

# McKeon Elected to Second Term as Morgan Lewis Chair

Since taking over as chair in 2014, Jami McKeon has presided over over two significant mergers and other big changes at Morgan, Lewis & Bockius

By Lizzy McLellan  
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Morgan, Lewis & Bockius looks a lot different than it did five years ago. But one thing at the firm won't be changing anytime soon: its chairwoman.

Jami McKeon has been elected to a second five-year term as chair, which will begin in October 2019.

The firm began a process of gathering nominations from partners in August, and they widely supported a second term for McKeon, said partner Grace Speights, who chaired the five-person nominating committee. The vote officially took place Monday morning.

McKeon has been chair since 2014, when she took over for Francis Milone, who had led the firm for 15 years. During Milone's time as chairman, the firm had grown to 1,300 lawyers, gross revenue and profits per partner tripled, and Morgan Lewis became a national firm, after expanding in San Francisco, Houston, Dallas, Chicago and Boston.

"Some said at the time she had a tough act to follow," said law firm consultant Kent Zimmermann of Zeughauser Group. "She helped the firm to grow in a tough market."

As McKeon was transitioning into her role as chair, an unexpected opportunity came across Morgan Lewis' radar—the chance to add hundreds of lawyers through a combination with Bingham McCutchen. It came as McKeon had been strategizing with the partnership on how to deepen existing practice areas, she said, and none of that had to do with growth in the U.S.

"The bet we made was that, in doing those things, we would better position ourselves to achieve our global objectives. That absolutely came to pass," McKeon said.

Soon after the Bingham deal, the firm finalized a merger with Stamford, an 80-lawyer firm in Singapore, which would become Morgan Lewis' Asia headquarters.

"She didn't waste any time after getting into the role in pursuing and successfully consummating not one but two combinations of size," Zimmermann said. "I remember thinking,



Jami McKeon. (Courtesy photo: Morgan, Lewis & Bockius)

she's either going to be a one-term chair or she's going to be very popular with the partners if she pulls this off."

The firm hasn't stopped adding large groups of lawyers since then. Recently, it took over 50 intellectual property partners, lawyers and other professionals from McDermott Will & Emery, in several U.S. locations.

"She has through the sheer intensity of her will and intelligence moved our firm to a different level," managing partner Steven Wall said, of McKeon.

## Growing Pains

Still, growth comes with its complications.

Just this year, the firm has been at the center of two conflict cases that made headlines in California and Pennsylvania.

One former employee of the firm, who was interviewed earlier this year and asked not to be named, said the firm's expansion had created conflicts for some clients and that its global expansion efforts weren't of interest to lawyers with domestic practices. Stamford founding partner Suet-Fern Lee said she saw a small group of lawyers leave her boutique, rather than going to Morgan Lewis, because they wanted to remain in a specialized business model.

“Most law firm chairs and managing partners who are strengthening their firm significantly, they’re often not going to win a popularity contest every day with their partners, and that’s OK,” Zimmermann said.

As for the financial impact of the growth, it’s no surprise that adding hundreds of lawyers significantly boosted the firm’s gross revenue. The firm took a hit to revenue per lawyer and profits per lawyer in 2015 as its head count ballooned, McKeon acknowledged, but those metrics improved the next two years.

The sudden U.S. growth also meant Morgan Lewis has had to delay expansion in Europe—a goal it had set out early in the leadership transition.

“Had we not done the Bingham combination, we would have sooner had a focus on Europe and Asia in particular,” Wall said.

That’s where Morgan Lewis has its eye trained now. But, Wall and McKeon noted, while the unexpected domestic combination delayed the global growth plan, it facilitated some expansion overseas. The demonstrated integration of Bingham McCutchen’s lawyers helped seal the deal with Stamford, Lee has acknowledged.

“Success isn’t one change, and then everything’s fine, or a linear path. It’s iterative. It builds on itself,” McKeon said.

The Bingham McCutchen deal also resulted in some additions to the firm’s London office, including Frances Murphy, who is now the London office managing partner. That office’s head count has more than tripled in five years, according to ALM affiliate LegalWeek.

Murphy said the firm has planted the seeds for more European expansion in McKeon’s next term, and is giving careful consideration to where in Europe it should be. “In terms of London, it’s more plants than seeds. We’re really harvesting now on that,” she said.

Adding several hundred lawyers while adjusting to a new leader no doubt had its difficulties, McKeon said, especially given Milone’s long tenure in the role before her.

“The rapid growth we had, obviously you have to say that presents challenges,” she said. “That could have been an obstacle, but in all honesty I think it was our finest moment.”

#### **Preparing for the Future**

Head count isn’t the only thing that changed at Morgan Lewis under McKeon’s leadership, as the firm, like others, looks to train and retain the next generation of lawyers.

During the leadership transition four years ago, McKeon approached pro bono partner Amanda Smith about leading an associate talent team, which led to additional young-lawyer-minded changes.

Morgan Lewis implemented a remote work program in early 2017 that allowed associates with two or more years of experience at the firm to work remotely up to two days a week. Under another program, lawyers with children can return from parental leave under a reduced billable hours expectation for six months, with no pay reductions.

The firm was also recently “Mansfield Certified,” under a program started by Diversity Lab. The Mansfield Rule requires that at least 30 percent of participating law firms’ candidate pools for leadership or governance roles, equity partner promotions and senior lateral positions be composed of women or minorities. Morgan Lewis has more than 20 diverse partners in leadership roles, according to the firm.

“You look around the firm and there are so many women in leadership. There are people of color in leadership,” Speights said. “That in itself has changed the culture and dynamics of the firm.”

McKeon acknowledged that no law firm has solved the diversity question, but, she contends, focusing on making leadership more diverse is more important than solely pushing for better diversity statistics on a firmwide level. The client focus has shifted, she said, to how firms develop diversity in their talent pipeline and whether the partners who have relationships with clients are diverse.

Wall said the firm has embraced, and will continue to develop over the next five years, two key elements of the future of the legal industry: using technology to provide more flexibility and efficiency and departing from the billable hour model.

“We have increasingly embraced with our clients the value of serving our clients and measuring financial success not by the billable hour, but by efficiency and quality,” Wall said.

McKeon acknowledged the competitive opportunities and challenges facing all law firms, including artificial intelligence, alternative legal service providers and the Big Four, as well as the expectation that another recession will likely take place within her next term.

Zimmermann suggested that the firm’s growth in a broad range of practices will be helpful in the next downturn.

“What we’ve achieved ... is doing things in a new and different way, taking risks that looked like they were unusual and different or bold and crazy,” McKeon said. “And I think we’ve built an organization that knows how to adapt.”

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