

HOW SHOULD MANAGING PARTNERS TACKLE GOSSIP AND RUMOURS? PANELLISTS AT A *MANAGING PARTNER* ROUNDTABLE DISCUSS HOW THEY DEAL WITH INTERNAL AND EXTERNAL GRAPEVINES



MICHAEL SHAW, MANAGING PARTNER, COBBETTS



CATHERINE GANNON, MANAGING PARTNER, GANNONS



ANDREW HEDLEY, DIRECTOR, HEDLEY CONSULTING

What is the value of gossip in law firms and can it be leveraged?

Michael: I think one of the difficulties with gossip is accuracy, another problem is relevance. You do not want to create a 'big brother' culture where people feel they cannot freely converse with each other, but equally you want to make sure that people are well informed if they're going to talk.

So perhaps yes, gossip is a good thing, but only if you can ensure that people are well informed. If they are well informed, I would have thought that in any event it will reduce the amount of gossip that goes around because there would be an expectation that the firm would provide information which is both timely and accurate.

Andrew: If we define 'gossip' in terms of one-to-one communication, then it is clearly desirable but needs to ideally be on the back of clear internal communications from the management team. But if we're talking

about the grapevine or various rumours in circulation, I think we need to be prepared to counter that on occasion. But to actually engage with it and to use it as some sort of Machiavellian tool I think is very dangerous.

I'm deeply against the idea of using gossip as a substitute for a more formal communications tool. I don't believe in censorship, I think it's not possible or desirable. I think that the key is for the management team to make destructive gossip irrelevant. This can be done by being open, by having more frequent communications with staff, and by building trust and credibility. At the end of the day, the message might not be a nice, but it needs to be communicated clearly.

Catherine: Gossip is a very provocative term and is seen negatively. But if, for example, it were called informal communications, it would be seen much more positively.

I think there is a male/female divide here. Staff all gossip on different platforms and, because men are not usually as

communicative without a couple of pints, their gossiping takes place in the pub, and many women who have to rush home to deal with kids feel excluded. And it's a horrible feeling when you think there's a group clubbing together and you're not invited and can't go, and that causes awful problems.

You want to make sure that you allow people the opportunity to voice their concerns and find out what's going on by setting up formal communication sessions. And then the staff bitching, the gossiping, the who's having an affair with who, that can all be done outside the confines of the office, I think that's healthy.

Petty gossiping is unfortunately a feature of human nature; what you want to make sure as a managing partner is that you don't play any part in it.

How can you manage gossip within a law firm?

Catherine: It's important to have team meetings, weekly meetings and regular

communications. We all say we've got to do it but we all let it slip because we're busy, and there's a lot of gossiping and people still in the dark because of it.

I suppose my communication is always at the forefront of my mind because we don't have a traditional law firm in that we're paperless and a lot of our solicitors work remotely. That's marvellous and brings all sorts of benefits, but it caused an awful source of miscommunication, where everything was stored up in my head and I wasn't making the active steps to communicate that I had to. So I'm more aware of these issues I suppose because of the unique firm that I run.

