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#### The curse of premature specialisation

Artigo Maio 2013

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# Levy & Salomão Advogados partner Joca Levy ponders the future of Big Law and asks how young lawyers can develop the necessary skills to be a good lawyer with a long career



The culture of Big Law firms with ultra-specialised young lawyers doing a significant portion of the work seemed to work well for an entire generation in the world's larger law firms, such as those in the US or the UK. However, its negative effects on a firm's credibility and, most importantly, on the education of young lawyers, are now showing.

Consider a sophisticated firm starting up with a solid team of brilliant partners. Clients are willing to pay several hundred dollars per hour for their work. From a business perspective, however, there are only so many hours each of those partners can work and bill. Therefore, the most efficient way to expand and multiply billable hours is to hire

recently graduated lawyers willing to specialise prematurely in repetitive work that requires little supervision. As the firm grows, there are naturally several layers of differently experienced lawyers below the founders, but the logic of having a bunch of rookies doing repetitive work on a large scale remains.

This business strategy worked well for decades. As time passes, however, and firms become increasingly led by lawyers who specialised prematurely and did not have a broader legal education themselves, a firm's ability to be identified by sophistication recedes – and so does its ability to charge high legal fees for repetitive, commoditised work.

Unfortunately for such firms, the 2008 financial crisis accelerated the "de-leveraging" of the workforce, with clients demanding to pay less for commoditised work that can be easily performed by someone else. The rationale is obvious now: if in your clients' perception you are unable to differentiate the quality of what you do from what several other firms do, then the only reason to hire you is a lower price.

Several Big Law firms fell for the charms of large-scale, profitable commoditised work. Many are now forced to cut costs by replacing experienced, expensive lawyers with more prematurely specialised, inexperienced ones. This lowers the quality of work even further, creating an inescapable vicious circle. In their desperation for clients, firms offer lots of money to lawyers with their own books of clients. However, even rainmakers can't perform miracles; their clients with commoditised work are demanding lower fees too.

Such pressures by the clientele are felt in Brazil, but not with the same intensity – at least, not yet. The current local business environment continues to evolve positively, although at a slower pace, and there is still room for inefficiency in many aspects. People have trouble assigning the correct value to non-tradable goods and services, such as legal advice. Moreover, the proliferation of law schools in recent years has flooded the country with inept lawyers, who will work for a minimum wage. Even corporate executives often lack the ability to distinguish between sophisticated and commoditised legal work, as well as between good and poor legal advice. This seems to be the ideal scenario for biglaw firms to prolong the leverage model (low-cost workforce, high hourly rates) that faces exhaustion elsewhere.

Influenced by the demand of Big Law firms, more and more young people enter the legal profession with expectations of instant recognition and money. They begin law school planning to immediately specialise so as to skip the years of study and hard work in all major areas of law that is otherwise required for a complete legal education. However, specialisation without the underlying broad knowledge of law is a waste of time and becomes

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a mere exercise of repetition, with little or no intellectual challenge.

Also, unlike most other professions, the practice of law is vested with special prerogatives, but also with duties that go beyond the mere pursuit of clients' interests. A lawyer has a duty to society and public order. In Brazil, such prerogatives and duties are statutory, not just a matter of tradition, and in many aspects may collide with the business-oriented approach to running a Big Law firm focused on volumes and economies of scale.

In cultures where becoming rich is largely considered the utmost symbol of competence and success (Brazil is no exception in this aspect), being a good lawyer requires maturity and a relative detachment from personal interests. Above all, it requires an extraordinary sense of duty.

A young lawyer should thus consider very carefully that while prematurely specialising looks like a shortcut to a successful career, it is actually a detour towards an intellectually-limited life with less likelihood of developing the skills and maturity it takes to be a good lawyer, and little chance of personal fulfilment and true professional recognition.

The choice between joining a Big Law firm and immediately specialising, or seeking a practice that allows for broader training and exposure to different areas of law (usually with a lower initial pay), is a lawyer's most important professional decision, even more crucial than picking a law school. That decision defines the boundaries of their intellectual development and, in the end, determines the prospects of future professional and personal realisation.

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