.

Baker Newby LLP has an illuminated sign at Prospera Centre here in Chilliwack, so I decided to talk to Michael

Lucas at The Law Society of British Columbia. He says, "If you're going to comply, Rule 9-17 is pretty clear. All advertising [should include the LLP]. I

couldn't advise to do any differently." There are some instances he noted, however, where you do not have con-  
*Continued on page 7 →*



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→ *Help with LLPs: Continued from page 6*

control over the timing of the change-over. A good example is the *Yellow Pages*, where changes can be made only once a year.

It will take some time for all your advertising to reflect the addition of LLP, Lucas conceded, but as long as you're taking, "reasonable steps to ensure the changes are made, these reasonable steps would be considered a mitigating factor if you were found to have breached the rules."

Lucas adds that, "Benchers have taken marketing rules seriously over the years. But how the benchers would treat it is yet to be tested—you need to weigh the risk."

**EQUIPMENT/SYSTEMS** Some of your equipment may also hold your name and logo. These items do not form advertising per se, but for uniformity of image and name, you may wish to consider the following devices:

- ✓ *Receipting devices:* like an Interac or VISA/MasterCard machine;
- ✓ *Fax machines:* they display your firm name in the header information;
- ✓ *Self-inking stamps;*
- ✓ *Postage machine* The newer, digital machines, which will be mandatory by the end of 2007, have logo-display capabilities that you may need to modify.
- ✓ *Automatic e-mail signatures;*
- ✓ *Your BC Online account.*

#### ADVERTISING

- ✓ *White Pages* listings and *Yellow Pages* listings and advertising. These campaigns happen in the Fall. (Call 1-888-811-2828 to change your listing in the *White Pages*.)
- ✓ Legal directories (eg. *Canada Law Book, CBA-BC Directory*)
- ✓ Newspaper advertisements. If you develop ad copy in-house, this will be easier than if you need to co-ordinate changes to a catalog of ads that you may use throughout the year for various advertising campaigns. In the months following our conversion, I found it difficult to get the newspapers to adopt our name change in their news section. While I have control over the ads I submit, it is the ref-



erences to our name for various community sponsorships or press releases where they consistently do not use the LLP extension. It will undoubtedly take some time for the extension to settle in with the various media agents (just like getting used to saying "BCLMA").

- ✓ *TV advertising* Again, production changes may be costly unless you have developed the slides or ad in-house.
- ✓ *Website* Most large firms likely have some dedicated marketing staff that maintains the website. As well as your logo, be sure to search all the pages of your website for instances of your firm name in the copy as well as the headers or footers. As web author for a mid-sized firm, I have found a program called *Macromedia Contribute* useful for making minor text changes quite easily. It is an inexpensive website-editing program that requires little time to learn and is easy to use. This option could be better than the \$100/hour or more the website developer will charge.

#### PROMOTION

- ✓ *Promotional products* It is safe to say that it is okay to use up your

existing stock, but you should have your new name and logo in place for all subsequent orders. There will likely be another set-up charge for this.

- ✓ *Promotional brochures* In-house brochures, handouts and newsletters will be easier to reproduce than getting all new materials from a third party.

**MISCELLANEOUS** When lawyers speak at various functions, on panels, at CLEs or seminars, ensure LLP is included on their registration form, and that their name and firm, if mentioned in the promotional materials, includes the LLP.

Check to see how your lawyers or administrative staff are listed on Boards of Directors, on various hard-copy directories or website directories (*Hint: check your BCLMA membership information—sorry in advance, Ann!*)

On a related note, your lawyers may hold executive positions on Boards of Directors for various community or charity organizations that, in turn, publish their own promotional materials and run their own advertising campaigns.

If your firm name is acknowledged along with the member lawyer, this too should be amended when the opportunity arises. Do your best to contact as many of the organizations as possible.

I admit I have likely missed a few, but hopefully this article will help turn your mind to the many changes that need to be made when registering as an LLP. ■

→ *Registry changes: Continued from page 4*

ect that will run, until September 1, 2007, in the Vancouver, Victoria, Prince George and Nelson registries.

