

# The Advent of Management Services for the Indian Legal Industry

“Practicing the law well, is paramount for being a great lawyer, but being a successful law firm depends as much on effective management as it does on effective legal work”, says Bithika Anand, Founder and CEO of Legal League Consulting, India’s first and only consulting firm to offer bespoke management solutions to the legal industry

## CHANGE IN LAW FIRM DYNAMICS OVER THE YEARS

During the 1990’s and early 2000’s, demand for law firms was greater than the supply in the legal market. India’s liberalization brought with it large scale foreign investments, mergers and acquisitions thus in turn providing a boost to the legal industry. With globalization, the markets opened up, corporate work increased, prior to which most firms were primarily focused on their litigation practices. At this time, there was a dearth of specialist corporate lawyers in India and work generation for firms was primarily linked to creating a well-known name and a strong reputation.

During this past decade, there has been a sudden change in the market with a huge increase in supply, by way of breakaways and newly established boutique law firms. This has led to a high level of competition for existing clients as well as a race to attract international clientele.

A decade ago, at most major law firms, founding and senior partners took care



of every aspect of a firm. Partners often rotated these duties, depending on the level of client work and interest, and it was expected that partners would take on an administrative role, regardless of whether or not they were particularly suited to a

specific task. Lawyers are trained to be lawyers and not marketers, human resource managers or IT specialists.

## GROWING FIRMS, GROWING NEEDS

Indian Law Firms are on a fast track

towards growth and are investing in expanding their reach. Changing dynamics are affecting all determinant factors, the marketplace, competitors, clients and technology among others.

Clients are increasingly demanding better and higher value in work and service delivered. As a result, law firms are facing major challenges to better themselves in terms of management. In recent years, substantial changes have been witnessed by global law firms, some of whom have suffered due to mismanagement (like Dewey Leboeuf), while others have gained through effective management.

Keeping this in mind and to respond to client expectations, many large Indian law firms are taking the lead by investing beyond just client servicing and in management professionals, development of non-legal skills, secondments and mentoring programs which all form a part of their overall strategic plan.

#### **FIRMS ARE OPENING UP TO MANAGEMENT SPECIALISTS**

Until a few years ago, good lawyering and legal expertise were more than enough for a lawyer to survive and grow in an Indian firm. Today, the evolution continues as there is a realization right across all tiers of law firms to be efficiently managed.

Following the trend of foreign law firms, large law firms in India are now more open to taking up the assistance of law firm management specialists in an attempt to professionalize staff to handle firm operations and assist partners make strategic decisions about their business. While some of the top law firms were quick to realize the need for professionalization of business support 8-10 years back, many other firms are also realizing the same as being essential to their growth. For law firms really seeking to add value to clients domestically and globally, it takes far more than a few client meetings, foreign trips, lunches and dinners. Clients need confidence in the delivery capacity, capability and managerial efficiency to

propagate preparedness for their mandate and the future.

Growing law firms and an omnipresent thought of liberalization of legal services is forcing Indian law firms to rethink on how they prioritize their practice with the management of their operations, human capital, client and prospects. The key here is to identify those with implementation capabilities to strategize and execute the ideas that may already be on the minds of the firms as well as new ideas.

**“There is a delicate line to tread while introducing change in any organization, Bithika promotes positive change and works to make the changes acceptable”**

**Hemant Sahai  
– Founder and  
Managing Partner of  
HSA Advocates.**

#### **LEGAL LEAGUE CONSULTING**

Legal League Consulting (LLC) provides strategic management services to law firms for growth and long-term survival. As per Bithika Anand "The aim is to develop a relationship of trust with our client by giving them confidence in our abilities as well as towards maintaining confidentiality. It- is because of this approach that we have been able to successfully work with over 100 law firms and legal departments of varying sizes."

When she thought of strategizing her vision for LLC in to a real life project, legal

management was non-existent and untested in India, in fact she is the only Indian with a Postgraduate Diploma in Management of Legal Practice which she obtained from Nottingham Trent University in the UK. In spite of the odds, her experience at Amarchand Mangaldas, SB Billimoria & Co. and KPMG helped her immensely to realize her dream.

