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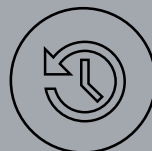
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# How Delayed Retirement Can Help Your Firm

Find out how to position experienced attorneys to be the best resource.



**ERIN BRERETON**  
*Owner, Chicago Journalist Media*

**For some attorneys — including Daniel Riesel, Principal at New York-based Sive, Paget & Riesel P.C. — exiting the workforce at the traditional retirement age just didn't hold that much appeal.**

So Riesel, who was admitted to the New York State Bar in 1961, kept working — and has no plans to depart from his current firm.

"I like to practice law," Riesel says. "My wife is a practicing attorney in a large firm that does not have a retirement age mandate; at 65, we thought we were far too young to retire, and I was in the midst of a lot of exciting cases — so I wasn't considering retirement."

At firms without a mandatory retirement age — approximately half, according to Major, Lindsey & Africa — a number of attorneys are opting to work past age 65.

Eight percent of partners with a tenure ranging from one to more than 21 years, in fact, say they don't plan to retire; a quarter aren't sure if they ever will.

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### OPERATIONAL ASSETS

If partners remain productive, firms are often happy to let them stay, according to Steve Nelson, a former attorney and who works as a Managing Principal at The McCormick Group, an executive search firm. There he handles the company's attorney placement operation.

"A lot of times, attorneys can retire into senior staff; they don't have to leave the firm," Nelson says. "Even firms that say they have a retirement policy, more and more are making exceptions for partners who are very busy and have a lot of client relationships."

Even if attorneys maintain the same workload and schedule past age 65, they won't necessarily delay retirement forever. Firms may want to start thinking about which lawyers would eventually be able to handle older firm members' work if they do retire.

It can be a win-win scenario for lawyers who hope to delay retirement — and for law firms, which then have experienced senior staff members on hand.

Being able to work alongside former Chief Executive Officer (CEO) Barry Mandelbaum at Roseland, New Jersey, law firm Mandelbaum Salsburg as co-CEOs helped Bill Barrett prepare to assume the role full time in January 2018.

"As we began our transition plan a few years ago, I had the luxury and advantage of having a mentor and [working with] someone who'd been practicing law for [more than] 50 years and managing the firm for a long time," Barrett says. "By him staying on, it allowed the process to happen slowly and organically, which benefitted the law firm greatly."

Mandelbaum — who, at 81 is the only attorney at the firm to remain a shareholder past 75 — currently serves as chairman of the board and maintains a robust schedule, generally working five days a week from 9:30 a.m. to 7 p.m., attending

client dinners or land-use matter events four nights a week and providing assistance in the office, as needed.

"The younger partners come to me all the time with issues they have with matters they think I know about — development, zoning, sometimes about litigation," he says. "[I give] a lot of advice to other people; I think I provide a certain amount of business and financing knowledge to help the firm in its development and growth."

### STRUCTURING POST-RETIREMENT POSITIONS

If experienced partners opt to work past the traditional retirement age, they can provide considerable institutional knowledge and support.

To ensure expectations are aligned and the attorneys are positioned to succeed, firms may need to address several considerations, including:

**How attorneys' roles are defined:** Law firms that limit partnerships to a specific number may ask partners who don't want to completely retire, but would like to work less, to accept a different title, such as senior counsel or senior partner, to free up a partner position for a younger attorney — or, according to Andi Cullins, Principal at The McCormick Group, to indicate to clients the partner's role has changed.

"Sometimes they're using it as a way to bring somebody else up," Cullins says. "Sometimes they're using it to signal this person is still around and part of the firm, but maybe is not full-time."

**Schedule and compensation changes:** Mandelbaum Salsburg allows attorneys to work abbreviated hours, if they'd like to cut back.

"They can choose to remain as shareholders, or if they want to go to senior status, be paid strictly on productivity," Barrett says. "We buy their shares back so they're no longer voting partners."

If retirement-age partners decide to reduce their hours, logically, they'd help siphon a portion of their work to other firm members with ample instruction.

Even if attorneys maintain the same workload and schedule past age 65, they won't necessarily delay retirement forever. Firms may want to start thinking about which lawyers would eventually be able to handle older firm members' work if they do retire.

However, because that type of work likely won't be billable, firms may, according to Cullins, need to revisit their compensation model — potentially offering a bonus or other incentive to encourage attorneys to start to hand work off without focusing on possibly losing revenue.

"The truth is, if you're going to compensate [them] in a sufficient fashion to keep them engaged, it's probably going to mean all partners of the firm are affected," Cullins says. "It really takes the buy-in of the entire partnership to say, 'This is for the good of the firm and its longevity, and we need to start doing this, even if it means we take home a little bit less.'"

The key is for firms to recognize nonbillable work has merit — and plan for the expense, according to Bill Klein, General Counsel at 80-attorney California firm Hopkins Carley, who stepped down from a managing shareholder and president position roughly three years ago.

"Our view has been just because you were billing 1,600 hours does not mean you can't bill [a] business model that works for the firm with reduced numbers; you just have to build that into the budget," Klein says. "The structure of the new arrangement recognizes the transitional partner's commitment on an hourly basis is different — and acknowledges the firm recognizes [the person] is doing other things that have value."

**Identifying successors:** Even if attorneys maintain the same workload and schedule past age 65, they won't necessarily delay retirement forever. Firms may want to start thinking about which lawyers would eventually be able to handle older firm members' work if they do retire — and it may not be as simple as giving the tasks to the employees who have the most available time.

"Figure out which lawyers would be a good relationship fit with your client base," Klein says. "It might seem laborious, but it's the best thing to do to make sure there is a successful transition so clients continue to get good service."

**Easing clients into the new system:** In instances when an attorney has a wide birth of clients, Klein's firm has sent out a mass mailing, letting clients know the firm planned to provide a mechanism for handling files on an ongoing basis.

The firm has taken a more individualized approach when attorneys who worked in more limited practice areas stepped back, reaching out to clients individually by email, letter or phone to provide information.

Before it's time to notify anyone, Sive, Paget & Riesel, which employs more than 25 attorneys, introduces firm members who will be working on matters to clients by bringing them to meetings and other events.

"Our younger people come with us to court and to see clients; we have a lot of instances where younger people can cut their teeth on, for example, [being] before boards, town councils or various agencies, so they get a lot of experience presenting facts," Riesel says. "We don't have a formal plan, but it's built in as part of our culture that younger people stand shoulder-to-shoulder [with more experienced firm members]."

Although Riesel isn't planning to pass the bulk of his work to younger attorneys in his firm anytime soon, he says he has given some thought to the ideal retirement activity — fly fishing. While he doesn't have any sort of set timeframe to give notice, he hasn't ruled out ever doing it.

"There's going to come a time when I will be really pissed off if I'm writing briefs when I could be fishing," Riesel says. "I have no plans to retire; I find it very difficult to say you've done something exciting and enjoyable, and then you hit a certain number and walk away from it — but I have a recognition that I would probably like to sometime in the future." ■

#### ABOUT THE AUTHOR

**Erin Brereton** is a freelance writer, editor and content strategist who has written about the legal industry, business, technology and other topics for 20 years.



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