

The Importance of Emotional Intelligence in Law Firm Partners

“Law is human interaction in emotionally evocative climates. Any lawyer who can understand what emotions are present and why is at a tremendous advantage.”

— PETER SALOVEY, PRESIDENT OF YALE COLLEGE AND ORIGINAL YALE RESEARCHER ON EMOTIONAL INTELLIGENCE



BY RONDA MUIR

Law firms usually have a number of criteria for choosing who to invite into the partnership, but a traditionally sacrosanct factor is technical competence. In other words, the main concern is that partners be very good lawyers. So most firms try to hire the smartest law school graduates and then make the smartest of them partners, hoping thereby to secure the firm's reputation and future. Corporate America, however, has realized for nearly two decades that there is another type of competence involved in producing the highest bottom-line performance in organizations and it is not intellectual or analytical expertise but relational skills—in essence, managing emotions.

That conclusion has been supported by astonishing research in the fields of neuroscience and psychology, which demonstrates that emotional savvy enhances intellectual functioning and also opens access to critical additional abilities. In 1990 Yale researchers John D. Mayer and Peter Salovey published the first formal definition and experimental measurement of emotional intelligence (EI). Their research concluded that a combination of using emotion and thinking produces the most sophisticated analyses and decision making. Their findings were popularized by Daniel Goleman in his 1995 runaway best-seller, *Emotional Intelligence: Why It Can Matter More than IQ*.

EI involves recognizing your own and others' emotions, accessing the appropriate emotions at the appropriate time, understanding how emotions affect behavior, and knowing the best strategies for managing emotional situations.

So how do you recognize EI? It does not correlate with any particular personality trait, or translate into "being nice" or "liking people." But the lawyer who engenders strong loyalty from clients, associates and staff or those to whom others in the firm go for counsel on personal issues, conflicts and client imbroglios probably have higher EI. From management's standpoint, they are the ones who can truly hear what you are saying, including criticism, and respond reasonably. These kinds of partners are highly valuable assets that are not easily replaced by law firms.

Both the research and the experience of the corporate world offer valuable insights into how including EI as a criteria in making partners can improve your partnership and your firm in many ways.

Better Judgment and Higher Productivity

EI arguably accounts for as much as 80 percent of an individual's workplace success, more than raw intelligence and expertise combined. Studies at Harvard and elsewhere have shown that high IQ does not necessarily translate into high productivity, while the ability to "get along with people" has been found to be more critical than intelligence, decisiveness or job expertise in achieving bottom-line results. This indicates that emotionally intelligent partners will be among your strongest performers.

■ EI can also help lawyers quickly make accurate assessments. We feel before we think, and that feeling can be powerfully insightful, if it is accessible. A study involving a card game with four decks, two rigged to produce bad results, illustrates this beautifully. Most people take an average of 50 card tricks

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to identify the unlucky decks and 80 tricks before they can articulate that. However, it is clear from the participants' pulse and perspiration rates that they *emotionally* identify the problematic decks by the 10th card, 40 cards *before* their intellect does. The conclusion we can draw from this is that limited access to emotional data can leave lawyers out of touch with important information.

Data compiled from other studies across various industries also shows that high EI clearly hits the bottom line:

- Ninety percent of top performers across industries have high EI, whereas only 20 percent of low performers do.
- Insurance agents who score high on EI tests sell twice as much in policy

premiums as agents who score lower.

■ Managers at American Express Financial Advisors who complete an emotions training program achieve significantly higher rates of growth in funds under their management than do their untrained peers.

■ Those who raise their EI are roughly 25 percent more productive than before.

Data also suggests that the emotionally intelligent are more likely to listen to and use feedback, helping them achieve even more over time.

Enhanced Business Development and Client Relationships

Both "finders" and "minders" can clearly benefit from higher levels of EI. According to professional services guru David Maister, "Ultimately, hiring a [law firm] is about confidence and trust. It is an emotional act." Supporting this, *In-House Counsel* magazine's 2006 ACC/Serengeti *Managing Outside Counsel Survey* reported that of the four reasons companies fire outside counsel, two are for deficiencies in "soft" skills—responsiveness and personality issues.

Thus, it follows that the advantage in both getting and keeping clients goes to the competent lawyer who can operate on a level of interpersonal interaction above the norm. Having emotionally intelligent partners courting your hoped-for clients provides the best chance of success, since these are the lawyers who are more likely to correctly identify client values, hear and respond to clients' stated and unstated concerns, and build a loyal relationship over time.

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The Strength of 21st Century Leaders
Leadership, particularly of a business whose assets can walk out the door, is mostly a matter of influence. And influence in a law practice is built through individual relationships. Getting partners to work together, for example, cannot be done by fiat. The leader who can access, understand and manage his or her own emotions and those of others will be the one who can get optimal performance

from the firm, making EI a very powerful driver of effective leadership.

