



BY HEATHER SUTTIE

# Is the Sky Falling?

No, but for firms that want this to be a “build” year, less distraction and more action will help

**THE CHICKEN LITTLE** effect has been doing head games on many firms for some time now. It hasn't helped that this notion that the sky is falling has been amplified by troubles in the US, where layoffs have been happening in a market that may have been bloated to start with. Adding a dollop of calamity was the collapse of New York-based Dewey & LeBoeuf LLP, which went into liquidation last year after financial difficulties decimated what, at one time, was the workplace of over 1,000 lawyers in 26 locations worldwide.

Canada has a different economy, conducted on a smaller and more conservative scale. And while we would be wise, of course, to watch the US legal market and learn a few life-saving lessons from their experience, we need not be distracted by dramas to the south or global economic dips that history has shown are cyclical. Instead, we should simply get on with the business of doing business.

The question is: what's it going to take for firms to quit the Chicken Little dithering and adopt the old adage that, if you don't like what you're getting, change what you're doing?

## > DEARLY DEPARTED

In Canada, the most recent failure of a firm that had critical mass was Goodman and Carr LLP, which hit the rocks in 2007. A Toronto-based firm founded in 1965, it was known for its entrepreneurial bent and “hard working law” slogan. The firm closed after 42 years over what boiled down to a difference of opinion over the firm's strategy and market position. As Gary Luftspring, the long-standing former managing partner of the ill-fated firm, wryly observes, “We were actually prescient closing in 2007, given what happened with the financial markets in 2008 and 2009.”

Now managing partner at Toronto's Ricketts Harris LLP, Luftspring's hindsight into G&C's failure lends itself to the viewpoint that Canada's legal market isn't undergoing the drastic changes the US is experiencing. As Luftspring says, “We need to get a lot better on communications and a little better on the way we do things. We're in a more client-centric universe.”

## > INDUSTRY ORGANIZATION

Many firms have yet to organize by industry, preferring to stick to practice area — the traditional way firms have organized themselves, especially in terms of compensation. This is short-sighted, since clients don't see themselves in terms of legal practice areas. Clients organize themselves by industries, so firms that line up their offerings according to industry focus automatically win points for mirroring how clients see themselves.

Figuring out what industries your most important and revenue-generating clients belong to — and learning about those sectors in depth — enables you to better communicate how you or your firm can help key industry clients be more successful. Helping your current clients is always a smart move — especially in a global market that, in many ways, is becoming smaller. It also means you will work smarter, because you're developing more business with loyal clients who are already on your roster.

## > GET TALKING

Having a two-way conversation is the opposite of an email, text or tweet, since these one-way communications are easy to ignore and even easier to delete.

The need to converse was reinforced yet again at the sixth annual General Counsel



Panel hosted in October 2013 by the Toronto Legal Marketing Association when Julia Gray, Associate General Counsel and Vice-President, Legal Affairs at Canaccord Financial, said, “Pick up the phone and ask me.” Her statement echoed a comment made two years previous at the fourth annual panel when Av Maharaj, Vice President and Chief Counsel, International, Kellogg Company, said, “If you need to reach me, phone.”

Clients are keen to discuss what they are doing now and in the future. They say a conversation will also clarify what will make them happy, which unless you're clairvoyant, will make your life easier.

For example, when it comes to qualifying how success will be measured, a client's perspective may be quite different from a lawyer's. As Luftspring says, “Having the conversation with a client at the beginning and defining what will be a successful outcome is the key.”

These actions are client-focused, differentiating and doable unless, like Chicken Little, you are determined to believe the worst will happen. Perish the thought. 🍌

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