

Are We Ready for a "Weird" New World?

By Joseph B. Altonji on January 8, 2014

2014 has dawned and already there are signs that the future won't resemble the past. Consider:

- The BCS Championship Game was played, and in an exciting, whirlwind finish the SEC, and the state of Alabama, did not end up with the champion team. (I guess it is time to get rid of the BCS...)
- Dennis Rodman thinks he's ambassador to North Korea.
- We're one week into the new year and average temperatures for week one seem to be setting new lows everywhere... My college freshman has informed me that the correct terminology for what is supposedly happening is no longer "Global Warming", or even the far more politically flexible "Climate Change", but rather "Global Weirding." Huh?

Sometimes it seems like the world makes little sense anymore – and in the legal industry we've all felt that way for a while. When you look at the industry from the perspective of having grown up in the 70's, 80's, 90's and early 00's, it doesn't make sense. Consider what many people used to consider gospel:

- The only thing you needed to do to succeed was to do good legal work. Do that and there will be plenty of clients who would happily pay your bills.
- The practice of law was an art, and as such each matter was unique. The lawyer's responsibility was to look at and account for all the nuances of whatever problem the client brought them. Turn over every stone.
- The practice of law, being such a bespoke endeavor, was necessarily an individual art. The idea that "management" would somehow direct or worse, remake the practice was both bizarre and inappropriate. "Stick to managing the staff."
- Rates, and compensation, always went up.

Today, of course, we all know that everyone of these and many more are no longer true. That's pretty weird, when you come to think of it. But looking forward we should be on the lookout for more new weird ideas that are already or will become the new normal in the legal industry. Things like:

- Continuing experimentation with blowing up the traditional law firm business model in favor of new, often more virtual, approaches to legal practice. Some of these will succeed and take ever-bigger slices of the traditional market.
- Constant pressure by the clients for firms to do more and more with less and less. This will continue no matter whether the legal economy grows stronger or not.
- An industry that looks ever more like the accounting world of the Big-8 days, with a handful of globally dominant players and a number of niche participants (many very successful), with most of the rest of the firms serving local or regional legal needs. It will be harder and harder to move between different types of firms.
- Increasing influence of engineering and technology applied to the practice, driving a radical morphing of the role of a "partner" in many firms. For many of the most successful lawyers, the source of job satisfaction will need to shift



away from the intellectual challenge of law (it will be too hard to maintain) and in the direction of the challenge of understanding and meeting the needs of the client. (Sounds obvious, but this will rock the world of many traditional lawyers, and not in a comfortable way.)

- Demands by clients to be involved in or perhaps direct law firm succession planning. (What do clients know about what they want, anyway?)
- Traditional law schools going bankrupt, and the legal education model being completely overhauled. (OK, this may take a while given the level of entrenched interests in that world.) What changes will this force on the industry?
- The embedded cultural bias that anyone who does not own a share of their firm by the time they are ten years out of school is a failure, will inevitably die. Most lawyers will be employees for life. This is already imposing significant cultural pain on the industry, and it is only going to get worse.

The legal world has gotten weird, from the point of those currently managing in it. The challenge, of course, is to learn how to continuously adapt in a continuously "weirding" world. Develop something different, embed it and repeat, and don't be afraid to abandon something when it no longer works.

For those of us who find change difficult, we offer a few words of advice: Get over it, as quickly as you can. Change is here to stay, probably forever but definitely for a while. The challenge for leaders will be to drive your firms to adapt, as rapidly as they can. Try new things. Not everything will work but some of it will.

Consider a business resolution for the new year: Identify the top five areas in your firm where a radical change is likely to be beneficial, and resolve to make something new happen in 2014.

Happy New Year!