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WILL NON-LAWYER CEOs BECOME PART OF THE “NEW NORMAL”?

“New Normal” has become the term *du jour* to describe the legal profession today due to changes such as alternate fee arrangements (AFAs), the greater use of Legal Process Outsourcers (LPOs), the growth of non-traditional service providers and, mostly in large firms, the reduced hiring of associates.

Another change which had not received as much attention as the above is the increase in the number of firms that have appointed non-lawyers to senior management positions such as Chief Operating Officer or Executive Director. Now this trend may be going even further.

In February, Philadelphia-based Pepper Hamilton named Scott Green, a non-lawyer, as Chief Executive Officer. In doing so, Pepper became the largest and perhaps only the third firm to select a non-lawyer to run the firm. In 2009 32-lawyer Stafford Rosenbaum and 128-lawyer Whyte Hirschboeck Dudek (both based coincidentally in Wisconsin) did the same.

Although Green had prior law firm management experience at Weil Gotshal & Manges and then WilmerHale, he previously had held management positions elsewhere including Goldman Sachs and Deloitte Touche. Neither the Stafford nor the Whyte Hirschboeck CEO had been with a law firm but both, like Green, had prior management experience. While none of the three firms initially looked to hire a non-lawyer, they concluded that they wanted someone with business experience.

As we reported in last November’s *Communique*, 4,200-lawyer DLA Piper apparently came to the same conclusion when it hired Tony Angel as co-chair of the firm. Although at one time he had been Managing Director at another mega firm, Angel had subsequently been Executive Managing Director for Standard & Poor’s and then CEO of Vantage Diagnostics Ltd.

Having a non-lawyer as CEO is a dramatic change that may be upsetting to legal purists, many of whom are older lawyers. But it is not new in other professions. We have worked with an architectural firm whose CEO was not an architect and, in the medical field, many large group practices have hired CEOs who are not doctors.

In any business or profession, just as in life itself, some changes are cyclical and will not last. Others are structural and become permanent. Some of the changes in the New Normal appear to be structural. Time will tell if non-lawyer CEOs will be too.

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