It will include actions that deal with money, real property or personal property where the total of the monetary claim amount is \$100,000 or less, exclusive of interest and costs.

Exclusions from this rule are family law proceedings, actions that began under the *Class Proceedings Act* and any action requiring a jury trial. New limits are placed on pre-trial procedures and on the evidence presented at trial.

Parties are responsible for immediate and comprehensive exchange of documents. A case-management conference may be requested by either party for an expedited action—or directed by the judge or master—and a trial-management conference must be held between 15 and 30 days before the trial, no more and less. This rule introduces three new forms: *Form 141—Notice of Witness*; *Form 142—Requisition for Case Management Conference* and *Form 143—Case Management Conference Order*. ■

## Yes, you can raise partners fees and still retain clients

BY SIMON TAYLOR,  
CATALYST CONSULTING

Contrary to popular opinion, most lawyers are self-conscious about how much they charge on an hourly basis. We've found that it's often difficult for them to talk about their hourly rates with their clients.

This phenomenon occurred when we recently worked with two clients. In both cases, we recommended they raise their rates on the order of about 20%, just to bring them into line with market. We were greeted with howls of protest: *Clients wouldn't put up with it! The rates were already too high! We were totally out of touch with reality!*

Of course part of the problem was that a good 30% of the work on each of the partner's desks should have been done by a lawyer with less experience and a lower rate.

Not all of the work done by each partner was worth the new hourly rate. In fact, if the actual work was being staffed correctly, the overall cost to the client would probably go down, despite the increase in the rates.

This problem is compounded by the baby boomers—and the demographic bulge they represent. As they move into the senior ranks of law firms across the country, standard demographics involving the relative paucity of younger generations means there are often fewer and fewer juniors available for delegated work.

**AIDED AND ABETTED** For our two clients, this hoarding of work by senior partners was aided and abetted by the firms' compensation systems. These were essentially production-driven; they rewarded partners for getting and doing the work. The systems either ignored or placed lesser weight on origination, and didn't do much to recognize effective delegation or the care and feeding of others; they failed to adequately recognize those who invested in the firm.

The clients of these two firms—

are all clients—were interested in the overall cost, in good service and in the outcome of the work. But the hourly-rate concept was like a red rag to a bull; it generated emotion that obscured any conversation about the real-value proposition.

A real-value proposition has three factors: service, results and cost. Lawyers should set out in writing, what work is going to be done; what level of service should be expected for various aspects of the work; the purpose and objectives for the work, and; provide a range of expected costs. Invoicing should be done accordingly. Invoices should describe the outcomes achieved, the milestones met, and the activities undertaken, but they should not report the exact number of hours down to the nearest 0.1 of an hour with each activity.

So any conversation with clients about the real-value proposition your firm is providing has to be scripted, and the communications of it considered carefully, but it's not usually about the rates.

**BLENDED LEVY** When one *must* talk about rates, a blended levy for the team of professionals, including law clerks, working on the mandate, is often more realistic—and, particularly for the client—more palatable.

Back to our two clients: We went around the table of partners at both firms and asked each person to con-

sider another partner at the table. We asked them to offer suggestions about what rates that lawyer should charge.

Interestingly, our recommended rates were pushed higher in some instances as fellow partners weighed in on a colleague's merits and that person's standing in the market place.

This is another phenomenon we often observe. Rates for a firm tend to end up higher overall after partner input. That's a rule of thumb, though.

One partner, pre-eminent in his field, refused to accept a higher rate, so we asked him to list for us who he felt were is peers in the field. It turned out that they were all at other firms. We then did some research and were able to show that the peers charged almost 40% more for the same work. Our client's partner eventually acquiesced.

### EXPERIMENT TRIED

Another partner agreed to try an experiment; he quoted the rates to a new client, which wasn't quite on script. After the client stopped gasping, the partner patiently explained that he had a team of three associates and three paralegals.

Then he told them that he would be doing the critical and strategic elements of the file, but that his team and back-up would be working on the project as well, so that, overall, the costs would be less than the new rate. The client has

*Continued on page 9* ➔



**A partner quoted the rates to a new client, which wasn't quite on script. After the client stopped gasping, the partner patiently explained...**



since sent him two additional files.

