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## People in the legal ecosystem

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This is the third part in my exploration of the legal environment. I have done [a general overview](#) and looked at [the role of clients](#). Now I want to turn to people — the people who work in the law in one way or another. What impact do changes in the legal ecosystem have on them, and how might they affect it in turn? This is a slightly broader overview than the clients post, for reasons that I hope will become clear.

Any legal business depends on people. As I have [argued previously](#), the law is a human system that depends on humans for its operation and interpretation. That is as true for traditional law firms as it is for their new forms of competition. (Those new businesses that offer technology solutions will have some human involvement somewhere — it is just outweighed by technology.)

The way people work in the law is changing. There are two major strands to this change — uncertainty in legal careers and diversification of roles within firms. We are partway through the first change, and the second is fairly novel but may be more far-reaching.



## Lawyering now and in the future

Until a decade or so ago, the obvious choice for someone who wanted to embark on a career providing legal services (in England and Wales, at least) was to become a trainee solicitor (other options include going to the Bar or becoming a Legal Executive, but fewer of those opportunities were available). In 2002/03, 5,650 training contracts were available. (This and other statistics here are [compiled by the Law Society annually](#), unless otherwise stated.) By 2012/13, this number stood at 5,302. There had been a slight rise during the decade, but there was a sharp drop in 2011/12 (for comparison, 3,681 training contracts were available in 1992/93). Over the same period, the number of solicitors with practising certificates had risen from 92,752 in 2003 to 127,676 in 2013 — a 38% increase. So the profession is growing, but not necessarily renewing itself at the same rate.

Where are solicitors employed? The majority are in private practice, but there is a long term trend of growth in the in-house sector: until 2003, about 15% were in-house, but this had grown to 21% by 2013. However, training principally takes place in private practice: in 2002/03, almost 95% of all training contracts were offered by law firms. I don't have access to the most recent statistics, but in 2008/09

law firms provided 93.5% of training contracts. Of those contracts, about one-third are provided by firms with 81 or more partners (32.9% in 2002/03 and 34.9% in 2008/09).

Alongside solicitors, legal work is done by barristers (of whom there were [15,387 in 2010](#) — nearly 3,000 employed in law firms or in-house), legal executives (around [20,000 members](#) of the Chartered Institute of Legal Executives) and paralegals (about 200,000 [according to estimates](#) by the National Association of Licensed Paralegals). As one moves away from the traditional legal professions, it is harder to find authoritative figures — the Legal Standard Board in its [2014 Annual Report](#) only claims to cover a regulated community of 163,110 (including solicitors, barristers and legal executives, but not paralegals), whilst the [Institute of Paralegals](#) appears to provide no data at all on its membership numbers.

Overall, the picture for aspiring lawyers is less rosy than it might have been in the past. Opportunities to become solicitors or barristers [appear to be stagnant](#). At the same time, some firms appear to be using paralegals without considering how the role might develop. This is illustrated starkly by a statement extracted from the [Legal Education and Training Review report by Alex Aldridge](#):

*There is an amusing quote in the Legal Education and Training Review (LETB) report from a 'legal employer':*

*"I want technicians who are prepared to do the something 100 times over and over again and are happy to be really good at that for 50 years."*

*Unfortunately for big-earning law firm partners, the world doesn't work like that. Life can't stand still: everyone needs new challenges, promotions, more money — a sense that their careers are developing. That is the problem now facing law firms which have taken advantage of the growing surplus of cheap paralegal labour that has been churned out by the law schools over the last few years.*

Aldridge is concerned that this is a problem for law firms, but I think it is a greater problem for paralegals. Some firms will work hard to develop proper career structures and help their people acquire relevant qualifications, but many will not. Until there is a change in the market, I doubt that firms will be driven to do the right thing even by disgruntled paralegals. (It has to be noted that their representative bodies are [trying to force the issue](#), but the more recalcitrant firms will ignore them as they have always done.)

## **Making the law work for clients (without lawyers)**

There has long been a divide in law firms between lawyers and so-called non-lawyers. (The term 'non-lawyer' was deprecated even before the Managing Partner Forum launched its [Unsung Heroes campaign](#) in 2004. A quick web search will also show that professionals of all types use 'non-' as a

marker for those who don't have their expertise — lawyers are not unique in that.) This divide means that lawyers have usually been responsible for all aspects of client work — managing the relationship *and* providing the legal service. On top of that, lawyers are privileged by most regulatory regimes by being the only permissible owners of the firm — in only a few jurisdictions are non-lawyers allowed to become partners (or to wield equivalent *de jure* power).

