

What's It Like to Merge in a Pandemic? Faegre Drinker's Leaders Can Tell You

"As a new firm we can think differently about how we do things going forward," Tom Froehle says.

By Ben Seal
January 12, 2021

Merging two large law firms is a difficult task even in the best of times. The work only grows more challenging when it takes place in the middle of a global pandemic and economic recession.

That's what Tom Froehle and Andrew Kassner have been doing over the past year as they brought together their predecessor firms to create Faegre Drinker Biddle & Reath. As their first year co-chairing the combined firm came to a close, they spoke with *The American Lawyer* about building connections with clients, how the timing affected the merger and how to develop culture remotely. This conversation has been lightly edited for clarity.

Ben Seal: When the merger went through at the beginning of February, Andy said, "We're going to take our whole firm to our clients." Six weeks later the world turned upside down. How difficult has it been to reach and connect with clients in the early stages of this combination, given the circumstances?

Andrew Kassner: We spent well over a year planning for our combination. We had extensive plans to bring the entire firm to the clients and what we meant by that was we would have a very comprehensive senior management client visitation program. I committed to meeting over 100 clients. We're around 100 right now. Going into a virtual, remote world didn't impede that at all. In fact, it might have helped us in some ways because people are not traveling in airplanes all over the place. We just went ahead with our plans to have our partners introduce each other to our clients, and we've been tracking it.



Tom Froehle, left, and Andrew Kassner of Faegre Drinker Biddle & Reath. Courtesy photo

Tom Froehle: During the last half of last year, our partners had a chance to get together in person for practice group meetings and partner meetings, so the integration was starting well before the effective date. Our operational teams were ready, so we were ready to go on Feb. 1, in terms of making it easy for people to communicate and connect.

Would we have loved to have more opportunities for people to get together in person? Sure. We had a partner retreat scheduled in early March, which we had to forgo. But people have been incredibly responsive and resilient about adapting to new technologies, new ways to meet each other. I've been able to connect face to face by video with many more partners than I would have otherwise. It's been really gratifying to see how people have adapted and stepped up to do our integration plan in a virtual way.

AK: I've heard that there's some thoughts out there that obtaining new client relationships has been more difficult in the remote environment because of the inability to meet in person. For us, we had a terrific advantage as a brand new firm, because half our partnership is being introduced to what they consider to be new clients each day. We were very meticulous about putting together our business case and our plans for doing that during the latter part of 2019. There was an excitement among our partners that were meeting new clients throughout 2020.

BS: How much have you been able to build with current clients by expanding what the firm can do for them?

TF: That has been one of the primary focuses. The real purpose behind our combination originally was all about clients and how to position a combined firm to better serve clients. And we've been able to do that. Early on what we heard was, "This sounds like a good idea. We like the fact that there's going to be more capability and a deeper bench." And in the last couple months we're hearing, "Not only did I think this was a good idea, but I'm really seeing it."

We're also hearing clients say it's been seamless from our end. We measure cross-firm time—time worked by a lawyer who was at one legacy firm on a client that was at the other—and we're seeing that increase on a really nice trajectory.

AK: We've actually tracked about 49,000 meetings with over 237,000 total participants and over 4 million video minutes. So we're tracking not only the amount of work we're doing cross-firm, which has increased each and every month through the pandemic, but the internal meetings and connections.

The one driving goal that Tom and I really believed would happen in our first year has happened over the last nine months. The two of us became friends and have come to really trust and respect each other over the past few years. We knew we had excellent lawyers who really believed in client service, but the glue and the drive to make this partnership work for years to come was going to be whether our lawyers, professionals and staff got to know each other and trust and respect each other. It's been gratifying for the two of us to watch that trust and respect gel together in this

challenging environment. That positions us for everything we want to accomplish in 2021 beyond.

BS: How have you been working to develop a cohesive culture and where is that process at the moment?:

AK: Culture in the end is a set of values, and on a professional level these two firms and all the people in them really had a belief in quality, excellence and serving our clients. So on that level you have to be in alignment. I mentioned the issue of trust and respect, and collaboration comes together with trust and respect.

This pandemic has put a lot of pressure and stress on people and families. What our people have gotten to do over the past nine months is really support each other. We had a summer social program where people got to be introduced one-on-one. They talked about their practices, but almost more important they talked about their families and how they were being affected and addressing all the things we're going through as a country and individuals. We probably got to know each other on a personal level even more through talking to each other when you're at home with families in the background and dogs barking.

TF: When people are getting to know each other at the office it's one thing, but people are seeing each other's homes, and we've been very intentional about trying to recognize the different challenges people face, whether it be the isolation of living by yourself or the real challenges of some of our folks trying to work while caring for their children or homeschooling. There's a little bit of a bonding effect by trying to come together during a challenge, and I think we've seen that. That's been encouraging and it's caused our people to want to connect with more people.

We're not suggesting there's going to be some massive shift to an all-virtual work environment for law firms, but I think people have figured out how to do this in a way that's going to be flexible for our profession going forward. People have had a chance to think about how do we work together and how do we become friends and colleagues and not just acquaintances and transactional professionals.

AK: Leadership of the firm has taken the approach that nobody should have to face this pandemic alone.

BS: What were the most significant ways that the pandemic proved to be a thorn in your side during the early days of the firm's combination, and how did you navigate those unique hurdles?

TF: Thorn is probably too strong a word, but we recognize that in any kind of combination we are putting people through a lot of change. That's now on top of a lot of other changes in people's lives. I feel great empathy for some of our colleagues whose experience at work and home right now is different. They're not working from home; they're living at work. It's hard. We've tried to be cognizant and intentional about supporting folks who are experiencing some of those challenges. But I'm a silver lining person, and I think there's a lot of silver lining. People have adapted to technology that is going to be useful for many years to come. It's caused us to realize there are things we thought could never happen, and we've figured out that, yes they can.