The trade press has covered value billing, success fees, premium billing, fixed fees, blended rates and multi-year rates for over 15 years. But about 90% of legal work is still billed on an hourly basis.

If you want to reduce self-consciousness, you have to get away from the emphasis on the time expended—time invested—cost-plus approach, and move towards outcomes, results and meeting the client's objectives.

There is a mantra for those who would feel uncomfortable at discussing their hourly rate: This is a relationship-driven business; it's rarely a cost-driven business.

*Simon Taylor joined Catalyst Consulting as a partner in August; this article will appear in Lexpert's September issue. The firm is the Preferred Supplier for Legal Services Consulting by both the CBA and the Canadian Corporate Counsel Association. Taylor, in Vancouver, can be contacted via: <<http://www.CatalystLegal.com>>*

## LMA opens new chapter in Vancouver

# Legal marketing in Vancouver gets boost

Ms. Gray-Grant is LMA's Vancouver President. She is also Director of Marketing & Business Development for Alexander Holburn Beaudin & Lang LLP.

September marked the official start of a Vancouver chapter of the Legal Marketing Association (LMA Vancouver), the global professional association for legal marketing.

LMA Vancouver is the first chapter in Canada, and also the first LMA chapter outside of the United States.

LMA has about 2,600 members linked to these chapters and their residence spans 11 countries, although the majority reside within North America. Canada has several hundred members.

LMA Vancouver is quickly signing up new members, so that number is growing. At the moment, we have 35 members in Vancouver. We are also

assisting marketers in Edmonton and Calgary with establishing a Calgary chapter. A Toronto chapter may not be far behind.

While a number of organizations involved in professional-services marketing has sprouted within the past few years, LMA continues to dominate the legal scene—primarily because, as you know, there is nothing quite like the challenges of working within the environment of a law-firm partnership.

For this reason, LMA Vancouver wanted its chapter to be comprised of marketers, lawyers, administrators, consultants and suppliers to the industry.

It is felt that for legal marketing to truly progress in Vancouver, everyone involved in marketing implementation within a law firm must be part of the learning and conversation.

**BY HEATHER GRAY-GRANT,  
ALEXANDER HOLBURN  
BEAUDIN & LANG LLP**

*Continued on page 10 →*

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- Fleet Management
- On-Site Facilities Management
- Technical Service and Support
- Legal Document Services
- Financing

All administrative positions in law firms have their distinct and significant challenges. In marketing, there are two:

**Marketing's first challenge:** The purpose of legal marketing is to move lawyers and their firms beyond their comfort zones with respect to marketing.

Marketing requires almost the antithesis of the typical lawyer personality. Lawyers prefer to focus on their expertise and precedent, they work as individuals rather than teams, and they make their own decisions in a time line that is most comfortable for them.

Marketing requires that they view the world quite differently, so that they: operate in teams, constantly consider the client's perspective of client service, and appreciate that the best marketing ideas for their clients might not yet have occurred to anybody.

To use an analogy that should resonate with you: it's one thing to en-

courage someone to take up the piano when they want to learn. It's quite another to insist they learn the piano when they would simply prefer not to do so.

**Marketing's second challenge:** It's the sheer diversity of marketing skills required by the typical marketing department. Fifteen years ago, marketers had to know event planning, corporate-image consistency, brochure development a bit of advertising and some public relations.

Today, that list has expanded to include: creating and maintaining marketing budgets; website technology; databases; lawyer coaching; presentation skills; business development; strategic planning; practice-group (aka client-team) management; charitable and community outreach programs; alumni programs; student and associate recruiting programs; branding and logo design; market research; extranets; newsletters (hard copy and e-bulletins); RFPs; seminars; speaker bureaus; marketing-education programs; business-continuity plans; le-

gal sales... and the list goes on.

Each area is continually developing. To keep up, let alone progress, those involved in any way with marketing in a law firm must become permanent students. They must seek new information in all of those areas from as many sources as possible, including magazines, books, seminars and conferences. In part, LMA Vancouver was created to help meet this need.

