

# Status Addiction

**By Debra Pickett**

March 2021

*At its best, the practice of law is a noble profession, preserving the rule of law and translating legal abstraction into real-life application.*

*Accordingly, law firms see themselves as materially different from other businesses. Noble and special as they might be, though, law firms are businesses. And, in an increasingly competitive marketplace, law leaders need business expertise to run them successfully: wisdom from outside the legal echo chamber. But in order to put that wisdom to use, they will have to break lawyers' fixation on their "special" standing, and shape a culture that values shared contribution over individual status.*

It's relatively easy to build a law firm that is essentially a collection of successful solo practitioners pooling particular resources. But the best-performing firms manage to be more than the sum of their parts. Externally, they have a cohesive brand: a well-defined place in the market that is easily understood by clients and potential clients. Internally, they have a culture that enables people to work together toward shared goals, whether that's landing new business, serving a large client or handling a complex matter.

The characteristics that make a group of lawyers successful together are not necessarily the same ones that make an individual lawyer successful on his or her own. Indeed, any number of firms — Altheimer & Gray, Dewey & LeBouef, Dickstein Shapiro, LeClairRyan and Sedgwick — comprised of brilliant and talented individual lawyers have failed spectacularly. And, conversely, some of the most profitable and fastest growing firms on the AmLaw 100 and 200 lists today are not populated by Ivy League grads and former Attorneys General but seem to find ways to punch above their weight. The role of "status" in their culture is one reason why.

# Lawyers as Status Managers

In 2006, product design engineer Peter Skillman (who is now director of design for Amazon Web Services) gave a [Ted Talk](#) in which he presented results of a design challenge he had conducted at Stanford, the University of California, the University of Tokyo and a few other places. He challenged groups of four students each to build the tallest possible structure using dry spaghetti, string and tape. As writer Daniel Coyle would later explain in *The Culture Code*, “Some of the teams consisted of business school students. The others consisted of kindergartners ... In dozens of trials, kindergartners built structures that averaged twenty-six inches tall, while business school students built structures that averaged less than ten inches.”

The difference in the groups’ performance clearly had little to do with the intelligence or engineering prowess of their individual members. Instead, while the kindergartners leapt into the task quickly, spotting problems and energetically offering each other help and ideas, the business school students were navigating more than the problem of how to get the spaghetti to stand up straight. They were, as Coyle writes, “figuring out where

” Time spent on the psychological work of “status management,” as this dynamic is called, is time not spent sharing ideas, trying and failing and learning and recalibrating to try again.

they fit into the larger picture: Who is in charge? Is it okay to criticize someone’s idea? What are the rules here?” Time spent on the psychological work of “status management,” as this dynamic is called, is time not spent sharing ideas, trying and failing and learning and recalibrating to try again. And so the simple group project of building the spaghetti tower is complicated by what Coyle characterizes as “inefficiency, hesitation, and subtle competition.”

If those dynamics sounds familiar, it’s probably because many law firms are veritable status-management supercolliders in which ever-shifting alliances, competing incentives and zealously guarded resources bombard attorneys with signals about their own and others’ status within the pyramid-shaped hierarchy.

Law firm lawyers are especially predisposed to expending energy on status management because, quite often, it is exceptional skill at status management that has gotten them there. Being a good student, the type who gets accepted at a competitive college and then a top-ranked law school, is about more than raw intelligence. You also need to know how to “read the room,” to suss out unwritten rules of performance — what it’s important to know, who it’s important to impress and, most of all, how to keep score.

Being hypervigilant about managing one's own status might benefit an individual attorney's career, but a collection of status-obsessed lawyers, as Skillman's challenge demonstrates, does not make the strongest team. Law firms underperform — are, essentially, *less* than the sum of their parts — when they fail to establish a culture that disentangles status markers from actual achievement. High-performing law firms, on the other hand, succeed because they find ways to motivate and reward individual behavior that benefits the firm collectively.

## Status Management Shapes Firm Culture

An organization's culture is, simply, its working environment: its values and norms, what it expects of people, its opportunities and rewards and the way decisions are made.

The ability to set aside individual status management and function cooperatively in service of a common purpose has long been acknowledged by business leaders as a building block of a healthy overall culture. Yet it is a skill that few lawyers have a chance to develop during their professional training. In fact, when lawyers take internships and summer associateships at large firms, one of the first practical lessons they absorb is the profession's prevailing assumption that successful lawyers — especially the rainmakers at the top of the status pyramid — treat their colleagues terribly. It's a straight line from the status they work to manage in law school to the one they will strive for in firm life.