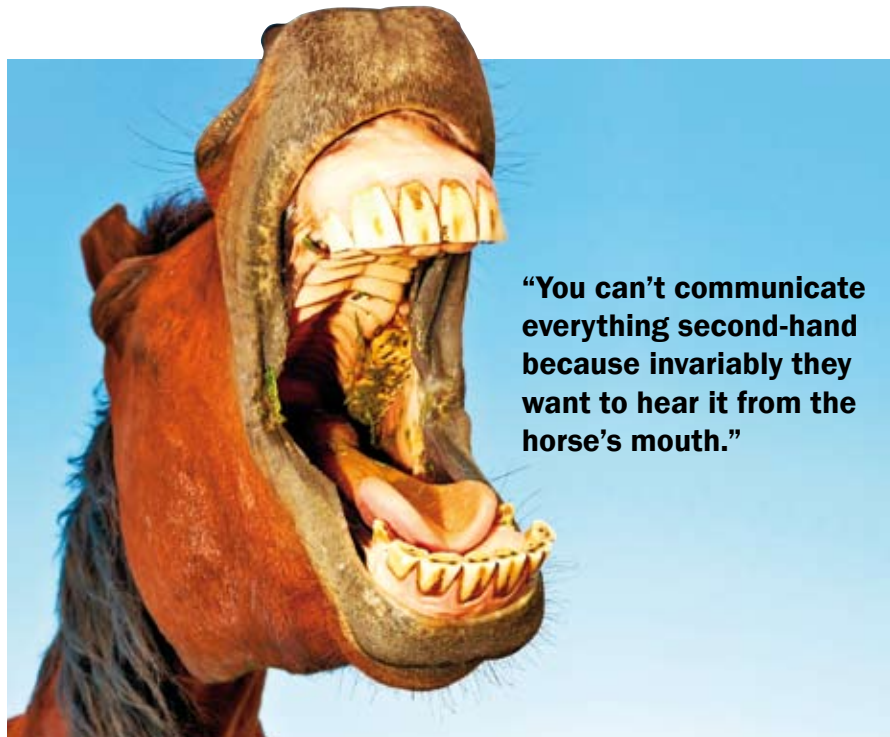
Michael: We run a monthly team cascade, I can't pretend that it works uniformly well, it's a mixed picture, I think where the team managers really get it, promote a discussion around a central brief and customise it for a particular team, it works very well and is very much appreciated by staff. It's a bit like appraisals, the people who have really meaningful appraisals really value it and seem much more engaged than the individuals who are just going through the motions.

Management also has to go out to relay information personally. You can't communicate everything second-hand because invariably they want to hear it from the horse's mouth. If your firm has multiple sites, it becomes quite cumbersome to achieve, but you just have to accept that it's an absolutely necessary thing to do.

Andrew: I think the way in which good internal communication can deal with gossip is not by banning it but by making it irrelevant. Ultimately, good internal communications make gossip not relevant because there are no discussions behind closed doors, there are no dark secrets, everything that can be known publicly within the business is known within the business.

Michael: I agree you will radically cut down rumour and gossip if you have an effective internal communications strategy. But you are striving for perfection here, so there is always going to be a degree to it.

So I think there is a facet of leadership here. Of course you are trying to get all partners to demonstrate some quiet leadership, and the best teams in many



“You can't communicate everything second-hand because invariably they want to hear it from the horse's mouth.”

firms invariably are the ones which have a very low level, but constant, communication between the partners leading that group and the people working within it. Because the people working within it have confidence that, if they ask a question, they will get a straight answer.

How should managing partners tackle rumours about redundancies?

Catherine: The problem is the profession is under threat. People are more insecure at all levels than they've ever been before so the negative gossiping is greater, because they're fighting for their livelihoods now. And of course, departments which are not so busy sadly have more time to gossip.

Andrew: Human nature in that sort of environment is to focus on any space there is to be fought, and in that way management has to be at the forefront in dealing with those issues at an early stage and putting to rest any concerns as soon as possible.

Catherine: I think sometimes you can't put concerns to rest, because there might be changes afoot, there might be redundancies and mergers.

For example, there might be a new piece of IT going in and people might think they're going to lose their jobs. Whereas if

there's proper communication that there's a new IT system going in and we don't know what impact it will have on jobs if any, a simple statement like that which is truthful will stop a lot of gossiping.

I think more than anything you've got to send positive messages to keep everybody on board, because they're more negative in the workplace at the moment.

Michael: You've got to let people know as part of your communications cascade how not only their team is doing but also how the firm is doing overall.

Back in 2008, we said we had to make redundancies and also may have to ask people to agree to part-time working and buying holidays back from us. We kept a dialogue going and everyone was informed as to how we were performing.

When we didn't come back strong enough after the summer in 2009, we asked people to accept some short-term working and said we'd do it for as brief a time as we can. We did it for six months and repealed it at the end of the financial year. But everyone knew that was on the cards, it didn't come as a great shock.

