

# Pioneers and Pathfinders: Fifth Anniversary, Part I

(This transcript was generated through AI technology.)

## **Steve Poor**

Hi, this is Steve Poor, and you're listening to *Pioneers and Pathfinders*.

Today, we recognize two milestones for this podcast, and thus we have a special two-part episode for you. With this episode, we celebrate five years—Has it been that long? Goodness!—of over 200 individual guests drawn from all corners of the profession. Each guest has been incredibly generous with their time and ideas, and I, for one, have learned an enormous amount from each of them. It has been a wonderful experience. On a more personal level, these episodes mark the conclusion of my role as host to the podcast. As I said, it's been a wonderful experience for me, but it is time to move on. I appreciate each of you have gone on this journey with me more than you know. Thank you.

These two concluding episodes contain my conversation with Seyfarth's Chair and Managing Partner, Lorie Almon. In today's episode, Lorie and I reflect on the history of innovation in the profession and at Seyfarth specifically. Next week, we end with a discussion of the current and future state of Big Law from the perspective of someone running a Big Law firm. My thanks to Lorie for making the time to join me. I hope you enjoy listening in to the conversation. As always, thanks for sharing your time with us.

I am joined today by Seyfarth Chair and Managing Partner, Lorie Almon. Lorie and I are going to have a conversation about some of the unique aspects of Seyfarth, our respective journeys through leadership at the firm, both past innovation journey as well as current state and future state. I hope you find it to be an interesting conclusion to five years of the podcast, and as we look for a new generation to take it over. So Lorie, thanks for taking the time to do this. I know you're swamped, so I appreciate you making time.

## **Lorie Almon**

Thank you for inviting me to be part of your last podcast here as the host. But I really want to start by thanking you for all that you have done, not only through the podcast, which has been an incredibly impactful part of our innovation journey and hopefully helpful to the many people who listen, but it's for all the things that you've done to spark our innovation culture and the mentality that really is woven throughout the firm. So I'm hoping we can maybe even begin there and talk a little bit about how you even came to Seyfarth and the journey you've embarked on over the years.

## **Steve Poor**

How I came to Seyfarth? Well, here's the story. I wanted to be a labor and employment lawyer, and I was a clerk to the labor and employment professor at the University of Virginia Law School.

## **Lorie Almon**

Wahoowa!

## **Steve Poor**

Wahoowa! Absolutely, you're a fellow alum. And I asked Doug what firms I should talk to. He said, there's only one you should talk to. Talk to Seyfarth. And two amusing things about it, I interviewed on campus and the on campus interviewing people had gotten the resumes screwed up, and I interviewed from a DC fellow, and I was supposed to be interviewing with a Chicago fellow. The guy asked, well, we

got this screwed up. Which office do you want to interview with? And I said, Chicago. He says, Well, that's good, because you wouldn't want to have to compete in the DC market. Now, understand, I was on the review. I was on Order of the Coif. I didn't worry about competing. But I went to Chicago. I met the folks I really liked the people I met with. But it came December, and I hadn't made a decision. I was choosing between where I summer clerk, which is squire Sanders in Cleveland and Seyfarth, the phone rings. I pick it up, and it's the guy who was the co chair of the hiring committee, a fellow named Joel Kaplan. And you'll appreciate this story. He berated me for not having accepted the offer, and why I was being so stupid not to take the offer.

**Lorie Almon**

Very on brand.

**Steve Poor**

Very on brand. Yeah. And I went back and I said to my wife, I think I want to take the Seyfarth offer.

**Lorie Almon**

I think I'd better take the Seyfarth offer.

**Steve Poor**

Yeah. You know, it was at the time, and it's been the same way for the 46 years I've been with the firm, the best L&E practice in the world. And if you want to challenge yourself, if you want to practice at the top level, working with the best is the way to do it. And I got a chance to work with Lee Shaw. I got a chance to work with Owen Fairweather, I got a chance to work with Mike Warner. You know, some of the true greats in the practice, and you can't really ask for anything more than that.

**Lorie Almon**

One question I often tell interviewees when I'm talking to them about Seyfarth I've been here for decades, and I still sometimes pinch myself and can't believe I get to work with people who are this smart and are this capable and pragmatic but visionary at the same time. It's it's really a pretty special place to practice law.