If culture is the intersection of beliefs (what we say we're about) and behavior (what we actually do and allow others to do), it's easy to see how individual lawyers' obsession with their own status has shaped law firm culture. It is the need to manage status that keeps young lawyers at their desks past midnight, long after their more senior (and better paid) colleagues have gone home, and leads lawyers to prioritize professional achievements that increase their status over virtually everything else in their lives, including their mental and physical health.

## What Status Obsession Costs Us

Lawyers' obsession with status and their knack for status management fuels the incredible productivity of the modern business law firm. Increased status is the intangible and addictive motivator, far beyond money alone, that drives many lawyers to work as hard as they do.

But status as a driver of culture has its dark side too. On the individual level, status obsession can lead to all kinds of negative personal consequences, from just plain being a jerk to missing out on some of life's most fundamental joys. But when status obsession is institutionalized as a governing organizational philosophy, it can lead to even more profound dysfunction. At some point, the competitive advantage of (unsustainably) high productivity is outweighed by all the ways that lawyers' obsession with status works against a firm's success:

## 1. Status-obsessed firms overlook valuable recruits.

According to [ALM data](#), of the 4,451 2020 law school graduates hired by the nation's top 100 law firms:

- Two-thirds came from just 21 top law schools: Georgetown, Columbia, NYU, Harvard, the University of Virginia, Northwestern, UC-Berkeley, Penn, Fordham, Michigan, UCLA, Duke, Cornell, the University of Chicago, the University of Texas, George Washington University, Boston College, USC, Boston University, Stanford and Yale.
- More than half (56%) came from the same 15 law schools. Fully 43% came from one of just ten schools.

It's not news that the largest law firms are all fishing from the same pool for talent. But the shallowness of that pool is striking. Only ten of the top 21 schools are located outside the northeast corridor. And five of those are in California.

If anything, the ALM Go-To Law School data underrepresents the number of Big Law associates who come from a handful of law schools between Boston and Washington, D.C., since the count of first-year lawyers coming from law schools directly into large law firms does not include all the graduates taking judicial clerkships, many of whom will eventually find their way to elite firms as well. Ivy League alumni status — .02% of the general population — is so massively over-represented within top law firms that Chambers recently included "non-Ivy graduates" as a measure of firm diversity in the data they collected for the Diversity & Inclusion awards program they are managing in the US.

These are undeniably excellent schools that, historically, have produced excellent lawyers at such a scale that it's easy to claim focusing on them is the most efficient way to find talented young lawyers. But on closer inspection the idea that this group of 21 schools is simply "the best" in a purely meritocratic sense falls apart pretty quickly. Washington University in St. Louis, Vanderbilt in Nashville, the University of Minnesota in Minneapolis and Arizona State University in Tempe are all ranked higher on the U.S. News and World Report Best Law Schools List than four of the schools in the top 21.

And recent results achieved by firms just outside the AmLaw100 demonstrate that innovative lawyers come from schools outside the top 21. In early reporting of 2020 financial results for AmLaw200 firms:

- Cleveland-based **Benesch**, led by The Ohio State University Moritz College of Law graduate Gregg Eisenberg, grew its profits by 25% last year.
- Kansas City-based **Shook Hardy**, the trial-focused firm led by University of Kansas School of Law alumna Madeleine McDonough, managed to increase profits per equity partner by 16.8% even though courtrooms were largely closed. The firm nimbly turned to mediation and arbitration work to keep its business growing.
- **Troutman Pepper**, formed by a merger managed in an entirely virtual environment and led by University of North Carolina School of Law graduate Steven Lewis, managed a 17.2% jump in net income, compared with the combined 2019 financials of legacy firms Troutman Sanders and Pepper Hamilton.

## 2. Status-obsessed firms flounder on building diverse leadership.

In failing to recruit new hires in significant numbers from outside typical go-to law schools, elite firms have missed out on top managerial talent. Indeed many of the qualities best exemplified by students at some less prestigious law firms — the kind of vision it takes to be, for example, the first person in your family to attend college or law school, or the hustle required to hold down a job while also attending school — are exactly the traits firms say they'd like to see in their future partners.

At the same time, firms increasingly challenged by clients and others to recruit and retain diverse talent often point to a “pipeline problem,” saying they'd like to hire more lawyers from underrepresented and historically marginalized groups, but they simply can't find any.

They might try looking at some of the 135 law schools outside the top 21, including a few located south of the Mason-Dixon line. This is where the majority of Historically Black Colleges and Universities are located and where Black students represent a higher proportion of college and graduate students overall than in the rest of the country. Places like Florida and New Mexico have a higher concentration of Latinx students, who may bring novel skills and perspectives that would be highly valuable to clients.

### 3. Status-obsessed firms hire laterals for the wrong reasons.

Lateral hiring, just like associate recruiting, often reflects a focus on perceived status over actual merit. Law firms tend to be opportunistic, rather than strategic, in their lateral hiring — a contrast to the typical corporate process of starting with a description of the position the company wishes to fill and then identifying the candidates best suited for that position. Law firms sometimes turn that process completely on its head: finding candidates they perceive as valuable first and then crafting positions for them.