It is illuminating to see how things work in other professional services firms. Advertising agencies, for example, have long divided work between account managers (handing the client relationship, but not actually creating advertising) and so-called 'creatives' (who write the advertisements and create the artwork, but rarely deal directly with clients). Despite having distinct roles, neither is privileged over the other — partners in an agency will be drawn from both sides of the divide. Over time, other important roles have developed (such as [media buyers](#) and [account planning](#)) because there was a clear need for those functions.

But just because there are different roles contributing to client success (whether in advertising or legal terms), we need to be sure we know how all the bits fit together. [Dave Trott](#) puts this well in this presentation to a group of young planners (0'0" to 1'30" in the video).

*This is apparently "What Creatives Want From Planners." That's really quite simple. What creatives want is simplicity, clarity and inspiration. What they don't want is complexity, confusion and prescriptive thinking. What they normally get is the latter — complexity and confusion — and they don't get simplicity, clarity and inspiration.*

*Most creatives don't like planners. I don't like planners. I also don't like creatives or account men. I don't like anyone who limits themselves to their department. Anyone who thinks the job is just to do what their department*

is.

*So I don't like planners who think their job is just planning. They're useless to me and they get in the way.*

*What I love is people who are bigger than their job. I love ad-people.*

*I love people who want to understand the whole job of what we do. And people who want to contribute to the whole of what we do — not just learn some useless planning language, talk useless planning language and impress each other with their planning language. That's just planners talking to planners about planning, and it's not advertising.*

It is interesting to contrast this notion of people being bigger than their job with the idea that one person should do a multitude of jobs (the normal law firm model). The motivation for both is the same — a desire to be sure that good work is being done for clients. The outcome is very different. Jacks-of-all-trades are known not to do as good a job as specialists who understand other jobs and can evaluate them but don't do them. Most important — clients know the difference. And because they know the difference, they can act on it — to the point of moving their business to a firm that suits their needs better.

That is one reason why a number of law firms and new legal businesses have developed new roles, many of which break down the barrier between support and delivery.

- Law firm finance professionals have become pricing experts — advising lawyers on better ways of charging for their work. They can only do this if they understand the client's perspective as well as the work being done (as well as the obvious finance issues).
- Business development people have become more prominent in managing client relationships. Some of them will work as closely as the firm's lawyers with an in-house legal team — helping them resolve issues that are as important to them as legal problems.
- The way legal work is done is being rethought — using process mapping more intelligently and developing project management techniques. This may draw on a firm's internal project management capability and its knowledge team,
- Firms are starting to think of themselves as more than providers of legal advice. They are using internal expertise in HR, Risk and other areas to offer consultancy services to clients.

These and other initiatives are breaking down the expectation that only lawyers can be responsible for so called 'client facing' or 'fee-earning' work.

How do firms decide what to do? The first thing must be to take account of what clients are asking for (both directly and implicitly). But there is another factor — what skills and capabilities does the firm have at its disposal? To some extent, the direction a legal business takes will depend on the things it can already do and the things it can easily buy. As a result, good people who don't fit the existing mould (like traditional lawyers) will be at a premium. They are the ones who are likely to be best able to help

steer the most dynamic businesses in new directions.

## What does the future hold?

It will take time for firms to settle on the mix of roles and activities that suits them and their clients best. Over that time, some will also move to different business models. For some, opening up internal roles to the outside will lead to appointing some of their best specialists of all types to the partnership. Some may choose to move away from partnership altogether. For firms that take on (and develop) significant numbers of non-traditional lawyers, there is a choice to be made about the remaining lawyers — should there be fewer of them? how should they specialise? what does a development programme look like?

For a long time, law firms all looked pretty similar. That homogeneity made it hard for clients to differentiate between firms. As a result, clients tended to focus on individual lawyers – they decided who to instruct based on historic personal relationships. That will still continue, but trust is more likely to become a hygiene factor. As clients become more sophisticated and law firms develop in different directions, it will become easier to latch onto the things that a firm does that fit what the client business needs when choosing lawyers.

But what does it mean for people who want to provide legal advice to clients? Law businesses are moving away from providing legal solutions to solving business (and personal) problems. Doing that successfully will demand a wider array of different roles and approaches than firms currently have. But the uncertainty about how those will evolve — which will be successful and which will fail — will be borne primarily by people. Those individuals who find a niche that fits them and the environment will be successful. But there will be others who won't find a comfortable fit.

As Dave Trott says later in the video (at 12'11") “Form follows function. First we define the function, then we work out the form. And we'll know if the form is good by how well it delivers the function.” (He then goes on: “We're solving business problems, we're not solving advertising problems. Advertising is solving business problems.” We have more in common than many lawyers would like.)

At the moment, the functions of different legal businesses are still being redefined. Until they are more settled, there are plenty of opportunities to test different forms. Different ways of working. New opportunities for people who want to play their part in solving our kind of business problems.

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