



HR

**FREELANCE PARTNERS:
THE NEXT STAGE IN
FLEXIBLE WORKING**

Firms looking to source senior legal talent without the attendant costs of lateral hires or organic growth will soon be able to do so under a new consultancy model being launched this summer.

Under the new model, lawyers with a proven track record and a steady book of business will be available in a consultancy capacity, but bringing income directly to law firms from the start.

The investment risk to law firms is negligible, as they will not guarantee the new hires any salary or pay fees for their retention, and will only need to cover the cost of temporary office space. Of any income which the new hire generates, 30% will go to the law firm and 70% will be kept by the lawyer.

The brainchild of managing director Mike Jones of consultancy Intrinsic Values, the new model – dubbed IV League – has already proven popular in initial market testing. Jones has placed two lawyers at a top-50 UK law firm and has signed up 11 mid-tier domestic and international firms. He is currently preparing for a formal launch of IV League Talent – which will manage these placements – in September 2010.

However, not all mid-market law firms are keen on the model. “I personally remain sceptical about it because I think that the

ability to satisfy the needs of the client depends on the extensive knowledge, resources and abilities within the firm,” says Michael Shaw, the managing partner of Cobbetts and a *Managing Partner* board member. “So for someone moving from one firm and not having a longevity of relationship with the new firm, that would be missing.”

Penny Newman, the director of people and knowledge at Lewis Silkin, is cautiously optimistic about the prospects for such placements on a project basis. However, she says she would not be interested in the option of calling the new hire ‘partner’, as it would be countercultural for the firm. “We want to encourage very collegiate behaviour and to balance the partners’ abilities in different roles, so to focus on revenue generation alone and to be called partner would be quite difficult for us,” she notes.

Newman is also concerned about behavioural issues for new hires if they are depending entirely on rainmaking for their income. “It might encourage certain behaviours, such as to introduce work which is not profitable or sustainable in the long term and may ultimately be detrimental to the firm,” she says. “They would have to be very carefully managed, and the type of clients which are being introduced would have to be very carefully scrutinised.”

The idea was born from discussions with a lawyer friend who wanted to work independently, but who did not think many of his FTSE-200 clients would follow him if he set up a law firm on his own.

“He had generated enough revenues and profits to meet his targets, but he was fed up with the politics and management at his firm,” comments Jones.

The friend was considering the option of moving into a virtual law firm, which would offer greater flexibility, but would however confine him to using the limited resources available at that firm.

“So I said, what if we move you into an established law firm, where you can work in the same way as at a virtual law firm, but where you act a consultant?” That lawyer has now completed six months at a top-50 firm in that capacity.

Offering flexible working arrangements and the option to work for different leading law firms, other benefits for lawyers who sign up include access to full administrative support, cross-practice expertise and a law firm reputation which can give clients peace of mind.

“It appeals to the strong billers who no longer wish to take on the responsibilities and restrictions that come with a partnership,” notes Jones. “They have reached that stage in their careers where they have a good client following, can guarantee to generate significant turnover from their practice, but want to balance work with external interests.”

Jones is generally optimistic about the prospects for IV League Talent, which is currently oversubscribed by law firms. “I suspect in the early years firms will be quite cautious and take on one to three people under this model,” he says. “But in the longer term, some law firms may look to retaining 50% of their talent under this approach.”