In [Citi's 2019 Law Firm Leaders Survey](#), the proportion of lateral hires perceived as being successful or very successful during the past five years reached 63% — the highest figure since Citi began surveying firms on this issue. According to the Citi report, “The key reason for the improved lateral success rate is that firms are imposing even greater rigor on the lateral hiring process. Firms tell us that they are now aligning their hiring decisions more closely with the firm’s overall strategy, while also undertaking less opportunistic hiring.” In other words, firm leaders are starting to select people who can help meet business needs and solve clients’ problems — instead of hiring based on who the partner knows or how much “confidence” he exudes.

But a 63% success rate means 37% of the time firms still make the wrong bet, and status obsession is often to blame.

### 4. Status-obsessed firms can’t benefit from the business world’s deep well of knowledge.

Forward-thinking firm leaders understand that hiring non-lawyer professionals to help grow and manage their firms makes good business sense. Chief operating, financial and technology officers are increasingly coming into law firms from outside the legal industry and bringing a wealth of knowledge and expertise to bear on firm management, including, occasionally, some of those business school insights around the importance of organizational culture.

But firms can only benefit from the leadership of these executives if they let go of the notion that only lawyers can be law firm leaders. Where lawyers are over-invested in their own status — where a first-year associate dictates how a paralegal with twenty years of experience spends her time and “staff” are not invited to participate in “firm” events — it can be nearly impossible for non-lawyers to make a significant organizational impact.

The idea of a non-lawyer professional — a chief financial officer, for example, or even a nonlawyer CEO — being equal to a firm's senior partners in decision-making authority and status is still novel enough to generate headlines, as noted in a 2019 ABA Journal article, ["Law Firms Hiring CEOs Without Law Degrees Reignites Debate About Turning Over the Reins to Business Professionals."](#) The article mentions three law firm CEOs: Angela Hickey of Levenfeld Pearlstein, Paul Eberle of Husch Blackwell and Scott Green of Pepper Hamilton. As if to underline the status anxiety just under the surface of the text, only Green is described in terms of where he went to school: Harvard Business School. The others, the reader is left to assume, don't bear mentioning. The "debate" referred to in the headline is a reference to a 2014 Texas Bar Association ethics committee statement that Texas law firms couldn't use titles like CEO for nonlawyers because the word "officer" within chief executive officer could mean that the nonlawyers have control over the lawyers. The committee issued a revised opinion in September 2015 reversing themselves, so it's unclear who, exactly, has reignited the debate, but the implication for the all-lawyer readership of ABA Journal is plain: hiring a businessperson to run your law firm is a novel, even radical, choice. This way of thinking keeps firms stuck in the past.

## 5. Status-obsessed firms deploy resources inefficiently.

Meeting lawyers' need to assert their own status is an industry unto itself. Awards, rankings and countless directories and metrics proliferate in a profession that seems obsessed with hierarchies and superlatives. How much did your firm spend last year managing its various profile accounts with Best Lawyers, Super Lawyers, Leading Lawyers and the like? How many hours did your marketing team spend on completing awards submissions and strategizing to be sure that your top partners were in Chambers Band 1 and U.S. News Tier 1?

The marginal marketing and business development value of most of those programs doesn't even come close to justifying the time and money spent on them. But, more important, there's another cost: the opportunities your firm is missing because of the attention you're giving to status markers like awards programs. How else might those dollars be spent? The five-figure budgets going to these initiatives could instead sponsor an event for CEOs in one of your targeted industries or launch a digital ad campaign in your city's business journal or pay for a series of private dinners with key clients. How else might that time be used? Instead of wrangling nomination forms, your marketing team could be publishing your thought leadership insights on LinkedIn or connecting with industry and professional groups full of potential clients who'd like to use your conference center to hold their events and mingle with your colleagues.

Focusing resources on what drives business development seems so obvious. But in practice it doesn't happen if status management is driving the bus.



## 6. Status-obsessed firms let their clients down.

Most crucially, lawyers' addiction to their special status diminishes their ability to build deep connections with clients. The lawyer-client relationship, like any other, centers on communication. Status-conscious communication — let me show you how smart I am — prevents lawyers from listening to what their clients actually want and need.

At the start of the pandemic, business law firms created and pushed out massive amounts of look-at-everything-we-know content in hour-long webinars and multi-page whitepapers. Meanwhile, clients were wrestling with site closures, employee quarantines and massive supply chain disruption.