Andrew: I suppose the question is, do you address a rumour about redundancies in a way which is extremely straightforward and tell people the way it is, or do you try to dress it up to make it appear less worrisome than it might be?

Catherine: I think the approach to take depends on the personality of the firm. At Gannons, they get told it as it is – that there could be changes and we don't yet know how these will pan out. I find many workplaces are still incredibly immature in that people don't talk about the reality of what the business is facing.

Michael: I'm not sure there is a choice about how you do it. I've seen other firms try to be less than straightforward and ultimately it seems to catch them out. By being straightforward, the only negative thing you attract is interest from the legal press.

Catherine: You may not want that though.

How should you manage market gossip and rumours about your firm?

Michael: In terms of your engagement with the press, you just try to put an honest, balanced perspective on things that may be out there. What I think you shouldn't do, which one firm did which is no longer with us, is start slapping people with writs for defamation, because I think it just fans the flames.

Andrew: If you're going to do that and the journalist knows that there's some truth in the story that is being hushed up, you will get the whole press against you, which is just a senseless place to be for anybody.

Catherine: Linked in to this is the electronic age, where information, good and bad, can be disseminated at the press of a button on social media forums. You don't want negative comments about the firm being made on these websites. There has to be communication that it's damaging for everyone concerned. People have to understand that a moment of fury typed into Twitter can cause untold loss of business going forward and a bad reputation for the firm and themselves.

It's not just in the office you've got to be thinking about gossip, it's on the internet as well.

Michael: We did go through a spell with social networking where it was all rather novel and people were quite quick to record comments, I think perhaps there is a degree of maturity being established now

“Petty gossiping is unfortunately a feature of human nature; what you want to make sure as a managing partner is that you don't play any part in it.”



about social media. People are perhaps a little more circumspect before they put something down and find it's actually being carved out on a piece of stone.

Andrew: I think it's important to be aware of the rumours that are going around – whether they are internal or external – in order to take a decision about whether or not to address them. You should also be aware of course, that you run the risk of making gossip into reality by addressing it – you give it weight and credibility.

One of the issues which I'm often asked about in strategy reviews or in merger-type situations is over a rumour that's been heard that XYZ firm is having real problems. My view is that XYZ firm might have a few problems, but that's rumour and what it should lead you to doing is further credible investigations. But to act on that gossip is always going to be a very dangerous route to follow. I wouldn't put any straw by gossip in decision-making without first clarifying it and making sure it is credible and reliable.

I think a business which is run on the basis of gossip has a very introspective culture potentially, it's not creative or open, and there's a basic lack of trust between the partners, people, offices and practice groups.

Catherine: I think that at the employee level, the grassroots level, you might be influenced by gossip about the firm. If you're a trainee solicitor you might be very influenced, trainees obviously gossip about all of these things.

Would you pay attention to external gossip or rumours when deciding to bring in a new partner from a competitor firm?

Catherine: No, because they are leaving and joining you for a reason. You've got to form your own opinion about how they fit into your firm.

Michael: Yes, and I think that if you're left with anything that looks as if it has substance, you'll then end up having a straight conversation about it and saying this is what I've heard, what's your observation on it.

But I'd try and find out with oblique questioning beforehand, it's almost like competency-based interviewing, isn't it, where you ask for an example of where they've encountered a situation and how they've responded. What you're asking about is a bit of rumour you've heard, so if they say they've never encountered that, you hit them with "well that's not what I've heard – I've heard you had some issues with a partner and that's one of the reasons why you're moving on".

Andrew: Yes, absolutely. If there are rumours to that level, partners will want to know if it was raised in the interview. They'll want to know if it's been discussed and the answer to it, it's not like you can gloss it over and pretend it's not there, because a big constituency of partners will want to know if this has been looked into. mp

– ROUNDTABLE MODERATED BY MANAGING PARTNER'S EDITOR, MANJU MANGLANI