

Survival strategy



Legal executives often have the best personal skills with clients and are well placed to take advantage of approaching opportunities, says **Kerry Underwood**

The Legal Services Act 2007 has been enacted but hardly any of it is yet in force. For all lawyers, but more particularly for the public that we serve, it represents a threat to the very existence of a recognisable legal profession.

However, for legal executives the Act also offers an opportunity in the form of legal disciplinary practices. These are likely to be in place from 1 March 2009, whereas alternative business structures, supermarket law in plain English, are unlikely to appear before 2012.

These are crucial dates. There is no enthusiasm for supermarket law in either of the main opposition parties and, notably, Scotland and Northern Ireland will not touch the concept. A regime change before 2012 looks increasingly likely.

Thus legal executives could be in the happy position of becoming partners in law firms at a bargain rate – because solicitors seem to have frozen in the headlights of the Legal Services Act when it comes to partnership – and then see the threat of supermarket law removed. Legal executives will soon be the employers of assistant solicitors who lacked the courage to become partners. Be magnanimous in victory!

Well placed to serve

Even if the threat remains, legal executives are well placed to serve those people who are unlikely ever to go to a big institution for legal advice.

Few people now expect any of the 'magic circle' City law firms to survive in anything like their present form. They will float on the Stock Exchange. The partners will sail off happy and rich into the sunset and good luck to them. By and large the City firms are actually very good indeed.

However, they do not deal with private clients at all and it is those good private clients who value personal service and advice who will want small to medium-sized law firms to guide them through the choppy waters that crop up in life for all of us from time to time, as well as the more routine matters such as conveyancing, wills and so on.

Who will not survive the Act? The City wannabees and the 'national' firms. (By the way, what idiot thought that up? Who would be attracted by a 'national restaurant', a 'national tailor', a 'national writer'? If anyone ever describes Underwoods as a 'national firm', I will sue.)

The expanded magic circle plc firms will crush the City wannabees. 'National' firms doing bought-in commoditised referral fee work will be killed by their very suppliers, who will become ABSs overnight. A case of being strangled by the hand that feeds you, rather than biting the hand that feeds you.

Survival strategy

I believe that high street law firms can not only survive, but thrive. Why?

Primarily because all large institutions are unsuited to dealing with individuals and most are inefficient and badly run. It may be true that many small businesses are also badly run, but you do not survive long if you are small and badly run, whereas if you are Northern Rock and badly run, you get bailed out by the Bank of England.

Big is bad and everyone knows it. Those on the right dislike the 'nanny state' and the size, impersonality and bureaucracy of large state institutions, and they have a point. The NHS likes to boast that it is the biggest employer in Europe and the third largest on earth. It is probably the worst-run organisation on earth, with health and safety standards that would get the rest of us shut down on the spot.

The left dislikes big business for being uncaring, unethical and exploitative. One does not need to look beyond the supermarkets and their treatment of suppliers and third-world workers to see their point.

No one likes big organisations. No one likes being treated as a number. The largest firms of solicitors realise this and that is why they do not do private work. They know that they are not geared up

to do it well and do not want to tarnish their reputation with their commercial clients.

Clients – the public, that is – do not like having a lawyer they have never met any more than they like having a doctor that they have never met. Notice how even Tesco and Sainsbury's are opening locals, metros and expresses faster than you can count. Small is beautiful. Local is good.

Personal skills

Legal executives tend to have the best personal skills with clients. They lack the arrogance that some solicitors have and generally have not been able to shelter or hide behind a barrage of secretaries, PAs and other staff. Indeed, it is often the legal executive who has given that protection.

Two years of practical training for solicitors as trainees is hopelessly inadequate and it shows. I am one of the old four-year brigade. Legal executives do it the hard way and the benefit is obvious to all.

Start talking to the partners now. Succession is a problem in almost every firm. Anyone attending an interview at my firm puts themselves well ahead of the competition by mentioning the P word.

Can I see a legal executive being senior

partner of Underwoods sometime? Yes. Am I happy with that prospect? Yes.

I only need to ask myself the same question with 'barrister' substituted for 'legal executive' to know who will gain and who will lose from the introduction of legal disciplinary partnerships.

Seize the moment.

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