**Steve Poor**

Yeah, it absolutely is, and it's stayed that way for the last 50 years, since I've been involved with it, and it's sort of an amazing testament to the partners and the teammates of the firm over that time period that they've maintained that level of excellence. It's kind of amazing.

**Lorie Almon**

Yeah, well, I think we have you to think for quite a bit of that as well, because, of course, you started because Joel Kaplan told you had to back as an associate, but your career progressed a little bit from first year associate doing as Joel told you to do over the years, to the point where you became the Chair and Managing Partner, of course, and led our innovation journey. So maybe talk a little bit about that. How did that progress? And where did the concept of innovation and really originate for you?

**Steve Poor**

Well, for me, it originated sort of in the mid to late '90s, I was running the Labor & Employment law Group, and some of the dynamics we are encountering are not unique to what you encounter today. You know, pricing pressure, competition, partners who thought just being a good lawyer was enough. The world hasn't changed all that much, and I was worried that we weren't creating value for the firm based on their intellectual capital, intellectual property, that we were squandering our assets, and so we decided to create a training organization at the time. It later became Seyfarth At Work, and we put

structure around the affirmative action practice to create alternative revenue streams. These were practices and basically stuff we were giving away that had value to the clients. And so we fought that battle with the labor deployment law partners who weren't enthused about the idea of it, but we got lucky in that soon after we created the training organization, we built a relationship with one of the big three car manufacturers to do training at all their plants, sex harassment prevention training at all their plants, which was a very big revenue stream. It'd be a big revenue stream today, at the time, it was huge. And so it showed, it was a proof out of the model that you could think differently and present things differently. So we took the next step. I got on the executive committee, in I don't know, 98 or 99 something like that. And we took the next step and created a business plan that we presented to the partners to create a technology company that's a goal that was to essentially create what would now be called an expert system. It didn't have a title at the time, to acquire a group of organizational psychiatrists in New York, to create a multidisciplinary practice and to formalize the structure of the training business, so we would have three subsidiary businesses. We were asking for a \$2 million investment from the partners, which, again, is it's real money now, but it was a lot of money back then.

**Lorie Almon**

Yeah, yeah.

**Steve Poor**

And it's always struck me that these were wacky ideas, but the partners embraced them and approved it and supported it, and I think that's a rare thing for law firm partners to do. Now, as it played out, our timing was bad. Enron hit, and the clamor of multidisciplinary practices sort of faded as Arthur Andersen went belly up, and then the .com bust came, and our technology consultant went out of business, and when we drilled into it, Spike, wireframes and everything else, the technology didn't exist at the level they told us it existed was going to cost way more than \$2 million to do. So we put the money into creating an online training program for the training business, because it was an up and running business, and have recaptured return on that multiple times over the years, but it got me thinking about two things. One was how to help the partners of the firm recognize the business changes that were going to be happening in a new century. I now can't give you the timeframe, but you went through the Kellogg program. So you know what it was like. We put together a Executive MBA program for our partners through the Kellogg School at Northwestern and no one really had done that at the time either. The point of that was to help create a common business vocabulary and common business concepts among the partners, because we were going to be doing more things like the proposals we came and although it had been approved by the partners, it was not without a bit of head scratching and "we trust you, and if it doesn't work, we'll throw you out of the firm" you know, kind of thing. As we began to look forward, it was necessary to get people a little more educated from a business standpoint. They went to law school, not business school. The same time, if you think about the market, one of the things that hampered the technology company, was our lack of understanding the process behind the way we practice law. If you think about an expert system, what it's doing, it's coding in a process, you know, with various, you know, on ramps and off ramps and everything else. We didn't have that structured in any way. So we had technology opportunities, we had education opportunities, and we had process opportunities, and at the same time, we're now in the early 2000s. The industry was making more money every year just by raising rates.

**Lorie Almon**

Sounds familiar.