Being a part of the legal industry for close to two decades, Bithika realized that law firm management is an extremely niche area to delve into. Very few in the legal industry would deny that major changes in the marketplace have required law firms to re-think their firm management and adopt global best practices to remain competitive. Clients are demanding more "value" from law firms. Focusing only on quality service for the client is no longer sufficient. Lawyers and law firms must also work as efficiently as possible. Many firms-large and small, have turned to Legal League Consulting to assist them in managing non-legal activities at their firm, allowing them to concentrate solely on delivering high-quality legal services by introducing managerial best practices at their firm.

#### **THE ROAD TO SUCCESS**

The journey so far was definitely not a bed of roses for LLC. Setting up a consulting company in the legal industry where a totally new concept was being introduced, called for extreme hard work commitment. The need of the hour was to build a client base for a product that was unknown in the marketplace.



The next step was finding the right people, as consulting is a people oriented industry which demands the right talent and getting hold of appropriate talent for a start-up company is even more difficult. Having been able to attract many young professionals to share her vision and join her in this successful journey, LLC has been able to create an industry for law firm management services.

Within a year of its formation, LLC gained a positive reputation both in India and abroad, which prompted a strategic alliance with EDGE International who have been rated as among the top 3 management consultants to the global legal industry.

Having established its prominence in law firms, LLC today is expanding its consulting services to legal departments, foreign law firms as well as LPOs.

Today, Legal League Consulting is involved in all managerial and strategic aspects of the law firms it serves, from top level strategy, decisions on mergers, acquisitions & alliances (they were the consultants on the Udeshi, Udwardia merger with Argus Partners and more recently assisted in the merger between Rajani Associates and Singhanian & Partners) as well as all aspects of day-to-day management.

## MANAGING YOUR LAW FIRM

Law firm management is about 4 key areas that require maximum attention which are Partnership Structuring inclusive of a career track, Management & Governance, Human Resource Management and Relationship Building (both with clients, prospects and the external environment).

In line with their growth, law firms are moving away from ad-hoc, founding partner driven management methods towards a more professional approach by concentrating on a comprehensive growth strategy (inclusive of marketing & branding, practice planning, practice development, HR management, technology, knowledge management and professionalization of their business support staff comprising of non-lawyers) in order

to help their lawyers concentrate solely on fee-earning and practice development work.

“There are many aspects that affect the growth of any firm, most of them are tackled only when they need attention and on most occasions there is no systematic approach devised for subsequent occurrences. A clear strategy needs to be developed to tackle all aspects that impact growth, without which progression will be slow and in fact, there will always be a chance of regression.” Bithika went on to give examples of concepts that often escape the thoughts of firms such as:

**“Bithika identifies factors affecting the growth of the firm and removes hindrances that would otherwise go unnoticed”**

**R.N. Karanjawala  
– Founder and  
Managing Partner of  
Karanjawala & Co.**

- Partner alignment- including aligning the vision of the founding and managing partner with other partners at the firm, without which it is very difficult for the firm to work together towards its goal.
- Client engagement and retention- which includes mapping your existing and dormant clients, ensuring a positive relationship with clients and thus increasing the scope for referrals and additional assignments.
- Protégé programmes- to effectively groom attorneys for taking on additional

responsibilities both of an execution and managerial nature.

- Partner performance mapping- which is highly essential to identify the top performing and non-performing partners. This also includes strategies for rewarding performing partners and dealing with non-performing partners.
- Succession Planning- which is the single most important aspect that needs the attention of firms where the founding and senior partners are nearing retirement. This is to ensure that there is no leadership vacuum when the firm's current management retires or steps down.
- Account Receivable mapping- which is often overlooked by partners, who concentrate their efforts on generating bills. From the firm's point of view, recoveries are of utmost importance for ensuring cash flows and thus require a streamlined strategy which takes care of both the receivables as well as the client relationship.

Unlike the international legal scenario, law firms in India are not yet completely professionalizing their internal processes and management but are surely realizing the importance of doing so.

Today, managing a law firm is therefore a full time job, where firms are now accepting the need for internal professionals and external consultants such as Legal League Consulting to assist them in running their firms.

Globally, the legal industry is undergoing substantial changes. Mismanagement at some firms has led to their fall while on the other hand efficient management at some firms has had a documented impact on their growth. The challenge lies in identifying the key pressure points and creating a management strategy for the same to ensure that your firm stays ahead of the competition. 