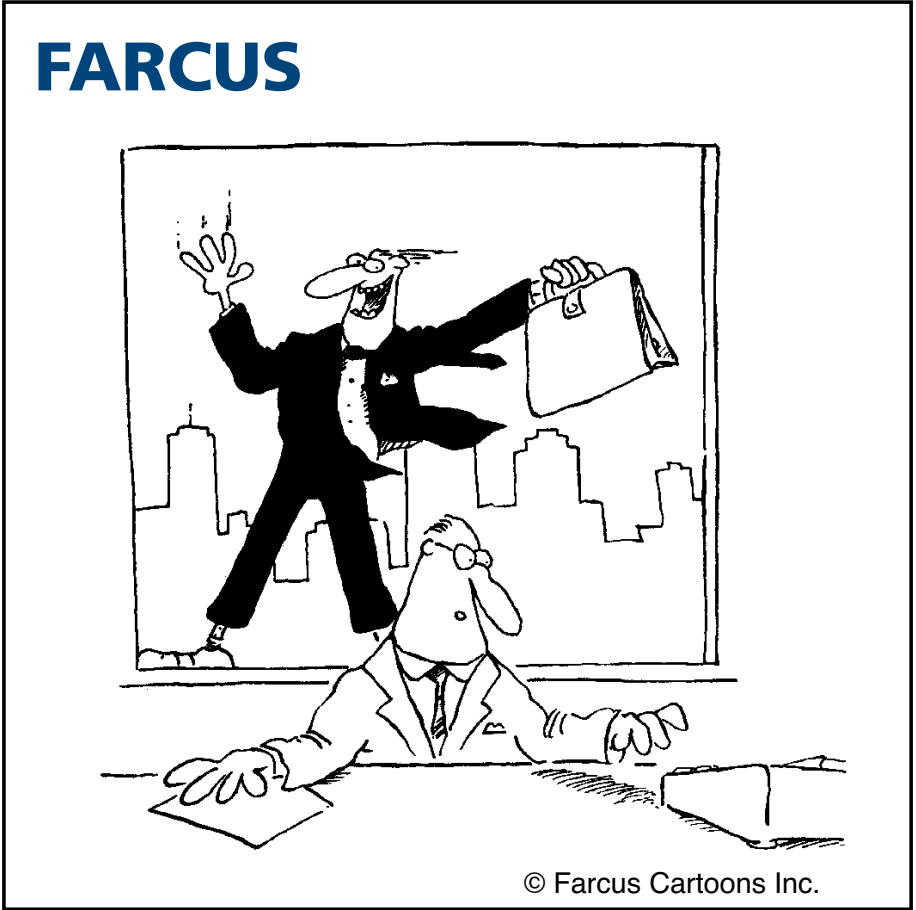
LMA Vancouver's initial objectives are aggressive, to say the least. In its first year, LMA Vancouver will:

- ✓ Establish a website and load it with considerable content, such as articles, book summaries, job postings in marketing, and the like. The site will also allow for program registration and payment;
- ✓ Undertake an outstanding educational program, which includes at least 12 events, such as a travelling boot camp in conjunction with the CBA, a book club, and programs that can be attended by lawyers as part of the marketing-education program of their firm. (LMA Vancouver limits non-members to attendance at two events per fiscal year);
- ✓ Establish a *Vancouver Legal Marketing Excellence Award*, to be given out at next September's annual general meeting, to the firm that demonstrates the greatest business success from implementation of a marketing strategy.
- ✓ Establish a *BCIT Award for Professional Services Marketing*, to be given to a second-year BCIT student selected by the faculty of the Business Administration—Marketing program.
- ✓ Establish a welcome program for new marketers, managing partners and marketing partners in Vancouver.

We have also formed a partnership with KPMG. That firm has volunteered to serve as our accountants.

