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Par Patrick Bignon

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It's odd but when you look at the evolution of law firms, whether international or French, the first thing that strikes you is how resistant they are to change and their unchanging business models.

However, they have never been faced with such a challenge to the fundamentals of their existence, with major tendencies like:

- the very strong contraction in demand which affects all business sectors and service lines;
- downward pressure on fees, which throws into question their traditional billing model and the use and number of associates in the firms while also leading to an erosion in margins;
- deregulation of the legal market with entire sectors which are no longer the exclusivity of the legal profession and are being carried out more and more by new market entrants;
- certain types of services are quickly becoming routine with ever easier access to information.

This is even more surprising when you see the profound changes in other industries with the arrival of new business models and the opportunities they bring.

How can we explain that feeling of invincibility, which means that lawyers think that it's just a difficult period to get through, and that things should get back to

normal in future, without having to rethink the profession and transform the firm?

First of all, lawyers find it difficult to project into the future and to act collectively for the development of their firm and, in a crisis context, a lot of energy and a high level of leadership is needed to bring them out of their “comfort zone”.

But more fundamentally, unlike companies with their shareholders, boards of directors and trade unions, the partners do not play the role of a force of opposition in their firms, calling into question the performance of their business models.

What can be said ...?

Sooner or later lawyers will have to face reality, change the way they practice and reinvent their profession above and beyond the simple adjustments to the economic situation that we have seen over the last few months with people being made redundant and cost-cutting measures.

Those who get to grips with the situation and propose to the market new business models that meet client requirements better:

- fees that are easier to predict and improved cost management;
- a higher level of responsiveness;
- a better match between offer and demand;
- increased client proximity;
- greater creativity ...

will be those who will win the day tomorrow.

... and done?

First of all, it is necessary to make all the partners realise that the status quo is no longer acceptable and that it is urgent to take action.

Then, mobilise a group of partners with enough powers, who are capable of changing the contours of the partnership and accompanying the transformation of the business model by proposing a novel vision for the years to come.

With regard to this new vision to be built, it should take into consideration the following anticipated changes:

- greater segmentation of the offer between firms;
- a narrower field of action of more generalist firms, who are being forced more and more to concentrate on their main areas of expertise;
- more frequent recourse to alliances and associations which make it possible to receive support from other professions and businesses to enhance the service offering;
- the entry into the firm of “non-lawyers” to provide a more professional approach to the management functions and also to assist lawyers in their development;
- the implementation of innovative participative and collaborative techniques in order to generate creativity and raise ideas;
- the end of the “everyone-for-himself” attitude and a more business segment-based organisation promoting a more collective, cross-functional approach to client development;
- the possibility for firms to receive external funds to help speed up the pace of development;
- organisation of the production of recurring routine services at low cost (outsourcing, dedicated subsidiaries ...);
- a human model with a higher level of integration of the various players in the law firms, acknowledging and stressing the importance of the different roles played by partners and non-partners.