**Steve Poor**

It does sound familiar. And I just couldn't understand how that could continue as a business proposition. What kind of industry doesn't have to raise its value to its clients every year. I mean, I think

Seyfarth was. But we could do a better job. We can always do better, but the industry as a whole wasn't. So I'm sort of fishing around for a couple of years. By this point, I'm chair of the firm, and I read a book on Lean Six Sigma, and sort of the rest is history, started us down the road of creating structures and processes that look different today than they did 20 years ago, but led us to explore how we can better serve our clients, which is what I learned from Lee Shaw. So it's nothing new. It's how do you think about what your client's problem, is how you can come up with creative solutions to it, whether it's how you deliver legal services or how it's you consult with them, how you argue a case, how you negotiate a contract. You always have to be out there. I mean, remember, one of my first assignments was for Mr. Shaw. It was a concession bargaining and I went in to get the assignment. I don't think I'd passed the bar yet at that point. I went in to get the assignment. He made it clear that he knew everything there was to know about labor law. My job was to go out and find him something he didn't know. And I've taken that lesson with me that you got to look outside the envelope. You've got to look outside the your comfort level to figure out what can differentiate you in the market, what can differentiate you with clients, and how you can help them solve their problems more efficiently and more effectively. That's sort of what prompted the journey.

### **Lorie Almon**

You touched on something, but only, only lightly, and I want to tease it out, because you may be downplaying a little bit you talked about a little bit, fighting the battle with the Labor and Employment partners at first, but again, ultimately, getting the partners to trust you and to buy into these really kind of unconventional ideas early on.

### **Steve Poor**

That's kind of you to phrase it that way. Wacky, I've heard...

### **Lorie Almon**

Wacky, but you did. You did get the partners to buy into allowing you to do things that you really weren't seeing in the legal industry at the time, like nobody was doing it. How do you think that came to pass? Because I've worked with Seyfarth partners. They're not shy about sharing their opinions and views, and so bringing a group of lawyers along any journey can be challenging, but bringing them into a space where no one had really gone before is a whole nother level. Why do you think that worked?

### **Steve Poor**

I think it worked for a number of reasons. One, we had the advantage of the culture of the firm, which I've already discussed. You know, Lee Henry and Owen started, I mean, when we talk about our core values, we're not creating core values. We're articulating those that the firm was based on. And so you started with a culture that was left to you by the founders, and it's a mistake not to go back and rely on that. Sometimes, with your partners, they love precedent. They love Oh well, Lee, if Lee Henry and Owen liked it must be okay, even if Lee, Henry, and Owen would never have thought about doing things a particular way. So we had a culture we could rely on and pull our history to support a different way of thinking. We also, early on, really understood that this was a change management process that was not going to be the idea of the day that we were going to move on from. And I can remember early on at a partnership meeting, standing in front of the partners and saying, sort of exactly that, that I'm going to be up here talking about process improvement and Lean thinking and alternative service delivery models for as long as I'm in this position, I think I even showed a Dilbert cartoon where it sort of made that point. Is this a long lasting idea, or is it, you know, a dead fish kind of thing? And then that's what we did. We started small on a Lean journey. We started small with a one client and one internal process. We showed success, and then we went out and we tapped into our clients, because partners would listen to clients. We had Tom Sager from DuPont come in and talk. And Tom was not a client, but he was leading DuPont on a similar journey, and was very helpful to us in sort of framing the

ideas and the consultants that we used. Tom came in and talked. We had a fellow from United Technologies come in and talk about, I remember he got up and talked about, he hired the firm because of this. And I remember this was several years into the journey, a number of partners came up says, Why haven't you ever talked about that?

**Lorie Almon**

That sounds ... that sounds just right, I sort of imagine the Peanuts, you know, teacher talking, and then all of a sudden there's clarity in the speaking when it's the client voice.

**Steve Poor**

The other thing is you have to understand your audience. And lawyers are a particularly unique breed. They're smart, they're driven, they're competitive, they're risk averse, they have a low resilience. And so you have to sit and think through, what of those traits can I rely on? So competitiveness is one we relied on, showing the real estate partner who made a traumatic increase in his realization created people who came up and said, If he can do it, I know I can do it, appealing to their sense of trying to be transparent and, you know, being honest about because they're risk averse, you can't say I'm betting the firm on x. We're going to try x. If it doesn't work the way we think it's going to work, we're going to stop. We're going to learn from it. We're either going to discard it, or we're going to make changes in it and come up with x-plus. Nothing's jeopardizing the long term health of the firm, because we're in good shape. We're in a good industry, and I think they appreciated it that as we gradually grew the impact of what we're trying to do, we were able to show results and show where we had failed and what we'd done to remedy that, and what we're doing to either discard or move forward. And I think that gained a lot of credibility. Did we ever get 100% buy in from partners? You know this, Lorie, you don't get 100% buy in from partners on saying what day of the week it is.