A 2006 Altman Weil study identified five critical concerns of law firms, with people management being one of the highest. But the other four concerns—growth, competition, client service and pricing—also each require effective people management. Growth requires strong leadership and culture, office and practice integration. Competition is felt most dramatically in the war for talent, with quality people giving firms a competitive edge. Client service requires superior relationship skills. And even

pricing is a function of service, which general counsels have consistently linked to people skills. It is the emotionally intelligent leader who is best equipped to make progress on all these fronts.

Managing a firm's people assets when they have the personality traits lawyers tend to exhibit is particularly challenging. High autonomy, skepticism and competitiveness are more likely to produce lone wolves than collaborators. The emotionally intelligent leader can help offset that tendency by connecting with others and supporting and promoting their success. In addition, EI at the top can be contagious—a positive managerial mood and the resultant enhanced general mood can go far both in improving employee performance and retention and reducing conflict.

As firms expand, EI will be even more critical. A recent study conducted by the Center for Creative Leadership found that the concept of effective leadership has changed over the past five years: 84 percent of those polled said leaders today are valued for collaboration skills, such as building and mending relationships, rather than solitary heroics, the standard five years ago. Specifically important is being able to “enhance co-worker relationships.” This change is due, according to those surveyed, to the broader demands of leadership, which now go beyond one individual's capability and require collaboration across various boundaries.

More Effective Team Building

Perhaps the only need more pressing for law firms than identifying emotionally intelligent leaders is building emotionally intelligent teams. Having more emotionally intelligent partners puts firms farther along that path.

THE SCIENCE BEHIND EI

Our brains are hardwired to feel before we think. We average 465 emotions a day, each an impulse to act. The amygdala stores emotional memory and manages these fight-or-flight responses. The neocortex is where our IQ and working memory reside. The amygdala responds to external data 100 times faster than the neocortex can think.

Set at birth and refined over years of emotional experience, fight-or-flight reactions temporarily inhibit working memory and direct us to take action. The result can be an “amygdala hijack,” a sudden, strong emotional response to a real or perceived threat, except that you're at the office and not in danger of actually being eaten.

You can determine your accuracy in recognizing these “threats” and train yourself into a higher ratio. Watching

movies on mute and trying to identify the story line by the facial expressions or engaging a “high EI buddy” can help improve perception accuracy.

You can also figure out your typical default reactions and learn new ones. Sometimes simply taking a deep breath and counting to 10 works best, allowing the balance between emotion and rationality to return. Consciously analyzing the problem or asking questions can also help redirect habitual patterns.

But regardless of your perception accuracy, ignoring or suppressing those emotional impulses is not the right strategy. Suppression actually reduces your cognitive functioning, and there may well be reasons for your strong reactions that your neocortex doesn't yet know. Being able to recognize the signals and then harvest that nonrational data gives you an important edge.

There is a revolution in law firms today toward an expanding use of teams—management, client, industry and marketing teams. Team effort produces happier clients, since the likelihood of someone connecting with the client on a personal level is enhanced, and there is more comprehensive expertise, owing to the cross-fertilization of minds. Perhaps less obviously, members of teams report being happier than lone wolves, which in turn means more-dedicated, harder working teams.

Teams are more creative and productive when they achieve high levels of participation, cooperation and collaboration among their members. And at the heart of these conditions are emotions—bringing emotions to the surface, understanding how they affect the team’s work, and encouraging behavior that builds relationships inside and outside the team. Consequently, team leaders with high

EI are most likely to achieve the most collaborative and productive results.

Achieving the Edge Over the Competition

Ultimately, though, isn’t it still essential to a firm’s success that its partners be good at lawyering? Yes, of course. But in addition to being “good lawyers,” emotionally intelligent partners have the interpersonal support and resilience to make unpopular but necessary decisions. They are able to hear bad news—from clients, litigants, regulators, other partners, associates and staff—and respond in an appropriate way so as to quickly reposition your case or deal, client, leadership or firm. They can glean the kind of information that could bring your firm to the next level, and they can model for younger lawyers the appropriate behavior, building the firm’s EI capacity over time. Their ability to lead teams that identify the client’s

concerns, establish a strong relationship and get matters completed well, on time and on budget, can mean the difference between success and failure in an increasingly competitive and global legal market. **LP**

Ronda Muir (rmuir@robinrolferesources.com), a Senior Consultant with Robin Rolfe Resources, couples years of practicing law with advanced study in psychology and conflict resolution to offer evaluations of, and real-world solutions, to the dynamics issues that arise in legal organizations.

RESOURCES

- 2006 ACC/Serengeti Managing Outside Counsel Survey, www.serengetilaw.com/survey

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