



BY HEATHER SUTTIE

A Game of Inches

As in football, change in legal services can depend on incremental gains ... until a punter shows up

A FEBRUARY 2016 Deloitte report, *Developing legal talent: Stepping into the future law firm*, suggests that, by 2025, UK law firms will need a broader skill mix to remain successful. It's highly probable that this need will apply to Canada as well.

Accountants, IT specialists and client-facing professionals are already part of the traditional law firm mix — at least to some extent — but pricing experts, project managers, relationship specialists, data managers, cyber-technicians and product developers will be needed very shortly. For firms wanting to gain market share, finding and keeping this high-grade talent will be critical, but a wide-open job market for these workers may keep them in short supply.

And there's another major hurdle: people who are trained to manage law firms as true businesses will never be key decision-makers until socially stratified lawyers — who love referring to all others as “non-lawyers” — focus on lawyering.

As in football, change within the law firm world can be a game of inches — a slow grind, until a punter shows up.

PUNTERS

More punters are entering the legal field — to the chagrin of some and delight of others. But not all have their game down pat. As Melbourne-based consultant John Chisholm observed recently, cost and data analytic experts at law firms tend to be more focused on internal costs than external relations. Instead, he suggests, “Concentrate on increasing your client's profit, and increased profits to the law firm will flow. Not the other way around.”

He ought to know. After more than 25 years as a law firm partner heavily involved in management, Chisholm now works with firms to maximize business performance. He finds that shifting mindsets is



job number one: “How smart, intelligent, successful people can overlook some of the fundamentals of business acumen and ownership is staggering at times.”

GAME-CHANGERS

When it comes to shifting mindsets, broadening business and expanding the talent pool, major professional-services firms have “been there, done that.” With more than a 20-year head start, they have amassed talent rosters of diverse skill sets, built inroads to targeted industries, and marketed themselves accordingly. They have found that a wide range of talent makes for a richer working environment that enables an array of services for clients who, if they wish, can one-stop-shop.

Acknowledging the success of this business model is one thing, but competing with it is a problem. This is because the standard lawyerly trait of risk aversion has become amplified to where caution is causing stagnation. According to Altman Weil's *Law Firms in Transition 2016* survey, 64 per cent of 356 US law firms said that partner resistance was the biggest impediment to change. Alarming, only four per cent rated their partners as being highly aware of challenges in the current legal market. Furthermore, 59 per cent said clients weren't requesting change and 56 per cent said they weren't feeling enough financial pain to spur action.

So, why rock the boat?

BOAT ROCKERS

Professional-services firms, traditionally the bastion of mild-mannered accountants, are now full of accountants who aren't always mild-mannered, and many of their colleagues aren't even accountants. This is prevalent among the Big Four, and if it hasn't happened already, talent expansion will become evident within second-tier professional-services firms, which tend to be more grass-rooted and regional in nature rather than global.

Legal is a fully fledged service line within each of the Big Four and has been for some time. But now, Big Four legal is bulking up and amping up to the point where there is no mistaking their siren call. In June 2016, Deloitte released an independent study, *Future Trends for Legal Services*, with results from 243 web-based surveys and 30 interviews with CEOs, CFOs and general/legal counsel with businesses operating in five or more countries worldwide.

Unsurprisingly, 52 per cent said they would be comfortable buying legal services from non-traditional law firm entities. Also, one in three want legal-service providers to deliver industry, commercial and non-legal expertise. And, with 55 per cent saying they have recently reviewed their legal supplier roster or will within the next 12 months, some law firm's boats will be rocking big time.

This is why, if he were still in private practice, Chisholm says he would “stop thinking of myself as a lawyer or law firm and think more as a business that provides solutions to my client's challenges and help them see opportunities.”

Providing legal services as a well-rounded and real business. Imagine that. ☺

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