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Radical Decency Reflection #23
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Radical Decency in Business – The Nitty-Gritty

There are two perspectives that inform much of my thinking about Radical Decency. The first is that work is the most powerful driver of the values that predominate in our culture. For this reason, it is also the best point of leverage for changing them. If we can create new, habitual ways of operating at work, the likelihood of change in all areas of living will increase dramatically.

The second perspective is that the greatest challenges – and greatest rewards – of Radical Decency emerge in the nitty-gritty details of its application. With these thoughts in mind, I discuss how the philosophy might drive a different approach in our professional lives.

The business I know best is the legal business, where I spent 25 years of my career. Several years ago, a friend and large law firm partner described the following scenario. He and his partners were reviewing their budget for the upcoming fiscal year. In doing so, the managing partner revealed proposed across-the-board cuts to healthcare benefits. My friend's reaction was that, as a partner making more than \$300,000 a year, the benefit cuts were manageable. However, he was concerned about its effect on the support staff, people such as his secretary who made \$32,000 a year.

The managing partner was quick to acknowledge the legitimacy of my friend's concern. However, he went on to argue that a key component of the firm's continuing prosperity was its ability to attract experienced attorneys and practice groups. That, in turn, was dependent on maintaining its "per partner profits," a key industry statistic for measuring profitability. Absent a cut in benefits, the firm ranking in this vital area would drop from 7th to 11th in its geographic region.

He also acknowledged that the firm could, perhaps, hold the line on benefit cuts in the next year or two. But, then, the "inevitable" cuts would be more draconic and, hence, more disruptive in the lives of the support staff. The cuts were made.

This, to me, is the truest face of our indecent culture. Innumerable meetings, quietly taking place in comfortable offices, where "reasonable" people "reluctantly" make "inevitable" choices because they "have to." Their unbridled greed and ambition is seldom, if ever, acknowledged. The effect of their choices on the less privileged – even those sitting right outside their offices – is barely a blip on their radar screens.

One of the geniuses of the predominant culture is its sheer pervasiveness. It is reinforced by a seemingly endless array of structural impediments and values-based

assumptions. Cumulatively, they make meaningful change seem like an impossible, pie-in-the sky dream.

In this situation, for example, the very structure of the law firm made resistance to the proposal close to impossible. Most partners, my friend included, are wildly busy tending to matters that have nothing to do with firm finances. Growing and maintaining their practices, in a highly competitive environment, is more than a full time job. So the managing partner, backed by the firm's financial people, went into the budgeting process knowing so much more – and with all the organization's momentum behind him. And if he was any good at his job, his key proposed changes had already been pre-approved by the firm's most powerful partners.

In addition, any other outcome would have flown in the face of a whole series of unspoken assumptions: Generating as much profit as possible for the firm's partner/owners is the unquestioned priority; differences in income between partners and nonprofessionals have no meaningful ethical overtones; the only way to remain competitive with a crucial constituency – lateral hires – is to be highly profitable; and so on.

A radically decent approach to business – even the legal business! – is possible. And importantly, it can be done in ways that maintain and, perhaps, even enhance a firm's economic viability.

But meaningful and lasting change cannot occur at a tactical level – an extra employee benefit here, a pro bono project there. The problem? This approach leaves the firm's usual ways of doing business intact and unchallenged. Then, when an inevitable down year hits, these experiments in being a little more decent are quickly sacrificed to the God of 6 and 7 figure partner incomes. If we hope to succeed in our purposes, the hard truth is that in business, as in every other area of living, decency needs to be embraced fully and without reservation.

What is needed is a systematic rethinking of the firm's perspective on what it means to be successful and how to go about achieving it. Profitability is essential. The firm is, after all, an economic entity. But it needs to be priority 1A, just below and clearly subordinate to decency.

Adopting this approach, many things would have to be rethought. It would virtually demand fresh approaches to compensation, billing, associate evaluations, and so on. It would also call into question some of the ways in which law is practiced.

But the shift would hardly be a utopian exercise in self-immolation. To the contrary, Radical Decency requires accountability for all of our choices. So an insistence on a quality legal product, timely delivered, would be a given. Indeed, since there would no longer be an implicit exception for certain senior partners and rainmakers, overall quality might even be enhanced. Moreover, the philosophy requires decency

to self as well as to others and the world. So its very tenets require implementation in ways – and at a pace – that maintain economic viability.

One key to success would be a systematic, forthright and public embrace of the approach – in word and in deed. Our cynicism about business is profound. No one expects a business to be decent. So, the firm’s commitment would initially be seen as just another marketing ploy. However, implemented in this full-bore way, that initial reaction would shift over time.

Potential clients would begin to realize that the firm’s billing policies were transparent and fair. They would also find that, at this firm, there was no risk of over lawyering or overhyping of conflicts to drive up fees. In short, a competitive edge would emerge that – because it is so unusual – would more than offset the loss of clients who think they need an attack dog attorney.

Its effect on the quality of attorneys and support staff would also be dramatic. Fully committed to fair compensation and work/life balance, the firm could, in this way as well, carve out a meaningful competitive niche. Many extraordinary attorneys – some with considerable books of business – would undoubtedly be drawn to such a firm. Good people consider far more than “per partner profits.”

Note that virtually every firm says all the right things: We put clients first; we are a friendly, family oriented place to work. So a key element in establishing credibility and uniqueness is to express these values, not just in words, but also in concrete and visible systems.

In billing, for example, the firm could diverge from hourly billing; a system that so transparently invites (indecent) manipulation at clients’ expense. It could instead estimate cost in advance; collect a premium if the job is done for a lesser amount; and charge at rate that is meaningfully reduced, but still above cost, if the estimate is exceeded. This approach would decisively differentiate the firm from its competitors’ nice words about putting clients’ interests first.

Similarly, metrics used to evaluate associates could fully credit time spent on pro bono projects – or at an ailing parents bedside. No more “we encourage community involvement but still expect 2,000 billable hours;” a formulation that demands unreasonable sacrifices at home – or padded time sheets. Smart accountants could also develop metrics that factor in values beyond profitability; that no longer treat “personnel” and “plant and equipment” as undifferentiated expense items.

In these ways as well, the firm could forcefully make the case that it is truly different. And, equally important, it would embed these new values in the firm’s taken for granted structures – helping, in this way, to guard against the ever-present danger of sliding back to the predominant culture’s mainstream norms.