

Law Firm Leaders: Marshall Dennehey's G. Mark Thompson

By Aebra Coe

Law360 (May 20, 2020, 12:20 PM EDT) -- G. Mark Thompson has served as president and CEO of Marshall Dennehey Warner Coleman & Goggin PC for just over two years and has spent the last two decades of his career at the law firm, which has more than 500 attorneys and 21 offices in seven states.

Here, Thompson chats with Law360 about how he has approached handling the coronavirus crisis at Marshall Dennehey, which is beginning to reopen in several states, as well as his goals for the firm's future.

As a law firm with approximately 500 attorneys, what is your strategy for competing with the largest law firms in the industry for legal work and talent?

We compete with a lot of the big firms. One of the things that distinguishes us in terms of attracting laterals, for example, is our compensation system is not based on origination credits. That affords us the opportunity to share clients and share work with one another. When a file gets assigned to us, we're able to put it in the right hands and in the right region. We've got 20 offices in six different states and so we want to encourage our lawyers to promote each other, promote our other offices. We want to cross-pollinate marketing opportunities.

What is your compensation system based on, if not origination credits?

It's based on performance. It's based on contribution to the success of the firm and that can be marketing, management, mentoring others, it can be the conventional practice of law, or a combination of those. It's a subjective measure. And it certainly takes into account people who bring in business, generate revenue, those sort of things. That's tracked and considered, but our compensation isn't based on any formula.

[Returning to the firm's strategy for competing for talent] We give associates, younger lawyers, direct access to clients. So they're not going to ghost write for a partner. Or they're not going to become a partner and still work for another shareholder who doesn't give them access to clients because they're afraid they'll steal them away. Our lawyers are encouraged to have contact with clients and one of our proudest moments is when associates start to get direct assignments from our clients. Our clients know them, they like them, and know they can just pick up the phone and call them.



G. Mark Thompson

Marshall Dennehey
president and CEO

Long before COVID-19 we developed a remote work program to provide flexibility to young lawyers. That has allowed us to attract and retain younger lawyers.

What exactly does the scheme involve?

You had to be at the firm for a year so you had the opportunity to learn the firm culture. And then it's usually two or three days a week if they want to do it. It's done in conjunction with approval from their supervisors. Some people have found they're more productive working remotely and they wanted the option to do that.

What we've accomplished in the midst of the coronavirus is far beyond what the program contemplated. We transitioned our entire firm to remote work in a matter of days, that includes over 500 administrative support staff who had never worked from home. But I think having bought the licenses and gone through all of these steps ahead of time postured us to do it quickly and pretty effectively.

How is your firm responding to the challenges posed by the coronavirus pandemic and resulting economic crisis?

We tried to make a commitment from the very beginning to try to do whatever we could for as long as we could to save jobs and avoid layoffs. So far we've been able to do that. We've not laid off a single employee nor have we reduced anybody's pay. We've stayed open for business. We transitioned our entire workforce to work from home. That's about 1,200 employees. It's not optimal, but we are continuing to practice law and we've managed to stay pretty busy doing that.

We've really tried to live out our values. Our folks are teaching each other, encouraging each other and I think have done a really outstanding job of taking care of each other during this crisis. I don't think I've ever been prouder of a group of people than I have in this, just seeing everyone rise to the occasion. I have shareholders whose compensation could have been threatened by our commitment to keep everyone on the payroll, but they insisted on keeping everyone on the payroll. That selflessness is heartening to me.

We have had to take some counter-measures. We suspended our 401(k) match. That's something we hope to restore come January. There is a federal program that allows companies like ours to defer social security taxes. That's a measure we have availed ourselves of. You pay those taxes back in 2021 and 2022. It enables us to better manage cash flow.

Up to this point, we feel blessed to not have to take any more drastic measures. We've not had to exercise any credit facilities, lay anyone off, or reduce their compensation so far.

As the states you're in are gradually reopening for business, what are your plans for returning to the office?

We currently have eight of our 20 offices reopening. They've been cleared in the regions in which they operate for in-office work. It's a slow, incremental, deliberate process. Views on this span the spectrum from people who are very eager to return to the office to people who are more risk-averse or have special needs that need to be taken into account. So the re-entry process is being done in stages. We don't have any office that is more than 50% back presently.

What are your goals for the law firm over the next five years?

The most immediate goal would be to safely and successfully navigate our way back from this crisis. We want to move the firm calmly and successfully through it. And hopefully have a pretty substantial rebound in the second half of this year and into next year.

We had our partner retreat in January and we emerged from that weeklong retreat confident that we knew where we were going. Less than four weeks after that this pandemic strikes. Like everybody, we've had to recalibrate. And some of our priorities and initiatives have been sidelined while we deal with the matters at hand, but we hope to get back to those.

We're looking to grow. We've always felt we're strongest as a regional firm with a national practice. That regional approach allows for deeper market penetration and broader coverage in each of those jurisdictions. As opposed to some of our competitors, many of whom are smaller, that tout themselves as a national firm but in many instances are only dabbling in certain states.

We are striving to modernize. Last December we rebranded and came out with a new website. We've also invested a lot in technology-- mobile capabilities to work from home, mobile billing apps, and the infrastructure to track performance. We're looking at file tempo, median legal fees spent, case disposition. A lot of the same metrics that our clients are looking at.

If you could have lunch with any well-known lawyer, alive or dead, who would it be?

I'd like to pick two. On the Democratic side, President [Barack] Obama. I have always admired his vision and obviously is adept at what he does. And then on the Republican side I've always admired James Baker, who was Reagan's chief of staff and Bush's secretary of state. He's polished, always prepared, sort of a CEO-type lawyer. And though he was a politician, he was always a lawyer first. I think either or both of those two would be special.

--Editing by Rebecca Flanagan.