AK: We always talk about these calls we have, Zoom and the like, and the one thing you lose is the meeting after the meeting. When people get together in the hallway and talk some more. You lose that interaction. You have to make up for it. So one in-person meeting is not equal to one Zoom meeting. You need more of that communication to make up for not being in person at all.

Second, we really have to pay attention to the more junior lawyers, staff and professionals, the people who are just getting to know the organization. We have to make sure they get all the values that the organization stands for. That requires you to make much more extra effort when you're in a remote environment. We have a new class coming in in January and we're talking a lot about how we make sure this new group of lawyers at this brand new firm really feel like they're part of something special, which is what the rest of the firm feels now.

BS: There are redundancies in any merger, and Faegre Drinker trimmed about 1.5% of staff as a result, but your firm is far from the only one to approach layoffs this year. How did the combination of the merger and pandemic influence staffing and pay decisions throughout the year?

TF: We knew when we came into this combination that there would be opportunities for synergies as a result of combining forces. We were committed to doing that in an orderly way, and we feel good about the progress we made in that regard. We've been able to do that by managing through attrition and not filling open positions.

As a new firm we can think differently about how we do things going forward, and the pandemic has accelerated some of that. We're thinking very hard about how we provide the support our lawyers need to serve clients well in a changing environment. We've got a chief innovation officer focused on how we serve clients in innovative ways and how we run our operations in innovative ways. We're excited about what the future holds.

AK: We have a really top-flight C-suite to support the firm, starting with our COO, Jane Koehl, and right down the C-suite. That really helps us, that we have people who are highly experienced doing this for decades, a group of people who have bonded as well as the lawyers have bonded.

BS: Did you need to rewrite your 2020 budget? And how has the process been preparing to address some of those same issues in 2021, now that the firm has a year under its belt?

AK: Like most of our peers, it was uncertain what the effect of the pandemic would be on financial results, so as all firms did we planned for the worst and hoped the practice would continue and clients would need the support, which we've found they do. But generally our financial plans have continued. Depending on how things move forward, we're optimistic about 2021.

TF: Nobody knew what was going to happen when this all hit. We tried to be conservative as both legacy firms were in their financial management. We feel some real momentum building since the summer. Budgeting is more challenging than it's ever been, but we feel optimistic. When we talk to clients, they're telling us they've moved through the initial phases of dealing with the pandemic and they're on to their own business initiatives. And we want to be right there with them to support them, and likewise we need to be looking forward as well.

AK: The pandemic and the forced recession environment overtook a lot of vectors of the economy, but I think what we have seen is clients are resilient. They've adjusted. Law departments are under a lot of pressure right now. They're implementing new business strategies, adjusting for disruption, while at the same time dealing with the issues that come up related to COVID.

BS: What are the two of you focused on in leading the firm as we enter 2021?

AK: We have a vision for what this firm can accomplish that primarily focuses on two areas: clients and talent. The third area that's a byproduct of that is making sure we have adequate financial strength to support our clients and recruiting and retaining top talent.

Tom and I have talked to our board and our partners and we're very glad that the integration activities have continued apace and despite the pandemic we're right on schedule, so the operational integration is going full speed ahead. But we have to look outward as well. Our clients and the environment are not going to wait for the firm to finish integration. We have to make sure we're expanding our client relationships and make sure we're dealing with what's most important, which is talent. We already brought on in 2020 over 20 new partners from other firms, including two internationally recognized restructuring lawyers in Jim Conlan and Patrick Corr. In a targeted way, that's going to continue well into 2021.

TF: On the client piece, we feel really good about how things have gone so far, but we're looking forward to continuing to bring the whole firm to our clients and making sure we understand their business and that a one-size-fits-one approach really works for clients. Like law firms, the pandemic is going to increase the pace of change for businesses, and we want to make sure we're there to serve them.

We want to make sure we're always looking toward the future. We are focused on innovation and finding different ways to serve clients, including how to serve them virtually. Even after people are able to

travel, things are going to be different and particular clients may be eager to continue virtual proceedings, especially in litigation matters. So we have a partnership with Stanford University Design Lab, making sure we know how to best serve clients in a virtual environment, whether that be depositions, hearings, mediations. I think the whole world is trying to make better use of data. And we as a law firm also are focused on thinking about how to use analytics and other technology to serve our clients better but also to make sure we're running our business in a way that makes sense.

BS: What keeps you up at night?

TF: For me, a lot of it just goes back to how our people are doing. I'm really excited about the prospects of a vaccine and moving beyond this, but I also know we're moving into colder weather, people aren't able to be outside, we're seeing a significant increase in the virus across the country. A lot of our folks, their kids have been in school but now they're home again. Those are daily challenges. What keeps me up is how do we make sure we keep all those folks supported and how do we make their lives a little better so they can deal with some of the stuff that's affecting them.

AK: Tom and I are constantly in touch, and we're always talking about how our people are doing, from our most senior partners to staff who've had to come and support the offices. We spend so much time talking about that. We just don't want anyone to feel alone. We don't want anyone to feel they're not being supported and that the pressures of whatever the pandemic is throwing at them are just too much for them to handle.

***Ben Seal** is managing editor of *The American Lawyer*. He joined the magazine in February 2018, and previously spent five years working for *The Legal Intelligencer*, editing the paper's magazines and supplements and reporting on Pennsylvania's state courts, legislature and Attorney General's Office. Contact him at bseal@alm.com or @BSealTAL.*