**Lorie Almon**

It's not a thing.

**Steve Poor**

It's not a thing, it's not a thing. But as a general proposition, the majority of partners embraced and took the journey along with us.

**Lorie Almon**

No, that makes good sense, and that concept of it's okay to fail, just fail fast and learn from it, as opposed to doubling and tripling and quadrupling down when something isn't working.

**Steve Poor**

And being honest about it, being willing to say this didn't go the way we thought it would. Because if partners think you're hiding something from them, they're immediately going to go to their most cynical, their most risk averse place where they go the world must be coming to an end because they haven't said X.

**Lorie Almon**

Exactly, information gaps are not filled with positive optimism.

**Steve Poor**

No, they're not.

**Lorie Almon**

That's for sure.

**Steve Poor**

And I recognize, look, it's not like they read the emails, you know. So repetition was also a key part of this, both in person from clients in communication. Ultimately, after you say it 30 or 40 times, someone goes, Oh, why haven't you told me that before? Right?

**Lorie Almon**

There you go. So you mentioned clients, and I'm a big believer myself in that concept of starting small and being able to show a win and then building on that win, but you did it with a client early on, which is an interesting approach, of course, because there's the risk when you start with a client that it doesn't work and so, what did you learn? Or what surprised you about how clients responded to SeyfarthLean?

**Steve Poor**

What surprised me was how strongly positive their reaction was, that the conversation done correctly is very client focused. It helps us understand your problem, let's agree together on what we're trying to solve. Here's some thoughts we have about how we might approach solving the problem, and here's sort of the results we can agree on. It may be more common now. That's not a conversation clients were having, and a few of the clients we talked to had been on their own process improvement journeys, whether it's through Lean Six Sigma, or Six Sigma itself, or the various Japanese quality manufacturing improvements. They worked with people who made stuff and were always focused on quality and efficiency. And so they understood those concepts, because their clients live those every day. So I was quite scared the first time we had the conversation, particularly given the team we were sending in to have it, who were new converts to this and skeptical at best. But the conversation went remarkably well, and we produced the results we agreed we would produce, and the business tripled in size over the next year. And so, those were dynamics that played out that really lent credibility to what we were trying to do.

**Lorie Almon**

It was really a visionary effort on the firm's part back then, because I think innovation really wasn't in the vocabulary of most law firms and most law firm leaders. If anything, it sounded like something that was contrary to the traditional business model of the hourly billing, and just raise your rates and bill as much as you can. And I appreciate that Seyfarth has always thought about value in it in a different way. Today, zooming back out for a minute, innovation is on everyone's radar. Everyone's talking about innovation. So as law firm leaders and business leaders think about innovation and their own journeys. What do you think leaders are overestimating about innovation and what are they underestimating about innovation? What lessons would you share with leaders as they think about innovation?

**Steve Poor**

You know, there's an old Bill Gates line that I won't get right, but he talks about people overestimating the impact of technology in the short run and underestimating it in the long run. I'm constantly reminded of that. I think law firm leaders are too concerned about the impact of change or too optimistic, depending on which view the leader has in the short term, and they're not paying enough attention to the long-term consequences. Because this business is slow to change, but it changes. Now, the speed of change has gotten quite a bit faster with the new technologies that are coming out, so it's not as slow to change as it was, but you're going to look back five years, and it's going to look like a different landscape. And I think leaders, there are a few firms, Seyfarth being one of them that are trying to think about not just what do we do today? You got to think about what tools you can provide your lawyers today and how they can deliver services to clients and how they can have that conversation. But what do we need to do today to be prepared for a different world five years from now? What kind of people do we need? What kind of training do we need? What's our staffing model going to look like? What's

our pricing structure going to look like? I hear some talk on those issues around the industry, but I don't think ... They're always focused on what's the toy I can buy today that's going to cure the problem for my partners who are afraid of missing out and not focus enough on the structural issues that our clients are going to be confronting over the corresponding years.