On March 24, 2020, Caitlin Moon, professor and director of the Program on Law and Innovation at Vanderbilt Law School, tweeted, "Dear law firms, Just talked w/ two of your big clients. They're getting 250+ emails a day from y'all offering webinars on #coronavirus crisis updates. They don't have time to attend your webinars. What they want? Max 1-page summary of what they need to know. You're welcome."

” Caitlin Moon: "What would you need, if you were in their position right now? If you know their business well, this is not a tough question. At all."

Within hours, her post had been “liked” over 700 times and quoted or retweeted nearly 200 times. Moon’s advice for firms was simple: “Ask your clients what they need from you right now. And if you don't want to reach out to clients right now because their hair is on fire (and it is!), then try putting yourself in their shoes. What would you need, if you were in their position right now? If you know their business well, this is not a tough question. At all.”

The kind of communication that deepens relationships requires humility — and a lot of work. BTI Consulting describes its “[Client Service All Stars](#)” as those who “make the time to invest in clients. They are studying the business, searching for in-house counsel clients who are currently hiring, reading about their clients, looking for new ideas to share, and finding answers to the next unasked question.” These exceptional lawyers, in other words, have found their way out of the trap of managing their own status and instead work to understand and convey respect for their clients’ unique spheres of expertise.

Notably, two of the AmLaw 200 firms who overperformed financially during the pandemic also made it on to [BTI's list of firms who excelled in client service in 2020](#): Shook Hardy and Troutman Pepper. In the [BTI analysis](#), legal executives from large companies credited the firms with understanding and anticipating their business’ needs and communicating proactively with relevant and highly specific advice.



The attorneys who are rated highly for their client service are the ones who could answer Professor Moon's simple question, "What would you need, if you were in their position right now?" They demonstrate the opposite of status anxiety: empathy.

## Building a Healthier Culture

As Daniel Coyle writes in *The Culture Code*, strong group cultures — the ones that get past status management and work effectively together — don't just happen based on the luck of good chemistry. They are created when group members are led to intentionally practice three skills:

1. Building safety
2. Sharing vulnerability, and
3. Establishing purpose.

The skill of building safety means doing the work to make people feel like they belong together and have a shared firm identity. This doesn't come easily, but firm leaders can model this skill themselves by welcoming tough feedback, expressing gratitude for all contributions, being very intentional about who they hire, removing toxic people as soon as possible and taking an egalitarian ethos to their own work. Roy Kroc of McDonald's famously picked up all the trash in the parking lot on his way home from work every day.

Sharing vulnerability might not seem like a skill at all. But, without it, groups are less likely to innovate and grow. Consider the example of the trial lawyers at Shook Hardy & Bacon and their pivot to arbitration and mediation work. If they'd been unable to admit that trial work wasn't happening, they wouldn't have found new ways to serve their clients. As Jeff Polzer, a professor of organizational behavior at Harvard Business School, puts it, "People tend to think of vulnerability in a touchy-feely way, but ... it's about sending a really clear signal that you have weaknesses and could use help. If that behavior becomes a model for others, then you can set your insecurities aside and get to work. If you never have that vulnerable moment, on the other hand, then people will try to cover up their weaknesses, and every little microtask becomes a place where insecurities manifest themselves."

Law firm leaders can help their colleagues share vulnerability by structuring performance reviews to always include opportunities for development, and normalizing constructive criticism as a part of regular work processes rather than something to be feared and avoided. And they can create situations in which junior colleagues help senior colleagues learn new skills — such as the use of a new technology — outside the usual training and mentoring hierarchies, or where colleagues of varying organizational positions can "huddle" to work together on a particular project or challenge.

Building safety and establishing vulnerability are essential building blocks for the most important element of a thriving culture: the shared sense of purpose. When a firm has a solid sense of purpose, all stakeholders are able to articulate a shared vision of what success looks like for the firm overall, beyond the usual status markers of ego or money, and they understand their role in achieving that collaborative success.

Firm leaders can shape this sense of purpose by clearly naming and ranking key priorities and publicly measuring progress on them. High-performing firms display tangible symbols in their workspace that represent the firm's values and intended future: maybe it's a map marking out regions where the firm hopes to expand, or a framed photo of the results of its work — a patent they helped protect, a client's new venture that created thousands of jobs or a medical practice merger that will provide broader access to health care. Leaders of successful organizations help team members envision the path from present-day work to where they want to be in the future.

## Start Now

Attorneys and firms can break out of the unproductive trap of constant status management. And, when they do, they can unlock their potential for growth, innovation and performance. The first step is to take an honest look at what status addiction has cost them so far, and to acknowledge that there is a better way to identify, achieve and reward excellence.



Debra Pickett is the Publisher of [De Novo](#), and the Founder and Principal of [Page 2 Communications](#), a boutique media strategy and PR firm advising managing partners, marketing directors and practice chairs in some of the country's fastest-growing, most progressive and most diverse law firms.