Those of us who have practised legal marketing for more than 10 years understand that this profession is still in its infancy. We can try to learn from other industries who are much further ahead of us in marketing sophistication and we can read books from professional-services experts; but ulti-

*Continued in the box on page 12 →*



**"Ms. Kelsey, is anybody from our marketing department back from their seminar yet?"**

# Answers to the question: Can a law firm get a real return on investment from leadership development?

BY PAUL A. JOO,  
MANAGING DIRECTOR  
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Leadership development and ROI: inextricably linked, or mutually exclusive?

Unsung are the legions that have attempted to tread the middle ground between these two concepts, only to find themselves later mumbling incoherently in commiseration with some phantom associate: "I don't understand... it should have worked!"

It's clearly not a confidence-builder for any law firm thinking about embarking upon a serious leadership-development initiative.

Does this mean that it is impossible for leadership development to deliver real-world ROI? Is there really a special place in Hell—right alongside people who drive too slowly in the passing lane—reserved for those who dare tempt the Fates by demanding it?

It behooves your business to deliberately develop a critical mass of leaders with exceptional leadership qualities to ensure sustainable competitive advantage and firm profitability.

Perhaps the real culprit here is not leadership development, nor even ROI, but simply the issue of trying to hit the ground running with a program offering leadership skills to people within one's firm when one's feet are firmly planted in the status quo.

Given this scenario, it is hardly surprising that when most leadership-development initiatives also attempt to hit the ground running, they find themselves driven face-first into *terra firma*.

What is a law firm to do?

For one thing, take a good hard look at your firm's approach to leadership development. That is, look at your feet and see if your galoshes are poised on the edge of one of the following three pitfalls inherent in status-quo approaches to leadership development:

**1. PITFALL:** Provide no meaningful context or link to business goals, thus giving the impression that leadership development is taking place in a vacuum, or worse, perceived as extra work.

### Potential Consequences

Without a meaningful context, leadership-development initiatives are perceived by partners as simply another unwelcome distraction. Hence the tendency to actively reject leadership development, and to cling with a vengeance to the old habits and behaviours that precipitated embarking on the path of leadership development in the first place. Failure to address this issue will guarantee that your leadership-development efforts will have little positive impact on your leaders, staff or team members.

### Solution Strategies

Ensure that you captivate your top people with top-line leadership development that is linked directly to their business goals—that is, to their reality. Create a meaningful leadership environment in which your partners can successfully dispatch the multitude of pressures for which they are ultimately responsible.

Doing so keeps them engaged, focused and effective; it also prevents long-term strategic activities from fading into the background noise of the day-to-day demands of your firm's business.

**2. PITFALL:** Avoid the risk of being politically incorrect—a.k.a. Old School—by advocating 360° leadership under the auspices of being egalitarian.



Leadership-development ROI requires time and investment.

### Potential Consequences

If you espouse the ideal that leadership is about accepting and executing responsibilities, every individual in the firm inevitably finds the amorphous responsibilities of being a leader thrust upon them.

When everyone is a leader, however, there is a noticeable lack of followers, so the responsibility for firm performance will weigh heavily upon the staff and associates.

The resulting pressure to create extreme tension and pressure among them. Worse, the pressure is transmitted back to the leadership, in the form of initiatives that are incompletely or unsuccessfully executed, as well as in the form of low morale and an increasing incidence of unresolved conflicts. Alongside this veritable cornucopia of motivational

issues will arise complaints about "mixed messages" and "inconsistent leadership direction." Not optimal.

### Solution Strategies

Committing to the leadership development of your high-potential associates as future leaders is an excellent strategy.

But it can't replace the impact of your current leadership. Your current partners are ultimately tasked with achieving the firm's performance objectives by mobilizing their people with energy and momentum. It's a common—and unfair—misperception that partners are too senior or too experienced to need leadership development.

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Sustain a critical mass of leaders, and your firm will find itself in an excellent position to both attract and retain individuals who possess their own leadership potential, thereby supporting the execution of the long-term strategic, marketing and succession-planning efforts. The continued success of your firm depends on such efforts.

