



# Partnership

Dr. Annika Clauss and Michael Frick discuss what makes the partnership models in their businesses so special.

Edited by Kathrin Lochmüller. Photos by Markus Kirchgessner



**leitwolf: Dr Clauss, you are a lawyer and notary and a long-serving partner at the law firm Hengeler Mueller. You hold both a doctorate in law and a Master of Laws, read Chinese Studies alongside this and have already made a name for yourself as a successful M&A partner at just 36 years old. How did you get into this career? Is law in your blood?**

**Dr Annika Clauss:** I'm actually the black sheep in my family, as everyone else is in natural sciences. I got into law by accident, as the father of one of my friends was a lawyer, so I often had the opportunity

to work for him during the holidays. Yet what I do now is completely different to traditional legal practice because I don't appear in court to help settle disputes. Instead, I advise clients on M&A transactions, where having a commercial understanding and avoiding disputes via constructive negotiations are the most important factors.

**leitwolf: Mr Frick, you joined Lupus alpha in the first few months after it was founded. What prompted you to opt for an asset management start-up back then in the early 2000s?**

**Michael Frick:** After finishing my studies, I worked for a large American management consultancy where I got my first taste of managing asset management projects. I got to know the future founding partners of Lupus alpha during that time when we advised on their strategic direction and organisation. When, during that collaboration, the founding partners asked me if I wanted to join Lupus alpha, I didn't have to think about it for long. I really liked the DNA of Lupus alpha and found it extremely exciting to help build a new company, define processes and be part of the partnership model.

**leitwolf: Partnership was a core value for Lupus alpha from the very start and is still extremely important today. Can you explain how exactly the company's partnership model works?**

**Michael Frick:** Lupus alpha was founded by five partners, each of whom took responsibility for a different part of the business. We then grew relatively fast, and quickly realised that we needed to expand the partnership model. After all, Lupus alpha is a "brain company"; we don't have any patents or machinery. Our success depends entirely on the expertise of our employees. That's why we continued developing the model to enable us to attract and retain top performers who actively help to shape the business. The partners at Lupus alpha work together on aspects such as the company's strategic goals while also participating in its financial success, of course.

**leitwolf: Dr Clauss, major law firms are often also set up as partnerships. What is special about this model at Hengeler Mueller?**

**Annika Clauss:** Partnership is also an integral part of life at Hengeler. We partners see ourselves as "entrepreneurs" who are responsible for our respective areas of the business and involved in strategic decision-making. All of the partners get together twice a year to discuss the key issues. What makes us special compared to most other law firms is that we operate a pure "lockstep" partnership, which means that we are all work side-by-side and earn the same amount at the same seniority level. The advantage of this is that we are similarly incentivised to genuinely pull together and not compete against each other internally.

**leitwolf: How do you enable employees with significant potential to become partners?**

**Annika Clauss:** That's a very important topic for us, as we're also a "brain company". On the one hand, we have extremely flat hierarchies, which means that young lawyers and associates work very closely with the partners, helping them to come into contact with clients and take on responsibility at an early stage in their careers. In my opinion, this "on the go" feedback is the most important way for young people to develop well, as they're simply always there experiencing what the advisory business is all about.

*Partnership models work better than others in times of crisis."*

Michael Frick



**Michael Frick, Managing Partner, CFO and COO at Lupus alpha.**

On the other hand, we also offer continuing professional development programmes such as our Executive MBA collaboration with St. Gallen University as well as mentoring and individual coaching programmes that each employee can use to work on their particular set of issues.

**Michael Frick:** We always try to maintain a sufficiently large pool of talent, and employ an average of eight to ten working students in a broad range of areas. As well as providing support for professional qualifications such as the CFA® or CESGA®, we also place particular emphasis on "learning on the job". Talented young professionals take the first steps in their careers by joining us as junior members of the sales, portfolio management or risk

management teams. We also support them with special projects and allow them to contribute to annual targets and specific initiatives. By doing this, they absorb the "Lupus alpha DNA" and ultimately pass it on many times over as part of the partnership. Of our nine current partners, three began their careers with Lupus alpha as either working students or juniors.

**leitwolf: Dr Clauss, Mr Frick, we have just discussed the internal value of partnership, both for your corporate culture and in securing young talent – but what do your clients get out of it?**

**Annika Clauss:** I believe that the partnership model offers direct benefits for clients. Because we are a lockstep partnership as previously discussed, there is absolutely no benefit to individual partners in keeping clients for yourself even if you are perhaps not the expert on a particular issue. We always pass any questions that do not fall into our areas of expertise on to the colleague who is best qualified to answer it. That means our clients can always rest assured that they will be advised by the best lawyer for their situation. That's a very important direct benefit.

**Michael Frick:** The high degree of continuity is another positive factor. We have many clients who in some cases have been investing with us for over 20 years and have had the same point of contact with us for that entire time. Long-term relationships like these create significant mutual trust – and build a firm foundation for times of crisis. I believe that partnership models work even better than other models in stressful situations, as they offer stability and dependability – not only for clients but for our staff, too. What's more, the partnership model also gives us time to try new things. Instead of relying on rapid response times, we can really give ourselves time to move things forward in a solutions-focused way.

**leitwolf: Dr Clauss, Mr Frick, thank you very much for the conversation!**

**Dr Annika Clauss:** Lawyer, notary and partner at the law firm Hengeler Mueller.

Dr Annika Clauss advises clients on corporate law as well as domestic and cross-border M&A transactions, particularly those relating to Asia. She read Chinese Studies alongside her legal training and spent several years practising law in China.



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Dr Annika Clauss



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