**Lorie Almon**

You may have partially just answered this question, but one of the things I feel really fortunate about is, I'm in this moment of enormous technological change with generative AI's advent. In very recent years, and I always feel fortunate that I can rely upon the fact that we've been talking about innovation for decades, whereas that's not true for most law firms. And it makes me wonder, and maybe you've just touched on some of that. But what do you think has made Seyfarth's approach to innovation sustainable? Why have we been able to keep up that conversation for decades now?

**Steve Poor**

The people. I mentioned working with some great lawyers as practicing lawyers. We've also had amazing teammates on the innovation journey. Some are still with us, like Zeynep and beyond. Others have gone on to other pastures, like Jae and we've been fortunate to have an incredibly fortunate particularly at the beginning of our journey, to have people who sort of got it, who sort of understood the firm's culture. I mean, Kim Craig and Carla Goldstein. I mean, these are names from the past that were committed to this. And they really carried it through the tough times. And we've still got great people in our project management office in Seyfarth labs, in the innovation office, and I think having been fortunate enough to find those people and nurture them and give them freedom to help our clients be successful is what's kept us going.

**Lorie Almon**

Certainly, they are incredibly fundamental to what we're doing today as well. Now a couple decades have passed, though, and here we are.

**Steve Poor**

Yeah, here we are.

**Lorie Almon**

You talked a little bit about this already, about the fundamental question staying the same; How do we better serve our clients? I think that's certainly stayed the same. But how do you think client expectations may have evolved from the time you began this journey.

**Steve Poor**

I think clients ... A couple of sort of broader points, and then I'll talk more about today, and we can get into current events. I think clients have become way more sophisticated about purchasing of their legal service needs, whether it's the make or buy decision, whether it's to use alternative legal service providers, technology companies, their choices now are far broader, and they're more sophisticated about having making those choices than they've ever been before. That puts an onus on the law firm provider to understand that environment that the clients are living in and understand who you're competing against, because you're obviously competing against other law firms, but you're also competing against the legal service providers, the technology companies, as I said, training companies. And you've got to define your space in the market, and you've got to be able to articulate the value you deliver in that particular space. And I think currently, the big change I see is them trying to understand the impact of technology. You mentioned, you know, generative AI, what does it mean for their cost and service delivery models? And we've sort of moved over the last few years from this sort of moment of paralyzing fear when it first came out. Oh, my God, what do we do with this? You know, the robots are

coming for our jobs. Kind of question. I've referred to it as sort of the fear part of the cycle, including Fear Of Missing Out to Okay, we have this infrastructure now. We have these different tools. How are they showing up in the delivery of your services? What does it mean for us? What does it mean for you? What does it mean for our cost structure? And so their expectations are very different, and they're changing rapidly, even as we speak.

**Lorie Almon**

It's quite an evolution, to be sure. So as we get to the future, and we're thinking about this rapid pace of change and these exciting conversations with clients about the best way to add value. If you could give advice to the lawyers of today about how they ought to be approaching innovation and the technological changes that are upon us, what piece of advice would you give?

**Steve Poor**

Recognize that the business--and it's going to sound a little weird--but recognizing that the future of this business is a more humanistic component to it, that what clients are looking for are the things humans can bring to it, judgment, wisdom, those types of attributes that a computer can't bring, and being able to understand your client's problems from their perspective, not from the firm's perspective, but from the client's perspective. And being able to bring those human traits like empathy and judgment and wisdom are going to be key to success going forward. Understand the tools. And understand how they can augment your practice, because your clients expect you to, but focus on that human side of your development.

**Lorie Almon**

Yeah, I couldn't agree more. Absolutely.

**Steve Poor**

Thanks for listening to *Pioneers and Pathfinders*. Be sure to visit [thepioneerpodcast.com](http://thepioneerpodcast.com) for show notes and more episodes, and don't forget to subscribe to our podcast on your favorite platform.