



INSIGHT:

Big Law's Future in a Borderless World



BY BILL VOGUE '83

“Firms must change how they do business to serve the needs of global clients.”

For the recent financing of a gas project in Russia, Latham & Watkins represented a joint venture for Russian, French, and Chinese partners. Our attorneys communicated with clients in their native tongues, discussing agreements governed by laws from five nations. Latham's team included attorneys with passports from seven countries, and the meetings took place in Moscow, London, Beijing, Paris, and Washington, D.C.

This is the future, and it's happening now.

When I joined Latham in 1983, it was one of the bigger U.S. law firms, with 165 lawyers. Back then, large U.S. firms served primarily domestic clients, and occasionally global clients with U.S. legal needs. For complicated transactions involving laws of multiple countries, clients typically engaged several firms in different countries—and moments of chaos often ensued.

In the late '80s and early '90s, the main strategic discussion among large U.S. firms was whether to expand outside the country. Clients were becoming global and asking their firms to do the same. In the late '90s, when Latham pursued a strategy to become a top “global law firm,” 95 percent of our lawyers were in the United States. Today, we have 31 offices in 14 countries.

Over the years, I've seen transformational industry changes due to globalization, clients' changing requirements, and technological advances. Some pundits have predicted the demise of Big Law—common vernacular for large, global law firms—saying it's not nimble enough to keep up with clients' changing needs.

A study of large law firm failures over the

last 20 years reveals that most fail for one of two reasons: poor management or poor strategic planning. It's difficult to find a firm that failed simply due to being large. For Big Law, keeping pace with today's changing priorities is the path to tomorrow's success:

MAINTAINING A COLLABORATIVE CULTURE: As businesses continue to globalize, they increasingly need law firms that can handle complex matters unfolding at breakneck speed—and involving multiple practice specialties.

Today's global firm must operate 24/7. More important than having attorneys in all key jurisdictions is a culture that promotes collaboration and incentives—and ensures that the right teams of talent can be assembled quickly and work together seamlessly.

BUILDING DIVERSITY: When I joined Latham, we had only 16 women attorneys and few members of our team were minorities. The first language of nearly every attorney was English. Today, we have more than 2,000 attorneys spanning 54 nationalities and fluent in 47 languages.

HARNESSING TECHNOLOGY: How firms harness technology to enhance culture, communication, and collaboration is increasingly vital to delivering client value. Moreover, technology can help combat cybersecurity threats, manage enterprise risk, support project management, and enforce fiscal discipline.

Firms must change how they do business to serve the needs of global clients. In 2014, each of our 10 largest clients, on average, used Latham lawyers in 24 offices and 12 countries.

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