

Fit for the Future

Legal Week Student

Spring 2010

What sort of world will the law firms of tomorrow inhabit? How will firms respond to changing client demands? What will the fundamental economics of a legal services business look like in ten years? What skills will be needed to succeed and where will they be acquired?

These are some of the core questions which the leaders of major law firms consider regularly and which guide their strategies. They are also crucial issues for individuals who are ambitious to succeed in the profession over the next decade. Those with the prescience to develop and demonstrate the skills, attitudes and capabilities that firms will need place themselves in pole position for career progression.

Being an excellent technical lawyer is now assumed. It is necessary, but not sufficient, to deliver success. It's what marketers call a hygiene factor; in the same way that airlines are not selected on their safety record, but rather on convenience, service, reputation and price, law firms are not evaluated on the likelihood of them getting law wrong, but on their service bundle. Getting the law wrong too often will put you out of business, but getting right will not, in itself, win you work.

Client satisfaction research consistently show that lawyers excel at providing what they think is important (or convenient for them to provide), but perform much less well on the more challenging factors that are valued by most highly by clients in practice. When a firm consistently provides commercial advice, on time and on budget, manages projects well and communicates relevant information clearly without any nasty surprises, it will set itself aside from the pack. Individuals able to develop and demonstrate these skills will be in high demand.

The fee versus value dynamic is another challenging area. Law firms will need to use the value that they create for their clients as the basis for the fees they charge in the future. Unfortunately, value is a concept that most find impossible to articulate. The traditional fee model effectively gives away the strategic decisions, but charges for the process. This is unsustainable, every year process is made significantly more efficient through advances in IT and knowledge management systems. Factoring legal process outsourcing into the mix produces a catalytic effect. Those able to create strong value propositions will have a significant competitive advantage.

Success will flow from excellent communication skills, people and project management capabilities, commercial nous, financial acumen and the ability to develop strong, broad and deep client relationships. For those lacking these skills the future is bleak; defined by price-driven, highly commoditised work without any of the *joie de vivre* that lawyers desire.