**3. PITFALL:** Treat leadership development as a one-time event, rather than what is really is: a process.

*Potential Consequences*

Adopting leadership development as a one-time event puts tremendous expectations and pressures on your partners to perform faultlessly and deliver extraordinary profitability immediately upon the completion of their development training. Keenly aware of this pressure yet given insufficient processing time for their new skills to over-ride old habits, partners will do one of two things:

- a) They will try to do everything all at once, and in the process default to precisely the same set of old leadership habits that you all tried to change in the first place... or
- b) They will simply seize the attractive alternative of switching onto autopilot.

And since in neither case do they accomplish anything substantive, the general consensus to those witnessing this debacle from the sidelines will be that the partners have once again, true to form, dedicated themselves to the furtherance of yet another silo initiative.

The inevitable outcome? More juxtaposed rationales and directives, scrambled priorities and conflicting deadlines that fuel frustration and futility, seriously undermining both your firm's reputation and morale.

*Solution Strategies*

It is one of the fundamental characteristics of human nature that it takes us some time to cycle through old patterns of behaviour and sincerely adopt new ones.

Furthermore, as many of the pressures and challenges to which partners must respond have developed

over time, some can only be remedied over time.

The key is to manage the process systematically and consistently, and, in doing so, allow the trickle-down effect to gradually but positively impact the entire firm. When you address leadership development as a process, you are treating it as a significant and meaningful investment in both your leaders and the future of your firm, and it will continue to deliver value as such.

*The Bottom Line*

Can a law firm get real ROI from leadership development? Clearly, the answer is a resounding yes... with the following proviso: You must be extremely vigilant to resist defaulting to outdated status-quo definitions of the concepts that are critical to your success. Should you find yourself unable to do so, be prepared to experience an environment of which Danté himself would be proud.

The three key concept definitions which you must adopt are as follows:

- ✓ *Leadership development:* Providing training in terms of skills, tools and techniques, but also provide the context in which leaders can exercise these skills to the benefit of the entire firm.
- ✓ *Real ROI:* Having a dependable leadership team that can successfully execute the responsibilities of sustaining the competitive position and profitability of the firm.
- ✓ *Investment:* Maintaining a practical leadership environment that won't collapse under competing pressures.

When you accept these as the foundation upon which to build your business case for leadership development, your success is assured. In fact, you will create better leaders; mentors who create more leaders—and we define them as individuals with accountability, initiative and ownership in your firm.

**SOME FINAL THOUGHTS** Every successful leadership-development initiative begins with affirming what your firm wishes to accomplish as a business, linking those objectives to an effective leadership environment, and then aligning leaders and objec-

tives within that environment.

But keep in mind that your leaders' environment is ever-changing, and since they seldom get a second chance to make critical leadership decisions, a buffer zone that fosters both control and accountability is incredibly valuable.

Ensure that your leadership-development program continues to provide that invaluable buffer zone for your people to seamlessly develop their own competencies without risking burn-out and other negative consequences.

And with the freedom to exercise their potential your leaders will thrive, thoroughly enjoying the process as they outperform even their own expectations, ultimately taking your firm's performance to the next level.

*Paul Alexander Joo is the founder and Managing Director of Ascent Group, a management-advisory firm specializing in translating performance potential into real-world results. He can be reached at <Ascent@PushTheLimit.com>. His company's website is: www.PushTheLimit.com*

→ LMA in Vancouver — From page 10

mately, our best learning will occur as a community.

Like the law, there are not necessarily right and wrong answers, only interpretations. Through education and discussion, we can collectively evolve our legal-marketing thinking, and eventually raise the bar of legal marketing in the city—and perhaps even this country.

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The BCLMA, founded in 1972, is a non-profit organization with more than 80 Full Members and more than 120 Sub-Section Members across B.C. It is the BCLMA's goal to provide educational opportunities for our members, to enhance skills as legal administrators and to provide professional and personal benefits to the members and their law firms.

## MEMBER SERVICES:

- ✓ Opportunities for members to network with other law firm administrators are provided by events such as our annual Spring and Winter social, or monthly sub-section meetings. We host an annual managing partners luncheon.
- ✓ Our job bank offers Members information on potential employment opportunities.
- ✓ The discussion section on our website allows our members to quickly get questions answered with advice from others who may have faced similar situations.

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