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KRCL Sets Succession Plan in Motion

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Joe Coleman, one of the founding directors of Kane Russell Coleman Logan, wants the next 25 years at the Dallas-based law firm to be better than the past quarter of a century.

The firm launched by Coleman, **Raymond Kane**, **Gordon Russell** and **Michael Logan** in 1992 expanded to close to 100 attorneys at its largest with offices in Dallas and Houston. KRCL topped \$50 million in revenues in 2018 and inked an agreement this year to relocate its Dallas offices to Bank of America Tower for the next 11 years.

But it also finds itself at an inflection point familiar to several other Texas law firms – identifying, training and empowering the next generation of leaders.

To help usher in the next era of the firm, KRCL appointed **Karen Cox** this month as chair of its board of directors. She is the first woman and non-founder to lead the firm.

Coleman says Cox, who has been with the firm since 1993 and has served in a number of management roles, is the “perfect fit” to navigate the firm’s transition from being run by the founders to being led by the up-and-comers.

Coleman said selecting Cox as chair “is probably one of the only things we’ve had immediate consensus on.

“In a lot of ways, I call Karen the soul of the firm,” he added.



Karen Cox

Cox says diversity is one of her key initiatives and a cause she is focused on personally.

“I appreciate the firm choosing a woman to lead the firm in this new phase,” she added. “Our clients want a more diverse law firm to meet their needs. It expresses the firm’s commitment to diversity being a primary focus for the future.”

KRCL also instituted a major shift in the way it does business. It has adopted a C-suite model in which non-lawyers will handle the day-to-day operations. The firm has tapped Dallas litigator **Jeff Novel** to serve as director of administration and work closely with the C-suite to implement the strategic vision set forth by Cox and the board of directors.

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The KRCL business executive team is led by Chief Executive Officer Mike Demarest, who has been the firm's chief operating officer for the past 15 years. He has had a long career on the business side of law firms that has included stops at Squire Sanders and Gibson, Dunn & Crutcher.

The rest of Demarest's team includes Chief Financial Officer Nathan Benson, Chief Marketing Officer Christine Harris, Chief Talent Officer Pamela Worthington and Chief Information Officer Greg Amme.

"I'd put our non-lawyer management up against any in the state," Coleman said.

The appointments of Cox and Novel and transformation of its management structure are a result of high-level conversations KRCL leaders began four years ago. The firm hired law firm management and business development consultants to develop its strategy for the future.

One of the early moves the firm made to invest in its "up-and-comers" was to commission them to lead the firm's various practice groups. None of the firm founders were allowed to hold those positions.

KRCL then hired the business development consultant to work with these attorneys over two years. The firm saw immediate results. Coleman says 10 of the attorneys working with the consultant saw their books of business increase 33% from 2017 to 2018. He expects that growth to increase even more from 2018 to 2019.

"It is very exciting to see the fruits of your labor," Coleman said. "The amount of business these up-and-comers are generating is awesome."



Joe Coleman

The past four years have also seen some key departures from KRCL's ascending generation of leaders. Kenneth Johnston and David Pratt left in 2017 to start their own law firm. Zach Mayer did the same at the beginning of this year and brought 20 lawyers with him.

Coleman points out that although more responsibility is being handed over to the firm's next group of leaders, there will be no slowdown for the founders over the next 10 years. He says the succession planning process has been a great experience, but also a huge commitment. He credits law firm management consultant Roger Hayse, in particular, for challenging the firm along the way and holding it accountable.

"I'm glad I didn't know how much time it would take before we started," Coleman said. "It's awesome to look at the founders and say it is working."