

The Quirks of Evolution

Today's modern law or accounting firm — and there are more of them than we think, and fewer of them than we'd like to think — is still evolving. Change is the result of an evolutionary process — and evolution in a dynamic world is an imperative, and ongoing.

Today's modern firm is sufficiently different from those of the last century as to be almost unrecognizable to the old timers:

1. It tends to be more client oriented.
2. It's informal in internal and external relationships, and appropriately formal when the accounting practices demand it.
3. New concepts of governance are beginning to emerge — even to the point of considering the publicly-held firm.
4. Firms increasingly speak of a concept called *value* — *what is the value to the clients of the knowledge and skills we provide?* — which puts greater pressure on the traditional and somewhat archaic hourly valuation of client service.
5. In many firms, hourly pricing is being replaced with the more substantive value pricing, based on the value of the matter to the client.

The professions face a changing relationship with clients. The era of the somewhat docile client is vanishing, thus affecting the ways in which the professions must function in the marketplace. At the same time, the professions are experiencing commoditization of traditional services, which, in today's electronic environment, readily facilitates outsourcing to highly qualified providers in such countries as India, the Philippines and even China.

To have dreamed of outsourcing legal or accounting processes to a foreign country would have been a source of great hilarity only a decade or so ago. Such can be the quirks of evolution.

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