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Power Sharing: Law Firms Say It Can Be Nirvana but Experts See Pitfalls

Experts aren't fond of the idea: two co-managing partners or a committee of equals running a law firm. But the leaders of some of New York's midsize firms swear by it.

By Susan DeSantis | May 15, 2018

Experts aren't fond of the idea: two co-managing partners or a committee of equals running a law firm. But the leaders of some of New York's midsize firms swear by it.

Of course, examples abound of law firms where co-managing partners don't mesh, alienating each other or the rest of the firm. On the eve of Valentine's Day in 2017, Eckert Seamans Cherin & Mellott

announced that it had [installed a pair of leaders to serve as co-CEOs](https://www.law.com/thelegalintelligencer/almID/1202779135564/tim-ryan-eckert-seamans-longtime-ceo-) (<https://www.law.com/thelegalintelligencer/almID/1202779135564/tim-ryan-eckert-seamans-longtime-ceo->



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abruptly-announces-resignation/) but earlier this month there was more dissension than love when one of them was ousted. (<https://www.law.com/thelegalintelligencer/2018/05/07/eckert-seamans-scrap-two-ceo-model-after-one-year/>)

"It's not a great model, particularly in a midsize firm," said Brad Hildebrandt, an expert in law firm management. "Anything can work. But my own experience with it is it more often doesn't work than works."

One of the downsides of having two partners in the same role in a midsize firm is the loss of revenue when managers spend less time on their own practices. Neither Hildebrandt nor Lisa Smith, who heads the Washington, D.C., office of Fairfax Associates, think midsize firms need more than one leader.

"I do think more can go wrong than right," she said. "Doing two full-time jobs half time can be more of a challenge than they expect. In the law firm context, clients have to come first."

Another downside of shared power is when partners play one manager off the other, sowing dissension.

"What you'll see is when the partners don't get the answer they want from one of the managing partners, they'll go to the other. It's like parents," Smith said.

But there are success stories. Shared power can work after a merger of two law firms that are equals, she said. The key is that the managing partner of each firm must care more about the needs of the merged business than the culture of the legacy one.

Whatever the experts say, there are firms that defy the odds or just prefer the atmosphere when power is shared.

Olshan Frome Wolosky name partner Steve Wolosky said the firm is different from most others because its decisions are made by consensus.

"I've been here since 1986 and I don't remember a single argument since I've been here," he said.

The 90-lawyer firm, based in New York City, has an executive committee and two partners who are co-administrators who make the day-to-day decisions. It also seeks buy-in from its 18 equity partners and keeps its contract lawyers in the loop too.

"Many of our competitors are out of business," he said. "We've managed to go from the first generation to the second generation and now we're going to the third generation and so it must work for us."

"We have a cohesive firm where people really enjoy working with each other. Why change the methodology if it works?" he said.

Murphy & McGonigle name attorney Tom McGonigle said he and name attorney James Murphy have shared power since they started the New York City firm eight years ago.

"James and I kind of made a pledge when we opened the firm that there wouldn't be daylight between us," McGonigle said. When there is disagreement, it's usually because one of them ("usually me," McGonigle acknowledges) hasn't listened to the other person's viewpoint well enough, McGonigle said.

When it comes to prickly issues, such as determining compensation at the 55-lawyer firm, the co-founders have a way of working it out. The partner who knows a colleague best serves as his or her champion while the other is more objective. They will likely have to meet two or three times until consensus is reached.

Mitchell Littman, managing partner of Littman Krooks, which at 18 lawyers is considered a small firm for New York City, shares power with co-founder Bernie Krooks. Littman says he's more of a people person and Krooks is more of a numbers person.

"The vastly overused metaphor is it's like a marriage and that's probably true," Littman said.

And as with any marriage, you have to make sure that all the decisions aren't favoring one person at the expense of the other, he said.

"If you want to be true partners in situations, that means by definition you're not going to

get something you want," he said.

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